

CONTACT

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THE AUSTRALIAN NATIONAL UNIVERSITY



ANNUAL REPORT 2010



Australian
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ANNUAL REPORT 2010

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Transfiguration screw ix 2009
Stainless steel



Friday 25 March 2011

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Senator the Hon Christopher Evans
Minister for Tertiary Education, Skills, Jobs and Workplace
Relations
Parliament House
CANBERRA ACT 2600

Dear Senator Evans,

Report of the Council for the period 1 January 2010 to 31 December 2010

We have the honour to transmit the report of the Council of The Australian National University for the period 1 January 2010 to 31 December 2010 furnished in compliance with Section 9 of the *Commonwealth Authorities and Companies Act 1997*.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Gareth Evans".

GARETH EVANS AO QC
Chancellor

A handwritten signature in black ink, appearing to read "I. R. Young".

IAN YOUNG
Vice-Chancellor



ANU in 2010



An introduction from the Vice-Chancellor



ANU is a leading Australian university, different from the others as ‘discovery’ pervades everything we do – academic effort is focused and research drives teaching.

Vice-Chancellor Professor Ian Chubb AC

The Australian National University (ANU) is a leading Australian university, different from the others as ‘discovery’ pervades everything we do – academic effort is focused and research drives teaching. Our relatively small number of students (albeit with a high proportion of graduate students and the highest proportion of PhD students) are educated and trained within an intense research culture second to none. ANU research, undertaken in fields of knowledge of general importance, and of particular importance to Australia, is characterised by its focus, concentration and quality, characteristics confirmed by the findings of the 2010 *Excellence in Research Australia* report. In summary, our mission is to deliver internationally benchmarked, high-quality research and education for the benefit of Australia.

In 2010, we enhanced our mission as Australia’s national university and entered a new partnership era with the Australian Government. The 2010 Commonwealth Budget announced funding for the establishment of a range of public policy initiatives at ANU that aim to break down the barriers between academic experts and policy practitioners. Funding agreements were completed for the establishment of the Australian National Institute for Public Policy, the HC Coombs Policy Forum, the National Security College, and the Australian Centre on China in the World – entities that are already working successfully to provide public servants and other public sector officials with new and exciting opportunities to draw on the benefits of ANU research and education.

We also enhanced our national mission through the ANU National Alliances initiative. We have increased collaboration in undergraduate and graduate teaching with a range of Australian universities that are both very different from, and complementary to, ANU.

In 2010, we added to our productive partnership with the University of South Australia and signed memoranda of understanding (MoU) with Charles Darwin University, University of Southern Queensland, University of Canberra, University of Newcastle, and James Cook University.

The alliances initiative also includes programs designed to increase the higher education readiness of students from low socioeconomic status (SES) backgrounds; increase the access and success of Indigenous students; preserve educational access to low-demand disciplines in regional and rural Australia; and enhance the quality of discipline-based teacher training and in-service education.

Our international collaborations were similarly extended in new directions in 2010. The ANU School of Music developed a partnership with the Manhattan School of Music in New York to deliver online videoconference tuition and outreach. In our bilateral arrangement with Indiana University in the USA, we delivered shared language tuition in Indonesian and Mongolian through our joint Pan Asia Institute. We developed our strategic relationship with Fudan University in China, focusing on international relations and regional security, and linked our world-recognised astronomy activities at Mount Stromlo with the Smithsonian National Air and Space Museum.

Our strong and growing global networks are enabled in part by the financially robust nature of the institution. In 2010, our total income on a consolidated basis, topped the \$1 billion mark and our total assets were valued at over \$2.7 billion. I remember it being a different story when I arrived at ANU in 2001. Over the past decade, the University has undergone significant financial and structural change – some of it hard and challenging but all of it necessary. As this is my last ANU annual report – having decided in 2010 to step down from the position of ANU Vice-Chancellor – it is fitting that I pay tribute to all of the staff, students, alumni and the many external parties who have helped me in my role as Vice-Chancellor, and helped the University to achieve its rightful place as a world-leading strategic endowment for our nation. Without their dedication and support, ANU could not be the special place it is today. I am very grateful to all of them.

I wish my successor – Professor Ian Young, a distinguished scholar and academic leader – every success in the role and as much enjoyment and satisfaction as I gained from holding the position. It was a real privilege.



Ian Chubb AC
Vice-Chancellor and President

2010 snapshot



TABLE 1: ANU COLLEGE/AREA ACTIVITY FOR 2010

ANU COLLEGE/AREA	FTE ¹			EFTSL ²					
	TOTAL STAFF	ACADEMIC STAFF	GENERAL STAFF	TOTAL STUDENT	HIGHER DEGREE RESEARCH	HIGHER DEGREE COURSEWORK	OTHER GRADUATE	UNDERGRADUATE	NON-AWARD & ENABLING
ANU College of Arts and Social Sciences	437	280	157	3,214	449	176	55	2,521	13
ANU College of Asia and the Pacific	339	187	153	1,436	292	462	167	454	62
ANU College of Business and Economics	208	151	57	3,191	127	750	48	2,186	81
ANU College of Engineering and Computer Science	150	81	70	1,009	168	154	1	687	1
ANU College of Law	121	73	48	1,554	34	222	558	725	15
ANU College of Medicine, Biology and Environment	758	369	390	2,041	495	94	30	1,417	5
ANU College of Physical and Mathematical Sciences	597	340	258	997	349	26	2	619	2
ANU Joint Colleges of Science	99	9	90	93	16	7	17	53	0
Non-college areas	972	18	954	37	9	2	0	26	0
TOTAL	3,681	1,506	2,175	13,573	1,938	1,893	876	8,688	179

1 Staff data based on DEEWR 31 March 2010 submissions

2 The 2010 student data are provisional

Note: All numbers have been rounded and total numbers may vary due to rounding.

Annual results and sources of income

The University's Operating Result, on a consolidated basis, as disclosed in the Annual Financial Statements is a surplus of \$142 million in 2010. This compares favourably with the reported surplus of \$69 million in 2009. The result was improved by the receipt of capital grants totalling \$104 million (up from \$27 million in 2009) and increased income from full fee paying international students of \$16 million.

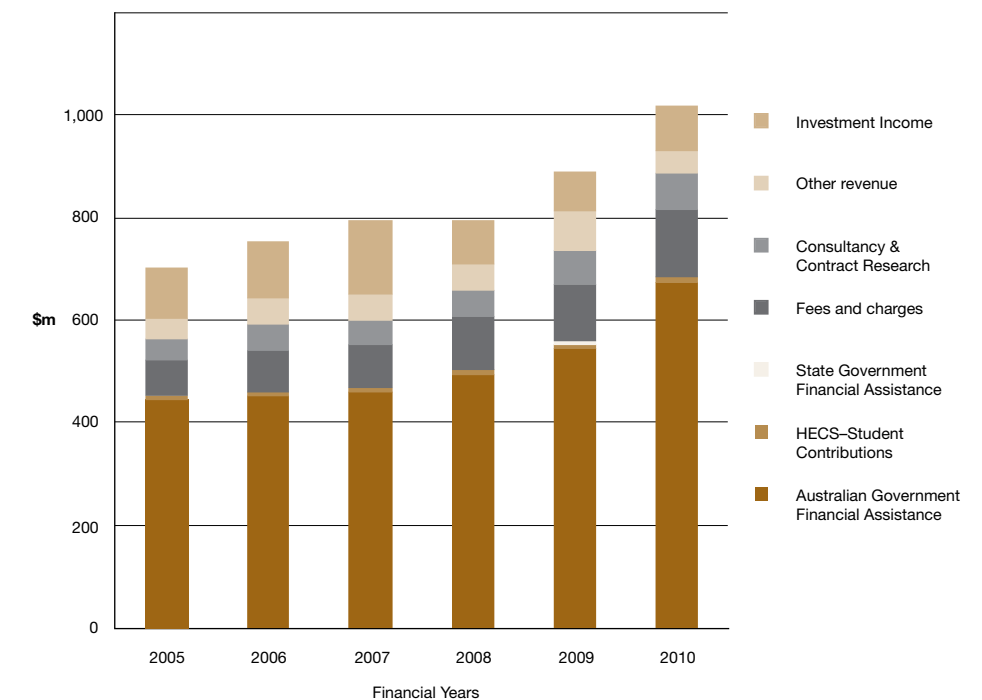
The University's consolidated net assets stand at a substantial \$1.853 billion with financial assets totalling \$1.202 billion.

The University's total income on a consolidated basis has increased to \$1.020 billion from \$890 million in 2009.

The 2010 result has been bolstered by the capital grants received during the year.

Figure 1 shows the distribution of, and changes to, sources of the University's income.

FIGURE 1: THE AUSTRALIAN NATIONAL UNIVERSITY – ANALYSIS OF REVENUES





The major themes of the Vice-Chancellor's leadership of ANU

Professor Ian Chubb AC, the University's longest serving Vice-Chancellor, took up duty in January 2001. He was charged with reforming ANU so that it would be able to meet the evident challenges of the 21st century. In his 10 years in office, Professor Chubb led the most radical changes since the incorporation of the Canberra University College into ANU in 1960.

The Vice-Chancellor inherited a university with a strong research reputation and record. Yet ANU was also characterised by poor interaction between the Institute of Advanced Studies (IAS) and the Faculties, and an administration that was, in some key parts, not fully in support of the academic endeavour. The University's research strengths were not aligned with its educational programs, resulting in a lack of academic coherence. Planning was too heavily focused on local-area futures and disconnected from the institution's strategic ambitions.

To meet these challenges, the Vice-Chancellor set the University the task of performing and providing:

- > research at the highest standards of excellence
- > educational programs informed by current research and active researchers
- > graduates with capabilities for global participation
- > scholarly outcomes that advance Australia
- > service of value to national and international communities.

The importance of people

At a very early stage, the Vice-Chancellor made it clear that the University's greatest asset was its people. This view is best summarised in his introduction to the strategic plan *ANU by 2010*, where he quoted the words of the Hon J J Dedman MP, (Minister for Post-War Reconstruction, second reading speech, ANU Bill 1946).

"The reputation of a university depends not on the number of its students or the splendour of its buildings, but on the quality of its members and the nature of its contribution to learning." Professor Chubb concluded with the words: "An ANU that remembers and respects its people is an ANU that can achieve almost anything."

The importance of people in realising the goals of *ANU by 2010* can be seen in the Vice-Chancellor's introduction, in which he wrote: "This is indeed a different type of plan. It is about people, values and aspirations. It is written to influence all that we do." The values underpinning the plan were dependent on people acting in a values-based manner, expressed as:

- > **integrity** in all our activities
- > **respect** in personal and professional relationships
- > encouraging staff and students to work together in the interests of **collegiality**
- > **commitment** to enable staff and students to develop their talents and building a continuing relationship with our alumni
- > a collective and individual **pride** in the University's achievements within a culture of continuing evaluation of performance and improvement
- > acceptance of a **responsibility** to lead
- > commitment to **academic freedom** in the pursuit of knowledge
- > **engagement** with the scholarly world, business, government and the public
- > **service** of value to the community, the nation and the world.

The decade saw positive interactions between University management and staff. Enterprise Bargaining Agreements have been negotiated harmoniously with the outcomes being satisfactory to staff and sustainable for the University.

In 2003, new awards were established to recognise the achievements, contributions and creativity of ANU staff. The staff awards comprise Vice-Chancellor's awards, Chancellor's awards and the Peter Baume Award, in addition to long service and the Vice-Chancellor's teaching awards.

In 2001, the University was under-enrolled in undergraduate students, significantly underweight in PhD students and had poor coordination for its graduate coursework activities. One purpose of the reform of ANU was to increase student numbers by providing an attractive educational and living environment.

Over the past decade, the University has completely overhauled its educational programs. They are now informed by current research and active researchers. As the Vice-Chancellor noted in his introduction to the *ANU Annual Report 2008*: "Our research concentration leads to a unique environment within an Australian university. Our academic profile is not driven by what, in the end, are 'profitable' student study choices and patterns – our profile is driven by what are important issues, topics and disciplines on which to conduct research – strategically and for the long-term as necessary. This form of 'learning' feeds our educational programs; our students are educated in a unique research-intensive environment by researchers amongst the world's leaders in their fields."

At the same time, the University has expanded its targeted and relevant graduate coursework offerings, improved the teaching and supervisory skills of its staff, improved support services for students, and increased attractive on-campus accommodation options for students. In 2006, the Vice-Chancellor increased the number of PhD scholarships, injecting some \$5.4 million over three years to grow higher degree by research (HDR) numbers. Over the decade of the Vice-Chancellor's tenure, international student numbers have increased by 120 per cent for HDR students and by 288 per cent for undergraduate students. Graduate coursework students have increased by 151 per cent, the growth being 50-50 from domestic and international students.

The learning outcomes over the decade for students have been positive and indicate that ANU is seen as an attractive and prestigious place to study, providing a high-quality, research-intensive educational environment. This was validated during the three years of the operation of the Australian Government's Learning and Teaching Performance Fund, including its final year of 2007 when ANU placed in the top band for teaching excellence across its entire teaching profile and was one of only three universities to be placed in the top band 'A1' for all areas in which it taught.

The steps towards "one University"

In 2001, the Vice-Chancellor established 12 disciplinary-based virtual National Institutes. The institutes did not change existing academic and administrative structures but were designed to enhance cross-campus collaborations in research and education and demonstrate to national and international audiences the richness of the University's academic resources. As a second development, two academic divisions were established in 2003: Science, Engineering and Health; and Social Sciences and Arts. The structural reforms were to achieve better co-ordinated planning towards the University's strategic goals, more effective use of resources and a University-wide focus amongst staff.

This evolutionary change process led to significant structural adjustment across the whole institution. The major step towards the goal of 'one University' was the establishment in January 2006 of the present college structure. Following from the 2004 Quality Review, the Vice-Chancellor led a comprehensive review of the University's operations. The resulting Operational Improvements Plan centred on the establishment of seven ANU colleges, each comprising of relevant elements of the Faculties and the Institute of Advanced Studies and under a single college head. At the same time, further significant authorities were devolved to colleges. Initially, colleges were required to develop their strategic directions based on the disciplinary strengths of ANU and consistent with the strategic directions of the University. With the maturing of the structure, ANU colleges are expected to meet academic and financial targets and monitor their performance and resources within disciplinary, college and University strategic contexts. The college structure has realised the Vice-Chancellor's vision of ANU as a research-intensive education institute.

International and national roles

The 2004 Quality Review recommended "further engagement with national and international communities." While individual members of ANU had very high national and international profiles, the lack of meaningful university-level links was evident in 2001.

The exemplar of the Vice-Chancellor's approach was his leadership role in the formation of the International Alliance of Research Universities (IARU) in 2005. ANU, together with the National University of Singapore, led the formation of IARU, an alliance of 10 of the world's best universities that share similar values, a similar vision and a commitment to educating future world leaders. The members are: The Australian National University; ETH Zurich; National University of Singapore; Peking University; University of California, Berkeley; University of Cambridge; University of Copenhagen; University of Oxford; University of Tokyo; Yale University. IARU committed partners to encourage and support the following activities: major research programs that are global in scope; summer internships; key conferences where participation/contribution from alliance academics; undergraduate and graduate student exchanges; development of joint/dual degree arrangements; arrangements at each university to support faculty exchange.

Relations with government and the community

The Vice-Chancellor has led a very successful effort to engage positively with the Commonwealth Government, with notable success in recent years. Of particular note and importance for the University is a MoU for a renewed strategic relationship between the Commonwealth of Australia and ANU, signed on 8 May 2010. The MoU recognises that ANU holds a special place as a strategic endowment for our nation and recognises the unique place of ANU in the national education system.

The Vice-Chancellor has been mindful of the obligation ANU has to the local community. In an innovative and constructive move, the University negotiated the City West Precinct agreement with the ACT Government in 2005. It gave the University development rights over the land bordering the campus in the City West precinct between central Canberra

and the main ANU campus. The development is designed in part to bring the total number of ANU students residing in the City West precinct to 1,200, breathing life back into a little-used area of the city. It will also bring the total number of beds available on campus to 3,700.

It is notable that the Vice-Chancellor was named ACT Australian of the Year for 2011. The Chief Minister, Jon Stanhope, stated in his media release: "Professor Chubb has been providing outstanding service to tertiary education in Australia, and internationally, for over three decades. Professor Chubb is credited with making The Australian National University one of the world's top universities. As a result, the Territory is breeding talent and innovation, and gaining respect of the highest regard, at a local, national and international level."

Infrastructure

During the term of the Vice-Chancellor, the University has undertaken a major program of capital works for the qualitative and quantitative expansion of the University's building stock, including on-campus student accommodation and disciplinary collocations as an aid to promoting academic coherence.

To fund an expanded building program, the University used a funding mix of substantial Commonwealth capital and one-off grants, ACT government grants as well as funding from a bond issue, bank loans and Build Own Operate Transfer schemes with private operators.

Finance

In 2001, revenues on a consolidated basis, from all sources amounted to \$513 million. For 2010, this figure is \$1,020 million, with another \$150 million committed by government not yet received. ANU has maintained its Standard & Poor's long term credit rating of AA+. This rating is supported by the University's continued reputation for high academic standards and strong student demand for strategically important course offerings, together with an extensive and high-quality research program, significant funding from the Australian Government and a strong balance sheet. The announcement of the Commonwealth/ANU Strategic Relationship in the 2010 Budget has reinvigorated the role of the University as a point of reference for government in the research and formulation of policy. The closer scholastic ties with government are considered to be a significant building block for the future financial sustainability of the University.

Education

ANU offers a distinctive research-led educational experience to both undergraduate and graduate students.

In 2010, the University launched initiatives to enrich the student experience, both inside and outside the classroom. Measures were taken to improve the way in which the University monitors the quality of, and responds to feedback on, educational programs.

Educational quality and standards

In 2010, there were several initiatives to enhance the quality of educational offerings and delivery across the University.

Student Evaluation of Learning and Teaching

ANU implemented a new system for Student Evaluation of Learning and Teaching (SELT). The new system comprises two questionnaires:

- > Student Evaluation of Teaching, to provide feedback to teachers to assist with their professional development
- > Student Evaluation of Learning Support, to assure the quality of the learning experience, with the data from this survey being available to both students and staff.

Complementing the SELT, a new policy on Student Feedback on Teaching and Learning was finalised. Under this policy, ANU Colleges are required to respond to student feedback and to inform students, staff and the University Education Committee (UEC) of the outcomes and impact of feedback.

Educational Quality and Standards Subcommittee

The UEC established the Educational Quality and Standards Subcommittee to consider University-wide issues relating to educational quality, and to provide recommendations and advice to the UEC and ANU Colleges regarding the setting, measuring, evaluation and improvement of educational quality and standards.

A key focus of the subcommittee in 2010 has been the development and implementation of policies and procedures for using external assessors in benchmarking ANU programs and courses against national and international comparators. For example, ANU Colleges have invited visiting scholars to undertake assessment of courses and programs within their area of expertise and for which they do not have a conflict of interest, ie where they are not involved in the development or delivery of the course or program.

External educational quality benchmarking projects

As Australian universities consider how educational quality can best be measured and assessed, a number of pilot projects involving groups of universities have been run. ANU has participated in two such projects, both under the auspices of the Australian Learning and Teaching Council (ALTC). The first was the Teaching Standards Framework project, managed by Macquarie University, which looked at a number of policy and procedural indicators associated with quality teaching and learning. The second is a project being run by the Group of Eight Universities (Go8) focusing on evaluating the use of external examiners and reviewers. This project is expected to be continued during 2011.

New learning management system

In 2010, ANU completed implementation of a digital teaching and learning platform incorporating a learning management system and a range of integrated web-based technologies. The platform, called WATTLE (Web Access To Teaching and Learning Environment), enables students, lecturers and tutors to develop and access learning materials and experiences, to set, submit and receive assessment tasks and to communicate and interact in a variety of virtual environments. WATTLE provides a common point of access to teaching and learning technologies for students and staff across the University increasing the flexibility of teaching and learning at ANU.

National Alliances strategy

During 2010, ANU further developed and pursued a strategy of partnering with a small number of complementary universities strategically positioned across the sector. Through this National Alliances strategy, ANU will contribute to leadership in the sector, playing a role commensurate with its national mission. The principles underlying the National Alliances strategy are based on complementarities that ensure greater richness of educational opportunities for Australian students, and enhance the quality of research and research training in Australia.

Underlying the development of ANU National Alliances strategy has been four key intentions:

- > create pathways of opportunity for regional, rural, remote, Indigenous and low SES students
- > provide extended access to ANU educational programs and increased student load without increasing ANU on-campus student numbers
- > create opportunities to enhance the University's educational repertoire and range
- > build and extend research capabilities at alliance institutions and at ANU.

ANU now has MoU on joint and/or cooperative research and education ventures with:

- > University of South Australia
- > University of Southern Queensland
- > Charles Darwin University
- > University of Canberra
- > University of Newcastle
- > James Cook University

Higher degree by research numbers and thesis quality

ANU embraces HDR training as central to driving future research trends, and ensuring the University plays a key role in the development of the next generation of researchers. The aim over the coming years, based on our present academic staff numbers, is to increase the number of HDR students. We are on target to reach this goal.

The quality of HDR training is measured through a thesis assessment process, originally developed by the Australian Research Council (ARC), which rates theses according to a set of merit criteria. All examiners of ANU HDR theses are asked to rate the thesis under examination according to these criteria. Results in 2009 (latest year available) indicated that 20 per cent of ANU theses were judged to be exceptional and 37 per cent were judged to be excellent – substantially above the world averages of 5 per cent and 20 per cent respectively.

UniLead program

In late November, a dozen high-performing PhD students from five of the IARU universities came to ANU to participate in UniLead 2010 – an intensive university leadership workshop. Many of the participants chose to stay on for up to an additional two weeks to work with ANU academics with expertise in the students' own research fields. The program built on the success of a workshop held at the University of Copenhagen earlier in the year. Plans are underway for another program to be held in Copenhagen in late 2011.

Pilot of non-residential hall

In 2010, ANU ran a pilot of a 'non-residential' hall, designed to enable students living off-campus to enjoy some of the benefits that had previously been limited to students living in University accommodation. Named Griffin Hall, the new student facility offers academic assistance programs, sports and arts events, social activities, assistance to access pastoral support services, as well as opportunities for personal and professional development.

Student interest in Griffin Hall has been strong, with good attendance at activities. Following the success of the pilot, the initiative will be continued and developed in 2011.

Student development committee

A Student Development Committee was established in 2010 to oversee all aspects of ANU student experience and, in particular, to identify how the student experience can be improved. The Committee's initial focus has been on the first-year student experience. It has encouraged domestic and international students to mix both socially and academically, and contributed to the establishment of the non-residential hall, Griffin Hall.

ANU Festival of Teaching

The Festival of Teaching provides a professional enrichment activity for staff and highlights teaching excellence at ANU.

For 2010, the Festival of Teaching took the form of a series of events spread throughout the year. Invitees included: Professor Sally Kift (Queensland University of Technology) who conducted activities around the theme of the first-year experience; Dr Kerry Howells (University of Tasmania) who spoke on the theme of the gratitude of learning; and Associate Professor Mahfuz Aziz (University of South Australia), recipient of the 2009 Prime Minister's Award for Australian University Teaching, who presented a paper, 'Beyond teaching and learning: a practitioner's reflections'. There were also activities relating to technology and enhanced learning, undertaken jointly with the University of Southern Queensland.

ANU home to Australia's best lecturer

In November 2010 ANU lecturer, Dr John Minns, was awarded higher education teaching's highest honour – the 2010 Prime Minister's Award for Australian University Teaching, one of the Australian Learning and Teaching Council's (ALTC) national awards.

Dr Minns is a Senior Lecturer in Politics and International Relations and Director of the Australian National Centre for Latin American Studies (ANCLAS) within the ANU College of Arts and Social Sciences.

The prestigious award is worth \$50,000 and was presented to Dr Minns by the Minister for Tertiary Education, Skills, Jobs and Workplace Relations, Senator the Hon Chris Evans. The ALTC said Dr Minns' use of interactive activities and innovative ways of challenging students to solve contemporary problems made him stand out.

Dr Minns, a former Fulbright Scholar, has been with ANU since 2003. He won the ANU Students' Association Award for teaching in 2008, the ALTC Citation for Teaching in 2009 and the ALTC Award for Excellence in Teaching in 2010.



*Dr John Minns.
Photo by Stuart Hay, ANU Photography*

EDUCATION FACTS AND FIGURES

TABLE 2: UNDERGRADUATE CGS LOAD AGAINST GOVERNMENT TARGETS FOR 2005 TO 2010

	2005	2006	2007	2008	2009	2010 ¹
Actual load	6,200	6,019	6,220	6,454	6,508	6,714
DEEWR Target	6,117	6,193	6,263	6,212	6,291	6,331
Over(under)-enrolment	1.4%	-2.8%	-0.7%	3.9%	3.5%	6.1%

¹ Based on provisional data

TABLE 3: MEDIAN ENTRY ATAR SCORES FOR 2005 TO 2010

	2005	2006	2007	2008	2009	2010
Median Entry ATAR ¹ Score	93.73	93.73	91.58	91.95	93.30	93.20

¹ UAls prior to 2010 have been converted to ATARs for comparison

TABLE 4: STUDENT NUMBERS FOR 2010

DOMESTIC/ INTERNATIONAL	HOME LOCATION	GRADUATE	UNDER- GRADUATE	TOTAL
Domestic	ACT and Queanbeyan	2,846	4,920	7,766
	New South Wales	795	2,017	2,812
	Victoria	362	469	831
	Queensland	211	154	365
	Western Australia	87	71	158
	South Australia	89	44	133
	Northern Territory	59	33	92
	Tasmania	28	50	78
	Overseas	162	124	286
	Unknown	1		1
Domestic Total		4,640	7,882	12,522
International	North-East Asia	822	1,098	1,920
	South-East Asia	462	770	1,232
	Southern and Central Asia	333	122	455
	Americas	139	50	189
	North-West Europe	94	39	133
	North Africa and The Middle East	78	18	96
	Oceania and Antarctica	49	14	63
	Sub-Saharan Africa	36	20	56
	Southern and Eastern Europe	31	14	45
	Unknown	5	3	8
International Total		2,049	2,148	4,197
TOTAL		6,689	10,030	16,719

Notes: Based on provisional enrolment data as at 18 October 2010. Data covers the January-June period. Students who are New Zealand citizens are classified as domestic students.

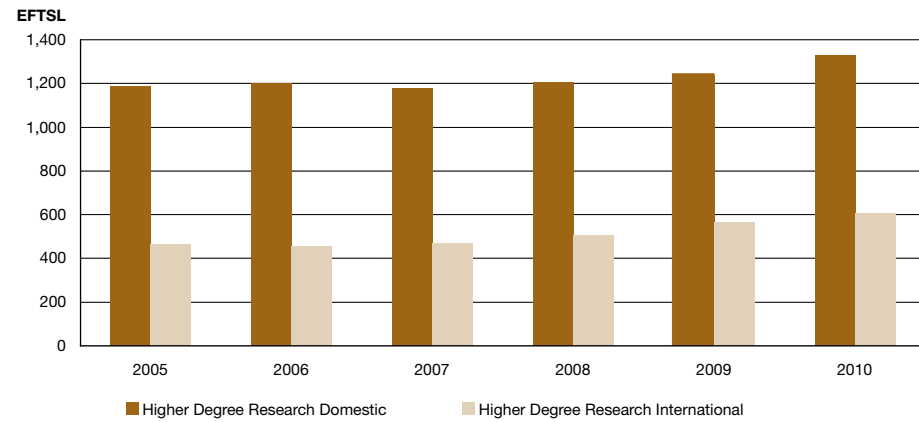
TABLE 5: EFTSL BY PROGRAM CAREER FOR 2005 TO 2010¹

PROGRAM CAREER	DOMESTIC/ INTERNATIONAL	2005	2006	2007	2008	2009	2010
Higher Degree Research	Domestic	1,188	1,197	1,181	1,204	1,231	1,331
	International	465	458	470	504	564	607
Higher Degree Research Total		1,654	1,655	1,651	1,709	1,796	1,938
Coursework ²	Domestic	7,196	7,045	7,384	7,864	8,051	8,208
	International	2,025	2,158	2,277	2,542	2,974	3,428
Coursework Total		9,220	9,203	9,661	10,406	11,026	11,636
TOTAL		10,874	10,858	11,312	12,115	12,821	13,573

¹ Data for 2010 are provisional

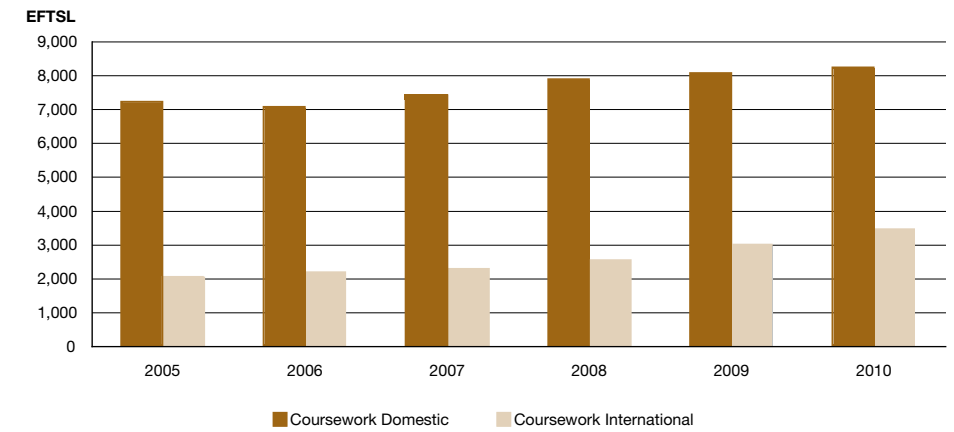
Note: All numbers have been rounded and total numbers may vary due to rounding.

FIGURE 2: HIGHER DEGREE RESEARCH DOMESTIC/INTERNATIONAL EFTSL¹



¹ Data for 2010 are provisional

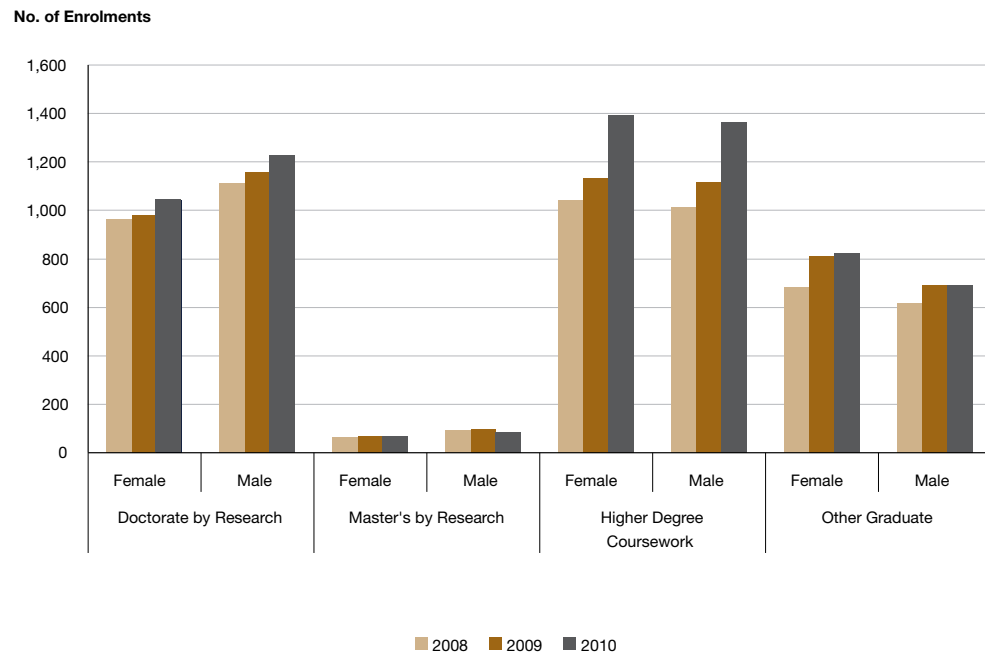
FIGURE 3: COURSEWORK² DOMESTIC/INTERNATIONAL EFTSL¹



¹ Data for 2010 are provisional

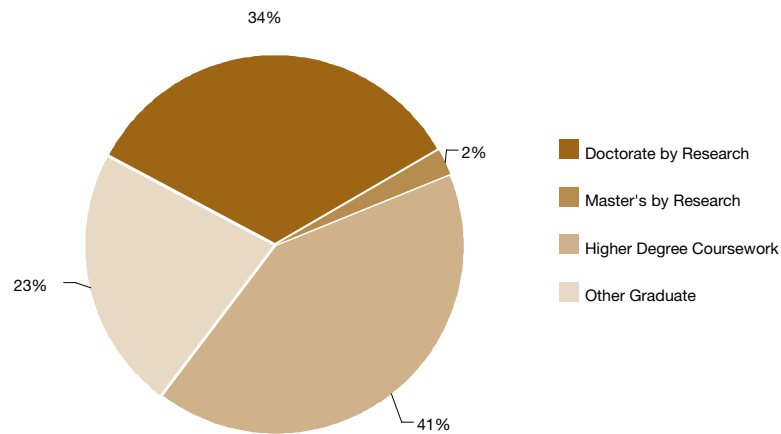
² Coursework data include: graduate coursework, undergraduate and non-award

FIGURE 4: HIGHER DEGREE AND GRADUATE STUDENT ENROLMENTS¹



¹ The 2010 data are provisional and are based on the Jan-Jul period as at 18 October 2010

FIGURE 5: HIGHER DEGREE AND GRADUATE STUDENT ENROLMENTS FOR 2010¹



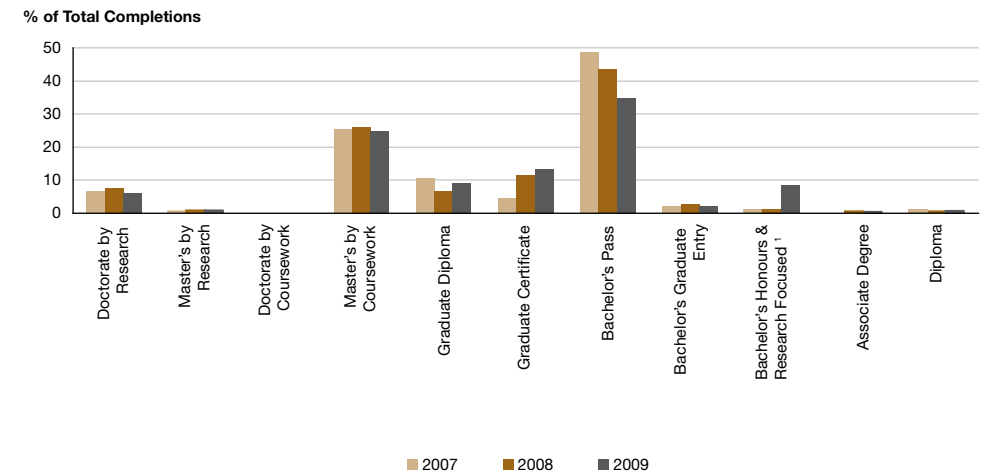
¹ The 2010 data are provisional and are based on the Jan-Jul period as at 18 October 2010

TABLE 6: COMPLETIONS BY PROGRAM TYPE FOR 2007 TO 2009

PROGRAM TYPE	2007	2008	2009
GRADUATE			
PERCENTAGE OF TOTAL GRADUATE COMPLETIONS			
Higher Degree Research			
Doctorate by Research	14.1	14.4	11.4
Master's by Research	0.7	1.1	1.2
Graduate Coursework			
Doctorate by Coursework	0.1	0.0	0.1
Master's by Coursework	53.4	50.0	45.8
Graduate Diploma	22.0	21.8	24.7
Graduate Certificate	9.7	12.7	16.8
UNDERGRADUATE			
PERCENTAGE OF TOTAL UNDERGRADUATE COMPLETIONS			
Bachelor's Degrees			
Bachelor's Pass	93.2	91.4	76.0
Bachelor's Graduate Entry	4.1	6.0	4.4
Bachelor's Honours & Research Focused (PhB) ¹	1.3	1.4	18.2
Other Undergraduate			
Associate Degree	0.0	0.6	0.5
Diploma	1.2	0.6	0.9

¹ Due to a change in coding practice, undergraduate completions in honours in 2009 were recorded separately to pass completions and included with research focused PhB completions

FIGURE 6: COMPLETIONS BY PROGRAM TYPE



¹ Due to a change in coding practice, undergraduate completions in honours in 2009 were recorded separately to pass completions and included with research focused PhB completions



Research

ANU seeks to advance Australia's intellectual and creative capacity through broad-based research and research-led education. During 2010, ANU strengthened its national and international standing with advances in research, commercialisation and industrial collaboration. The concentration of research talent is shown by ANU researchers receiving four of the 15 prestigious Australian Laureate Fellowships.

Findings by ANU researchers are frequently adopted by others both nationally and globally. In 2010, tools developed at ANU to study the implications of online networks have been taken up by numerous groups internationally and applied to the complex world of social media and governance.

ANU research into 'the nature of things' continues to seek answers to the big questions facing Australia and the world. In some cases, commercial application proved an effective way to transfer the outcomes of this research and contribute to economic development. In 2010, ANU embarked on several new collaborative research partnerships and consulting projects, working with industry, government and the not-for-profit sector.

Leadership in research excellence

Some highlights of ANU research excellence in 2010 were: ANU received four of the 15 prestigious ARC Australian Laureate Fellowships; 25 ANU researchers secured ARC Future Fellowships which represents a success rate of 35.7 per cent for ANU versus 26.4 per cent for the sector; and research by Dr Kylie Catchpole into light-trapping solar cells was identified as one of the 10 most important emerging technologies across the globe in 2010 by the Massachusetts Institute of Technology's Technology Review.

ANU 2010 Laureate Fellows were anthropologist Professor Margaret Jolly, mathematician Professor Amnon Neeman, specialist in human rights law Professor Hilary Charlesworth, and evolutionary biologist Professor Hanna Kokko. These four outstanding researchers are at the forefront of international expertise. The awards will allow them to pursue work in areas of national importance. Their topics of research include studying the role of Christianity and the rise of individualism in our region; deepening our understanding of homological algebra, with applications from physics to coding of information for computer transmission; studying better ways to promote compliance with the international human rights system; and building a theory of the speed and direction of evolution, attempting to explain why populations adapt or fail to adapt to novel conditions.

First international conference on translational medicine

In November 2010, The John Curtin School of Medical Research (JCSMR) hosted the first international conference on translational medicine, an area of growing importance for research and teaching. Leading researchers from across Australia, Germany, the USA, UK, China and Singapore came together at ANU to develop specific approaches to incorporating medical research with non-health related areas such as law and philosophy. The work of the JCSMR Translational Medicine Group and the conference illustrate the University's leadership role in introducing new and important areas of research into Australia.

Professor Julio Licinio, Director of JCSMR, headed the establishment of the German-Australian Institute for Translational Medicine with the University of Dresden in November 2010. The focus of the institute's research will be the early identification of 'bio-markers' to aid in the fight against hypertension, diabetes, depression and dementia. Key areas of investigation for Professor Licinio's group include translational approaches to informing public health impacts of antidepressant-induced obesity.

Mapping the future of Australia's automotive industry

ANU, the Cooperative Research Centre for Advanced Automotive Technology, the University of Cambridge and CSIRO were commissioned by the Automotive Industry Innovation Council (AIIC) to develop and manage a technology road-mapping exercise aimed at boosting the sustainability and growth of one of the nation's key manufacturing sectors, the automotive industry. The collaborative project, led by ANU College of Engineering and Computer Science's Dr Matthew Doolan, involved over 160 organisations and drew on industry expertise to identify trends, drivers, needs and capabilities influencing the industry. Priority opportunity areas for research, investment, and policy were identified to support Australian suppliers in the generation of new business in domestic and overseas markets and to assist Australian multinationals in acquiring business from their overseas counterparts.

The final report was released in August 2010 and the AIIC, participants and members of the automotive industry have begun to implement the recommendations, commenting that the exercise had provided a vital context in which to understand and pursue opportunities for their technology in the automotive market.

State-of-the-art solar research facility

ANU continued to play a national and international leadership role in sustainable energy research. Work at ANU has led to significant funding support, commercialisation opportunities and industrial collaboration in 2010. Grants from the Australian Solar Institute funded extended laboratories and state-of-the-art process and characterisation equipment that will provide world-class research facilities for ANU researchers and their academic and industry colleagues.

A number of the University's solar research projects have yielded commercialisation opportunities. One such project, led by Professor Andrew Blakers, will lead to the development of affordable, efficient solar energy units based on a more efficient use of silicon. These commercialisation opportunities have led to significant research collaborations. For example, research projects with Transform Solar Pty Ltd will build on the licensed commercialisation of previous research.

Virtual Observatory for the Study of On-line Networks

Social sciences research at ANU continues to make significant contributions at both a national and international level. The Virtual Observatory for the Study of Online Networks project, led by Dr Robert Ackland in the Australian Demographic and Social Research Institute, is one example of the national and international reach of this research.

It is currently used in a number of major international research projects and examples include: mapping the institutional structure of e-government (University of Queensland, ANU and University of Oxford); studying local governance and the online networked public sphere (University of Manchester); and research into the network structure of suicide-related web content (University of Otago).

Malaria researcher's award hat trick

Dr Rowena Martin of the Research School of Biology, ANU College of Medicine, Biology and Environment, scored a research hat trick with three major awards in as many weeks.

In mid-2010, Dr Martin won the Eureka Prize for an Early Career Researcher, the L'Oréal Women in Science Fellowship and the ACT Young Tall Poppy Award.

Dr Martin's work is breathing new life into an old malaria drug – chloroquine. It was once the most successful antimalarial drug in the world, but many people have now become resistant to it.

Her work seeks to identify exactly what causes resistance to chloroquine, so it can be targeted and defeated.

Her hope is that the drug can be returned to its former status – as a cheap, readily available anti-malaria drug that saves hundreds of thousands of lives each year.

In addition to being recognised with the awards, the 36-year-old has also been published in the prestigious journals *Science* and *Nature*.



Dr Rowena Martin in her laboratory.

Research facts and figures

TABLE 7: RESEARCH GRANTS & PUBLICATIONS FOR 2003 to 2009¹

	2003	2004	2005	2006	2007	2008	2009
RESEARCH GRANTS (\$'000)							
Australian Competitive Research Grants	55,635	63,832	76,347	78,729	77,226	76,115	76,524
Other Public Sector Research Funding	14,470	15,671	16,007	22,976	38,289	46,134	27,037
Industry and Other Funding for Research	24,954	19,902	17,880	18,416	18,453	22,795	23,691
CRC Funding	4,036	4,034	3,327	2,572	1,852	1,164	658
TOTAL RESEARCH GRANTS	99,096	103,439	113,560	122,693	135,820	146,208	127,910
RESEARCH PUBLICATIONS (rounded)							
Books	65	70	68	59	74	81	73
Book Chapters	371	436	560	462	511	556	503
Journal Articles	1,390	1,583	1,632	1,617	1,721	1,780	1,788
Conference Papers	253	328	371	392	291	306	400
UNWEIGHTED TOTAL	2,080	2,416	2,631	2,530	2,598	2,723	2,763
WEIGHTED TOTAL²	2,340	2,697	2,904	2,766	2,896	3,046	3,055

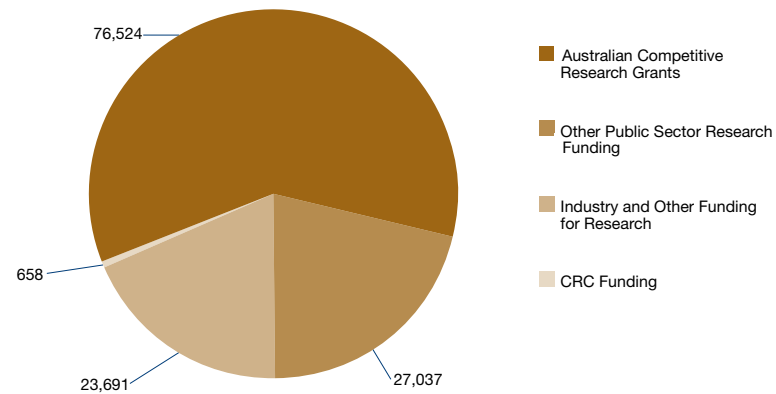
¹ 2010 data not available until 30 June 2011

² Books are weighted as five and other categories as one

Source: ANU returns to DIISR Higher Education Research Data Collections

Note: All numbers have been rounded and total numbers may vary due to rounding.

FIGURE 7: RESEARCH GRANTS (\$'000) FOR 2009¹



¹ 2010 data not available until 30 June 2011
Source: ANU returns to DIISR Higher Education Research Data Collections

TABLE 8: SUMMARY OF RESEARCH ACTIVITY FOR 2006 TO 2010¹

RESEARCH GRANTS	2006 (\$)	2007(\$)	2008 (\$)	2009 (\$)	2010 (\$)
LIEF/SII/MNRF/NCRIS	14,379,369	14,454,105	16,075,016	20,444,764	24,524,655
ARC	60,339,945	55,959,951	52,550,724	56,034,575	62,700,068
NHMRC	12,967,634	14,997,901	16,095,402	15,508,162	16,016,278
Other (including ANU Enterprise)	49,386,335	64,862,264	77,561,891	56,367,203	58,744,924
TOTAL	137,073,283	150,274,221	162,283,033	148,354,704	161,985,925

LIEF – Linkage Infrastructure, Equipment and Facilities (ARC Funding); SII – Systemic Infrastructure Initiative (DEEWR Research Grant); MNRF – Major National Research Facilities; NCRIS – National Collaborative Research Infrastructure Strategy; ARC – Australian Research Council; NHMRC – National Health and Medical Research Council.

STAFF	2006	2007	2008	2009	2010
ARC Grants & Fellowships	563	567	511	529	543
NHMRC Grants & Fellowships	83	134	117	114	111
Total Academic Staff (FTE) ²	1,444	1,471	1,477	1,477	1,507
Staff: FTE, Level C+ ²	786	805	793	800	823
ARC & MHMRC Grants/Staff (FTE, Level C+)	0.82	0.87	0.79	0.80	0.79
Publications index – value (Previous Year)	2,904	2,766	2,896	3,045	3,055

¹ 2010 data based on 2010 projections as at 30 November 2010
² Based on DEEWR 31 March submissions

TABLE 9: RESEARCH GRANTS BY ANU COLLEGE/AREA FOR 2010¹

ANU COLLEGE/AREA	ARC (\$)	NHMRC (\$)	Other (\$)	TOTAL (\$)
ANU College of Arts and Social Sciences	7,209,244	235,250	3,542,529	10,987,023
ANU College of Asia and the Pacific	8,201,151	87,250	12,668,008	20,956,409
ANU College of Business and Economics	2,630,098	0	1,284,802	3,914,900
ANU College of Engineering and Computer Science	4,248,900	0	5,402,854	9,651,754
ANU College of Law	619,350	0	157,113	776,463
ANU College of Medicine, Biology and Environment	14,114,945	15,166,753	30,065,159	59,346,857
ANU College of Physical and Mathematical Sciences	25,576,380	527,025	3,407,616	29,511,021
ANU Joint College of Sciences	100,000	0	0	100,000
Non-college areas	0	0	2,216,843	2,216,843
TOTAL	62,700,068	16,016,278	58,744,924	137,461,270

¹ Based on 2010 projections as at 30 November 2010. Excludes LIEF, SII, MNRF and NCRIS

Strategic relationship between ANU and the Commonwealth

In May 2010, ANU and the Commonwealth signed a MoU for a renewed strategic relationship between the University and the Commonwealth.

The MoU recognises that ANU holds a special place as a strategic endowment for the nation and the unique place of ANU in the national education system. A key element of this strategic relationship is the role of ANU in providing education and research to enhance public policy expertise and knowledge transfer at a national level. The Commonwealth has provided funding to ANU for the establishment of three major centres: the Australian National Institute for Public Policy (ANIPP), the Australian Centre on China in the World (CICW) and the National Security College (NSC), where researchers and students are engaged in innovative thinking around the broad variety of critical public policy challenges and building the creative capacities of Australian public servants and public policy academics.

During 2010, all the elements for these three projects have been established, including plans and staffing, considerable consultation between ANU and the Australian Public Service (APS), and the development and delivery of activities and executive development programs.

Australian National Institute for Public Policy

The major role of the institute is to strengthen capacity within the APS to deal rigorously and creatively with current and anticipated major issues of public policy.

During 2010, all ANIPP milestones were met in line with the 2010-2011 business plan and funding agreement with the Australian Government. ANIPP has developed relationships with many key government departments and agencies. In addition, ANIPP held an interdepartmental workshop to shape the first round of 2011 Executive Short Courses, through which ANU will offer 31 courses, ranging from half a day to two days each, across the topics of public policy, economics and demography, Indigenous Australia and innovation and strategy.

ANIPP will provide PhD scholarships for APS employees through the Sir Roland Wilson Foundation. Funding will come from a one-off contribution by the Commonwealth to match the donations of the Wilson family and ANU. The PhD scholarships will enable high-performing APS staff to sharpen their policy analysis and public policy leadership skills and strengthen ties between the APS and academia.

The institute's HC Coombs Policy Forum focuses on translating a wide range of research pertinent to the practice of public policy into practical evidence-based dialogue and outputs. The forum aims to promote dialogue between government the public service and the broader community, on one hand, and academia on the other. Drawing on the resources of the relevant areas of ANU and from the Australian New Zealand School of Government, and their national and international links, the forum will publish policy analysis and ideas in widely accessible formats. It will also provide targeted advice via parliamentary and public service briefings, policy consultancies and collaborations. The forum is working closely with the APS 200 and the Strategic Policy Group coordinated by the Department of Prime Minister and Cabinet. The HC Coombs Policy Forum also held a number of public events and workshops in 2010 on productivity policy, the government's reform agenda, health reform, trade policy and the implications of minority government.



Stronger ties, better policy

In 2010, the special relationship between ANU and the Commonwealth entered a new phase, with the establishment of the ANIPP.

Launched by former Prime Minister Kevin Rudd, ANIPP brings together a range of expertise in public policy from across ANU, housing its own public policy think-tank, the HC Coombs Policy Forum. Combining these elements, ANIPP will break down the barriers between academics and public servants, and boost the quality of public policy for the benefit of all Australians.

ANIPP offers courses specifically tailored for public servants, as well as seminars and forums, providing a variety of ways to tap into the nation's best research and researchers.

ANIPP takes the relationship between ANU, the nation's public servants and the nation's government to a new level, and reinforces the status of ANU as a strategic endowment for the nation.

From left: Senator the Hon Kim Carr, Minister for Innovation, Industry, Science and Research; former Prime Minister the Hon Kevin Rudd MP and ANU Vice-Chancellor Professor Ian Chubb AC, at the announcement of the Public Policy Precinct in May 2010. Photo: Darren Boyd

The Australian Centre on China in the World

The CIW is a research institute established to enhance the University's existing capabilities and thereby create an integrated, world-leading institution for Chinese studies and the understanding of China, or what has been called 'Greater China' or the 'Chinese Commonwealth' (the People's Republic of China, the SARs of Hong Kong and Macao, as well as Taiwan, and the Chinese diaspora), on a global scale. The centre takes a broad, holistic view and engages multidisciplinary expertise in areas including Chinese history, thought, culture, media, politics, society, gender, environment, economics, foreign and strategic policy and regional affairs. The centre aims at realising a national capability by enhancing the University's ability to guide national research and educational efforts and to stimulate interest in the study of China by working with other key research/teaching institutions and scholars in Australia and internationally. The centre will use these connections to target training and support for upcoming generations of China scholars, specialists and China-literate young people.

CIW has met the first set of milestones identified in the funding agreement. During 2010, CIW activities included: a workshop between CIW and the Si-mian Institute for Advanced Studies in Humanities to refine the initial key research themes of CIW; the hosting of a group of Chinese legal experts for a one-day seminar, in collaboration with Griffith University and an ARC Centre of Excellence. Other outreach activities included discussions with government agencies on holding an annual policy roundtable on China in the world, and on developing relevant short courses for public servants engaged with China. The year also saw development of CIW engagement with leading academic institutions in the USA, Japan, China and Italy; and the opening of discussions with the Australian Chinese Youth Association, for the purpose of engaging youth networks.

National Security College

Established as a joint venture between ANU and the Commonwealth Government, the NSC seeks to build, through its core activities and the attributes of its graduates, enhanced strategic understanding and critical thinking about Australia's national security. Its aims include contributing productively to the development of the national security community within government, and promoting the development of a new generation of strategic analysts within and outside government.

The college offers executive and professional development activities for APS and related agencies, academic programs, and research and outreach activities. Programs commenced in June and included two professional development courses for National Security Executive Level 2 staff, a course on the Constitutional and Legal Framework of Australia's National Security and an introduction to Australia's National Security Challenges. In 2011, the college will offer a Graduate Studies in National Security Policy program, with an anticipated enrolment of 20-30 full time equivalent students in 2011.

The agreement with the Commonwealth also included funding for new buildings and planning is well underway on these projects.

Community engagement

ANU has a tradition of openness, accessibility and community engagement. During 2010, the University found new and innovative ways to engage with the community that are consistent with our commitment to excellence in all our activities.

The University presented hundreds of public events covering a wide range of issues and aimed at a diverse audience. Public lectures had an impact far beyond an academic audience, and have utilised partnerships with media, including the ABC, to discuss issues of wide interest. In addition, ANU expanded its reach and online accessibility by making hundreds of interviews, lectures and forums available on video at the University's YouTube channel, and through podcasts delivered on the ANU website and iTunesU.

ANU for a day

On one day in July, 10 of the University's top teachers took part in 'ANU for a day', a program that gave members of the public the chance to enjoy the best ANU has to offer in teaching. The participants enjoyed lectures on everything from international relations to environmental management, and from human rights to whether we are alone in the universe. Between the sessions, participants had a chance to talk to the academics and network with like-minded people.

The 'ANU for a day' program provided the community with the chance to experience a range of expertise in a mentally stimulating but relaxed environment.

Students engaging with students

In 2010, many activities were held to engage high school students, their families and their communities. Events included the annual Robocup which attracted over 250 school students from Years 5-12 and gave them the chance to program and work with robots, and Asia Pacific Day, which gave 300 young people the chance to learn more about the region.

ANU students have also been active in the community. As part of the Community Ambassadors program, more than 80 students volunteered their time to provide academic support to school children. The University also ran an Explore, Dream and Discover Day to give Indigenous secondary students the chance to spend a day at ANU. Following on from its success in 2009, the 2010 Pacifica Australia Youth workshop brought young people from the Pacific Islander communities to the University for a three-day residential course to learn more about higher education.

Reaching people in new ways

In 2010, ANU increased its use of video and audio to engage with the community. One of the most exciting developments has been the University's production of two vod and podcast series, *Thailand in Crisis* and *Burma Votes 2010*, featuring academics discussing their research and views on these significant regional political issues. Both series proved very popular, especially on the University's YouTube channel. In a little over six months, the six episodes of *Thailand in Crisis* were viewed more than 58,000 times by people all around the world.

Bringing the community together to say goodbye



The State Memorial Service for Emeritus Professor Frank Fenner AC CMG MBE saw the community from Canberra and beyond gather to celebrate the life of one of the nation's greats. ANU Vice-Chancellor Professor Ian Chubb AC told the service: "Professor Fenner had a career that would have satisfied three great scientists: as the world expert on myxomatosis, leader of the World Health Organisation's program to eradicate smallpox and an astute early voice warning of the risks humans pose to the future of the planet."

Over 600 members of scientific and broader community attended the service organised by ANU with the Department of the Prime Minister and Cabinet.

Tributes came from Dr Barry Jones AO, Professor Carola Garcia de Vinuesa, Professor Stephen Boyden and members of the Fenner family, including his daughter Marilyn, as well as a range of other friends and colleagues.

It was a fitting goodbye for a great scientist and a greatly respected and loved man.

Professor Frank Fenner AC CMG MBE received many high-profile awards during his career, including the Prime Minister's Prize for Science in 2002.

International relations

ANU continues to seek to better understand our region and the world through building and expanding international partnerships and alliances.

Shanghai World Expo

ANU was a sponsor of the Australian Pavilion at the Shanghai World Expo in 2010, showcasing Australian engagement with, and understanding of the inter-connectedness of, our region and alliances across the globe. Influential decision-makers from business, government, academia and the media came together to discuss evolving regional architecture and the respective roles of China and Australia in the world. The Chancellor and former Foreign Minister, Professor the Hon Gareth Evans AO QC, participated in a distinguished discussion which covered topics ranging from nuclear non-proliferation to climate change and environmental challenges.

The expo and our sponsorship provided an opportunity to introduce the recently launched Australian Centre on China in the World to a group of largely Chinese and China-based scholars, artists and media, and an opportunity to engage with decision-makers and influential thinkers on global and regional issues and to deepen our engagement with, and understanding of, China.

New North American Liaison Office

ANU established a North American Liaison Office (NALO) in the Australian Embassy in Washington DC in January 2010. This ongoing presence is to support University engagement in North America, with particular focus on research and educational relationships with our IARU partners and other leading North American institutions, and increasing opportunities for ANU students in North America. The office also works closely with the ANU Office of Endowment for Excellence to increase our engagement with philanthropic organisations.

In 2010, NALO supported growth in a comprehensive relationship with Indiana University (IU), which includes ANU-IU Pan Asia Institute, a collaboration between JCSMR and the Indiana Clinical Translational Science Institute, and a range of discussions between ANU and IU faculty aimed at developing further areas of collaboration. The office also supported ANU engagement with the Smithsonian Institution across a range of areas of mutual interest and between the ANU School of Music and the Manhattan School of Music.

In addition, NALO fostered relationships with Australian Government agencies in the United States, in particular Austrade, and peak bodies, community organisations and think-tanks including: the East West Centre in Washington DC; the American Council on Renewable Energy; the American Australian Association, New York; and the Harvard Committee on Australian Studies. The office is also fostering the development of a Washington experience for ANU students that will include a suite of academic and internship opportunities.

Regular engagement with alumni in North America has also been a focus. An active alumni group is forming in Washington DC, and another is developing in Boston. Alumni in New York and Vancouver have also been contacted by the office.

NALO also supported ANU engagement in G'Day USA and, through negotiation with Austrade and the Department of Foreign Affairs and Trade, secured a number of additional speaking slots for the University in the 2011 program.

Australia-Korea One-and-a-half Track Dialogue

After two years of successfully co-organising an Australia-Korea Leadership Forum with the East Asia Institute, ANU participated in a One-and-a-half Track Dialogue in Seoul, a joint initiative of then Prime Minister the Hon Kevin Rudd MP and the President of South Korea. The Vice-Chancellor, Professor Ian Chubb AC, participated in the dialogue which included representatives from government, business, the media and academia. Areas of bilateral and multilateral cooperation were discussed, including international security issues and developments on the Korean Peninsula.

Continued focus on strategic alliances

The University continued to build, expand and refresh strategic alliances in 2010. These included new agreements with Fudan University and the Chinese University of Hong Kong, and agreements to expand practical opportunities for our students. This effort included arranging, in collaboration with the French Embassy, an internship program for ANU students with French companies in France and Australia.

After holding the inaugural Chair and providing the Secretariat of the IARU for almost five years, both roles passed from ANU to the National University of Singapore in 2010.

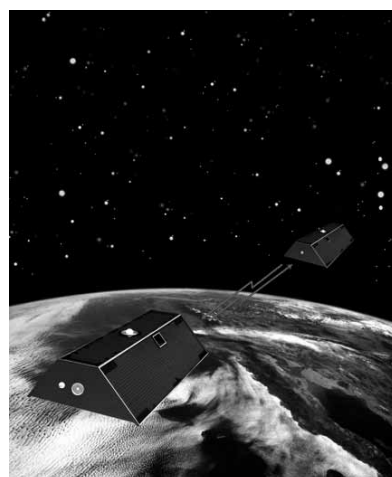
Space research has lift-off

The next stage in the Gravity Recovery and Climate Experiment (GRACE) satellite kicked off in 2010, supported by a \$4.7 million grant from the Commonwealth. The program will investigate the rate at which the polar ice caps are melting and monitor changes in ground water.

The ANU College of Physical and Mathematical Sciences leads this international collaboration, partnering with NASA's Jet Propulsion Laboratory, EOS Space Systems, CSIRO's Australian Centre for Precision Optics, the National Measurement Institute and Germany's Albert Einstein Institute.

The researchers will develop prototype hardware for a laser ranging system to fly on NASA's GRACE Follow On mission. The laser system will be developed by researchers from the ANU Centre for Gravitational Physics within the Research School of Physics and Engineering, while the Research School of Earth Sciences will analyse data from the new mission.

The GRACE mission has already provided significant data, including how much water has been lost from the Murray Darling Basin due to drought.



Artist's impression of the Gravity Recovery and Climate Experiment (GRACE) Satellite mission orbiting above the Earth.

Infrastructure development

Capital growth and consolidation of infrastructure at ANU continued throughout 2010 with the progression of many large scale building and refurbishment projects across the campus.

Capital works projects completed

This year saw the completion of a major refurbishment of the Beryl Rawson Building in the ANU College of Arts and Social Sciences, engineering laboratories in the ANU College of Engineering and Computer Science, administration and teaching facilities for Rural Clinical School located at Bateman's Bay on the NSW South Coast, a new glass house complex for the Research School of Biology and installation of new world-standard water-saving artificial turf playing surface on Willows Oval incorporating underground stormwater harvesting for landscape irrigation.

Capital works projects commenced

New projects begun in 2010 included a new administration and teaching building for the Research School of Earth Sciences, Stage 2 of the Advanced Instrumentation and Technology Centre for the Research School of Astronomy and Astrophysics, and a multi-purpose Teaching and Learning Centre at the Kioloa Coastal Campus on the South Coast.

Significant progress was made on projects commenced in 2009 but not scheduled for completion until 2011, including the ANU Colleges of Science Stage 1 Biology Complex and the Stage 2 Chemical Sciences Hub, Stage 3 of the new JCSMR building and the new sustainable building for the Fenner School of Environment and Society and the Climate Change Institute.

Student accommodation

A second wing of the modular 'shipping container' accommodation complex for students at Ursula Hall was completed in 2010. The six-storey building complex includes a mix of self-catered apartments for couples and singles, with their own kitchen and bathroom facilities, balcony plus internet access and television. ANU furthered its commitment to meeting increased demand for campus accommodation with the completion of a new 520 bed accommodation facility in time for the start of the 2011 academic year, as well as commencing construction of an additional 500-plus accommodation facility at ANU Exchange. The entire project is scheduled for completion in time for the start of the 2012 academic year. ANU received the Building Design award in the 2010 ACT Sustainable Cities Award Program for the project.

Advancing sustainability

In line with the objectives established in the Environmental Management Plan, ANU has committed to ensure that new works and major refurbishments reflect the highest standards of sustainable design. In the specific case of the new building for the Fenner School of Environment and Society and the Climate Change Institute, accreditation for design and construction at the six Green Star level is being sought from the Green Building Council of Australia. For other capital projects (such as the Biology and Chemistry buildings, science teaching laboratory facilities, the Crawford School of Economics and Government, and the multi-purpose building at Kioloa Coastal Campus), best practice in Ecologically Sustainable Development (ESD) is being pursued.

A program of improving the performance of plant and equipment has been introduced as part of the University's Asset Management Strategy. This work will not only improve the operational function of the buildings, but also reduce their environmental impact.

Building for the Nation's Intellectual Future

As a national institution, ANU seeks to ensure it has strong links with the Australian Government. Many of the capital works projects undertaken during the past decade were made possible through partial or full funding from the government via a number of initiatives, including the Education Investment Fund (EIF), the Better Universities Renewal Fund, the Teaching and Learning Capital Fund, the Health and Hospital Fund (HHF) and the Higher Education Special Purpose Grant (HESPG).

A Campus Master Plan 2010 to 2030 has been developed to guide the strategic development of the campus and to more closely link infrastructure development to academic endeavour. The master plan will form a component part of a comprehensive Asset Management Strategy for ANU. In accordance with the HESPG funding agreement, the University's long-term asset management plan estimates have decreased from \$542.9 million in 2007 to \$446.9 million in 2010. The University's schedule of works (including capital expenditure) is provided below.

TABLE 10: SCHEDULE OF WORKS

FUND	NAME	CURRENT STATUS	EXPENDITURE TO DATE (\$ MILLION)	PLANNED COMPLETION DATE
ANU	Modular Accommodation Stage 2	Completed	9.7	August 2010
ANU	Student Accommodation stage 3	Building structure completed – fit out underway	46.3	January 2011
HESPG	ANU Colleges of Science – Stage 1 Biology (Laboratory Buildings)	Building structure (slab and columns) completed	56.8	July 2011
HESPG	ANU Colleges of Science – Stage 1 Central Plant Facility	Building structure completed – commencing fit-out	7.5	July 2011
HHF	The John Curtin School of Medical Research Stage 3	Floor slabs complete; roof structure and roof plant room structure commenced	19.9	November 2011
EIF (Round 2)	ANU Colleges of Science – Stage 2 Chemical Sciences Hub Chemistry Buildings Teaching Laboratory	Building structure completed – fit out underway	28.1	October 2011 for Teaching Laboratory October 2013 for remainder of works
EIF (GMT)	Advanced Instrumentation and Technology Centre Stage 2	Site works commenced	1.14	July 2011
ACT Govt / ANU	Fenner School and Climate Change Institute	Building structure complete	3.4	July 2011
ANU	Student Accommodation stage 4	Excavation complete. Structure commenced	14.4	January 2012

Economists enjoy energy-saving building

In 2010, staff and students of the ANU College of Business and Economics moved into a striking new energy-saving building.

The innovative design of the building reflects the highest standards of efficiency, including a solar hot water system designed to provide over 60 per cent of the annual hot water usage and a stormwater re-use system for non-drinking water.

The building is home to more than 150 academic and administrative staff and PhD students. Its spacious and light design includes four lecture theatres, eight tutorial rooms and several small 'breakout' rooms on a mezzanine level.

However, the improved surroundings for the College aren't all on the inside. The façade of the building is constructed using a material called Alucobond, which changes colour according to variations in light intensity, the height of the sun and the angle it is looked at.

Energy savings and enhanced living and working conditions will result for staff and students using the new ANU College of Business and Economics building, opened in 2010.





Review of Operations

Staff

The year saw the introduction of a significant number of change management programs as part of ongoing efforts to maintain and improve the quality of our research and education. The design of these programs include a structured consultation process for staff and other stakeholders ensuring the successful introduction of change.

During 2010, steps were taken to enhance processes and support for staff in the areas of: leadership and career development; Indigenous employment and cultural awareness; the employment conditions of staff with disabilities; and staff selection and promotion processes.

The launch of ANU Reconciliation Action Plan (RAP) in 2009 saw ANU commit to specific targets for Indigenous employment. Each ANU College and Service Division established a RAP committee during 2010. An online Indigenous Cultural Awareness training module has been finalised and face-to-face Indigenous Cultural Awareness training sessions are being rolled out for all managers and supervisors. A coordinator for an Indigenous Internship Program has been appointed.

Leadership and excellence continued to be significant themes in 2010 with the successful completion of the Vice-Chancellor's senior leadership programs, leader network events and a focus on mentoring, coaching and performance management. In addition, ANU increased its range of programs to support early career academic staff.

ANU continued to address the staff gender balance by supporting early career and senior academic women through a new diversity network, senior academic network luncheons and a women leading change program. The development of a gender awareness program across the campus and the establishment of an Academic Women Advancement Fund provide further support to academic women.

ANU offered both online and face-to-face training and support for all staff. Staff are actively encouraged to participate in training opportunities, such as the new online module on the Prevention of Discrimination, Harassment and Bullying that staff are encouraged to complete as part of their induction process. The year saw the full implementation of the Charter of Respect program under which senior staff of the University publicly signed to indicate that bullying, harassment and other forms of aggression will not be tolerated at ANU. At area and workplace levels, staff have been encouraged to sign a pledge to the Charter of Respect which commits signatories to maintain a work environment that is encouraging, supportive and respectful, and that bullying and harassment or discrimination are not seen as acceptable behaviour. The equity@ANU website provides electronic copies of the pledge.

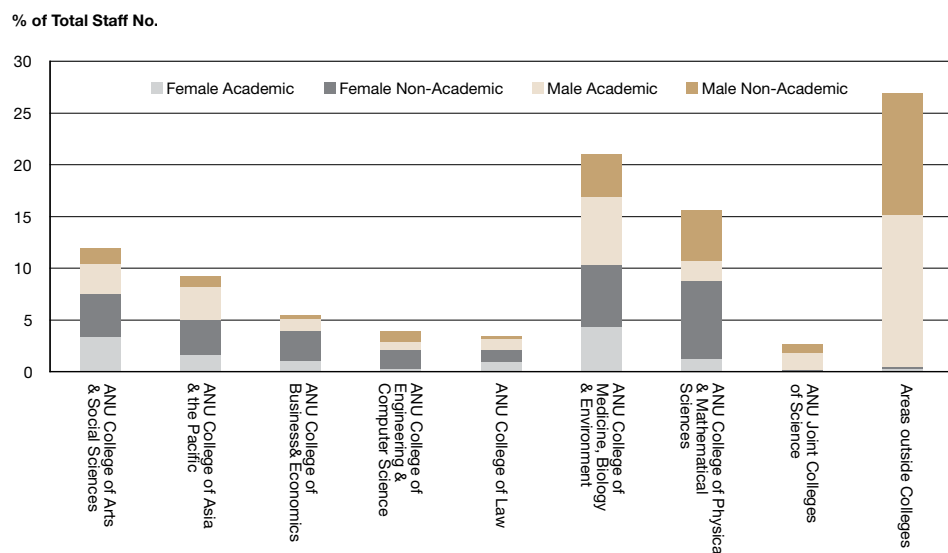
Negotiations for a new Enterprise Agreement were concluded in mid 2010 ensuring staff were supported and provided with good quality conditions, assisting ANU in attracting and retaining high quality staff.

TABLE 11: STAFF PROFILE BY ANU COLLEGE/AREA AND GENDER FOR 2010¹

ANU COLLEGE/AREA	ACADEMIC		NON-ACADEMIC		TOTAL
	FEMALE	MALE	FEMALE	MALE	
COLLEGE					
ANU College of Arts and Social Sciences	134	165	118	61	478
ANU College of Asia and the Pacific	66	133	127	42	368
ANU College of Business and Economics	45	112	47	13	217
ANU College of Engineering and Computer Science	12	70	34	38	154
ANU College of Law	37	45	42	10	134
ANU College of Medicine, Biology and Environment	173	239	260	164	836
ANU College of Physical and Mathematical Sciences	52	300	74	193	619
ANU Joint Colleges of Science	4	5	66	32	107
TOTAL COLLEGE	523	1,069	768	553	2,913
NON-COLLEGE					
Administration	3	4	271	153	431
Central Libraries			149	55	204
Student Services	6	3	75	47	131
Buildings, Plant and Grounds			24	106	130
Central Computing			15	65	80
Other Academic Support			3	3	6
Other Areas	2	2	47	40	91
TOTAL NON-COLLEGE	11	9	584	469	1,073
TOTAL	534	1,078	1,352	1,022	3,986

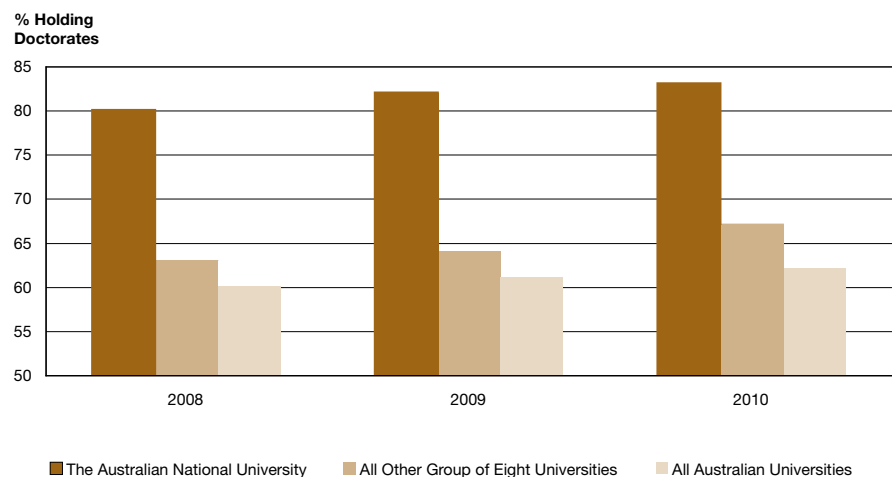
¹ Data based on headcount

FIGURE 8: STAFF PROFILE BY ANU COLLEGE/AREA AND GENDER FOR 2010¹



¹ Data based on headcount

FIGURE 9: ACADEMIC STAFF HOLDING DOCTORATES¹



¹ Based on DEEWR submission data for 31 March

Governance and freedom of information

This statement has been prepared to comply with sections 9, 15 and 16 of the Commonwealth Authorities and Companies (Report of Operations) Orders 2008 and section 8 of the Freedom of Information Act 1982 (Cwlth) not covered in other sections of this report.

ORGANISATION AND FUNCTIONS OF THE UNIVERSITY'S DECISION-MAKING COUNCIL AND BOARDS

Council

The *Australian National University Act 1991* (the Act), establishes the Council as the governing body of the University. The Act provides that the Council has the control and management of the University and is to act in all matters concerning the University in such manner as it thinks will best promote the interests of the University. The Council may enact delegated legislation, known as Statutes, Rules and Orders, subject to the legislation being registered in accordance with the provisions of the *Commonwealth Legislative Instruments Act 2003*, and subject to the scrutiny of the Australian Parliament.

The Council is chaired by the Chancellor and comprises 15 members: the Chancellor, the Vice-Chancellor, seven members appointed by the Minister on the recommendation of the Nominations Committee of Council; one person who is either a Dean or the Head of a Research School and is elected, in either case, by the Deans and the Heads of the Research Schools voting together; one member of the academic staff of the Institute of Advanced Studies elected by members of that staff; one member of the academic staff of the Faculties elected by members of that staff; one member of the general staff of the University elected by members of that staff; one graduate student of the University elected by the graduate students of the University; and one undergraduate student of the University elected by the undergraduate students of the University.

Committees of the Council

Council is assisted in its functions by a number of committees:

- > the Audit and Risk Management Committee advises the Council regarding the quality of the audits conducted and the adequacy of the University's administrative, operating and accounting controls and compliance with relevant legislation and policies. The Committee also oversees risk management planning and implementation within the University. Agenda and minutes of committee meetings are sent to Council members for information
- > the Finance Committee makes recommendations and decisions concerning financial and accounting matters of the University. A report from the Finance Committee is a standard item on the agenda for each meeting of Council and agenda and minutes of committee meetings are sent to Council members for information
- > the Honorary Degrees Committee invites persons, within the terms of the Honorary Degrees Rules, to accept nomination for honorary degrees and recommends the names of those who accept nomination to the Council for admission
- > the Nominations Committee of Council makes recommendations to the Minister for Education on persons to be appointed to Council
- > the Committee on Conditions of Appointment of the Vice-Chancellor determines the conditions of appointment (including salary) of the Vice-Chancellor

- > the Emergency Appointment (Vice-Chancellor) Committee exercises, in an emergency, the power of the Council to make acting appointments under section 37 of the *Australian National University Act 1991* in relation to the Office of Vice-Chancellor, but with effect only until the next meeting of the Council.

ACADEMIC STRUCTURE OF THE UNIVERSITY

The report of operations must provide an outline of the organisational structure of the Commonwealth authority (including subsidiaries) and the location of major activities and facilities.

Academic Structure of the University

The academic structure of the University centres on seven ANU Colleges and their second tier academic organisational units as listed below.

ANU College of Arts and Social Sciences

- > Australian Demographic and Social Research Institute
- > Research School of Humanities and the Arts
- > Research School of Social Sciences

ANU College of Asia and the Pacific

- > Crawford School of Economics and Government
- > School of Culture, History and Language
- > School of International, Political and Strategic Studies
- > School of Regulation, Justice and Diplomacy

ANU College of Business and Economics

- > Research School of Business
- > Research School of Economics

ANU College of Engineering and Computer Science

- > School of Computer Science
- > School of Engineering

ANU College of Law

- > Faculty of Law

ANU College of Medicine, Biology and Environment

- > The Fenner School of Environment and Society
- > The John Curtin School of Medical Research
- > Research School of Biology
- > School of Health and Psychological Sciences

ANU College of Physical and Mathematical Sciences

- > Mathematical Sciences Institute
- > Research School of Astronomy and Astrophysics
- > Research School of Chemistry
- > Research School of Earth Sciences
- > Research School of Physics and Engineering

ANU Joint Colleges of Science

- > Australian National Centre for the Public Awareness of Science
- > University Electron Microscopy Unit
- > ANU Bioscience Research Facility

National Security College

National Centre for Indigenous Studies

National Computational Infrastructure

The University structure (including subsidiaries) can be viewed at page 46 of this report or at info.anu.edu.au/ovc/Executive/040PP_University_Structure

External locations of major activities and facilities

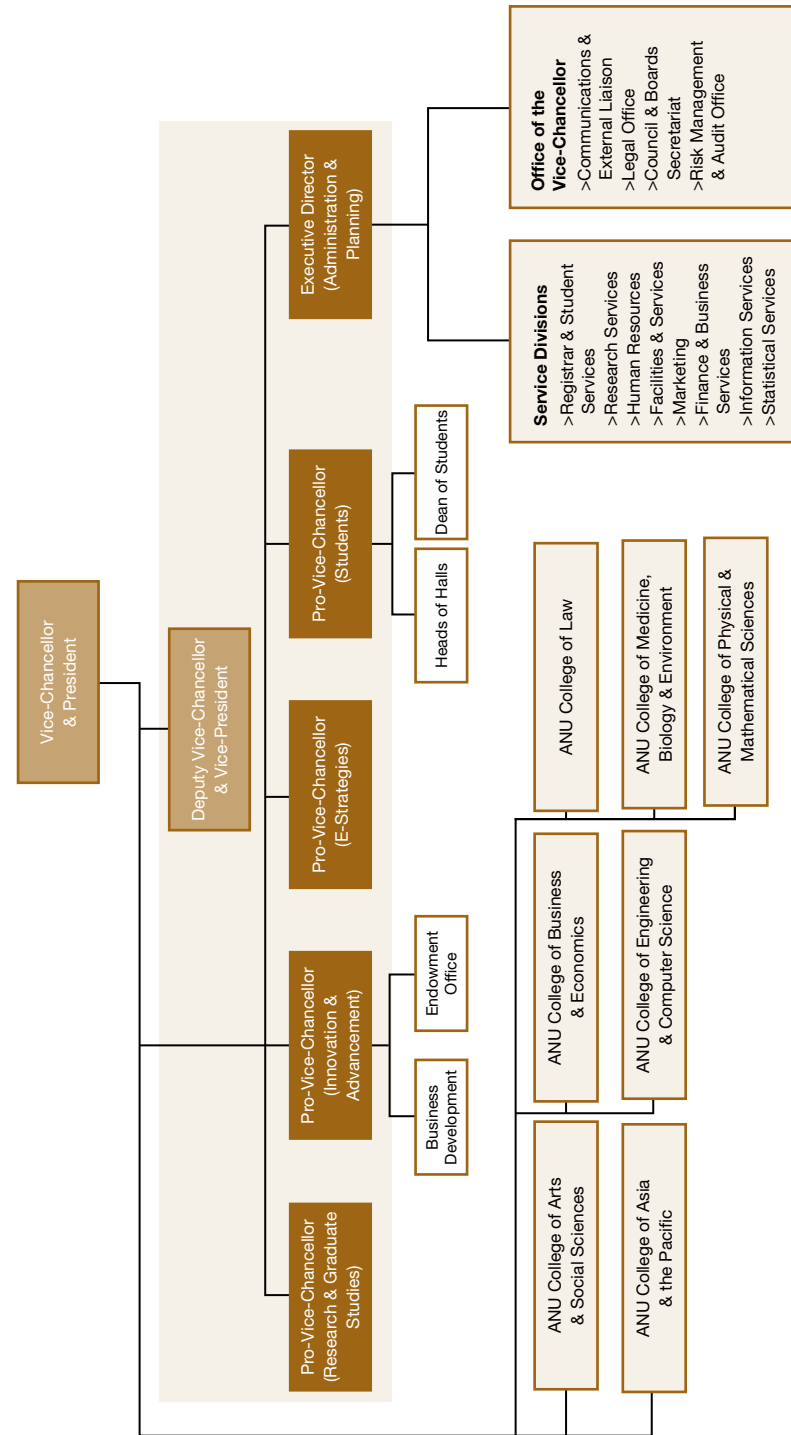
ANU School of Clinical Medicine
 ANU College of Medicine, Biology and Environment
 The Australian National University
 The Canberra Hospital
 Yamba Drive
 Garran ACT 2605

Mount Stromlo Observatory
 Research School of Astronomy and Astrophysics
 ANU College of Physical and Mathematical Sciences
 The Australian National University
 Cotter Road
 Weston Creek, ACT 2611

Kioloa Coastal Campus
 Facilities and Services Division
 The Australian National University
 496 Murramarang Road
 Kioloa NSW 2539

North Australia Research Unit
 Facilities and Services Division
 The Australian National University
 23 Ellengowan Drive
 Brinkin (Darwin) NT 0810

Siding Spring Observatory
 Research School of Astronomy and Astrophysics
 ANU College of Physical and Mathematical Sciences
 The Australian National University
 National Park Road
 Coonabarabran NSW 2357



Induction and professional development of Council members

Council members are provided with an induction program appropriate to their experience, a *Handbook for Council Members* and a program of professional development, which may include corporate governance training and attendance at relevant conferences. Visits to areas on campus are organised for Councillors to follow selected Council meetings.

Council agenda are structured to include discussions and presentations on strategic issues for the University. During 2010, the overarching theme was securing the future of ANU. Within this context, Council discussed topics including maintaining the University's distinctiveness, maintaining its academic distinction, maintaining its contribution to Australia and the world and maximising its resources.

Independent legal advice and access to information

Council members are entitled to any information they need or require from the University to exercise their functions and to fulfil their duties as directors and, subject to the prior approval of the Chancellor (which is not to be unreasonably withheld), may seek independent legal advice at the University's expense on any issue submitted to Council.

Performance review of council and its members

The University's enabling legislation specifies the duties of the members of the University Council¹ and the sanctions for the breach of those duties². Council has the power to remove, by at least a two-third majority, a member who has breached his or her duties. The Chancellor is responsible for discussing performance issues with individual Council members and aims to have an informal discussion with each Council member once a year with a view to giving and receiving feedback.

The performance of Council as a whole is reviewed on a regular basis.

Performance review of council committees

Evaluations of the performance of the Finance Committee and the Audit and Risk Management Committee normally are conducted biennially.

Disclosure of directorships and other interests

Council members are required to declare relevant directorships and other interests annually and to update this information as circumstances change.

A member of Council who has a material personal interest in a matter that is being considered, or is about to be considered, by Council must disclose the nature of the interest at a meeting of Council. The disclosure must be made as soon as possible after the relevant facts have come to the member's knowledge and must be recorded in the minutes of the meeting. Unless Council otherwise determines, the member must not be present during any deliberation by Council on the matter and must not take part in any decision of Council on the matter. Further, for the purpose of making this determination, any member who has a material personal interest in the matter to which the disclosure relates must not be present during any deliberation by Council on whether to make the determination, and must not take part in making the determination.

1 See sections 18A, B, C, D, E, F or ANU Act 1991 (Cwlth) and sections 22, 23, 24, 25, 26, 27A, 27D, 27F of *Commonwealth Authorities and Companies Act 1997 (Cwlth)*.
 2 See paragraph 15(1)(k) of ANU Act 1991 (Cwlth) and sections 22, 23, 24, 25, 26, 27A, 27B, 27C, 27D, 27F of *Commonwealth Authorities and Companies Act 1997 (Cwlth)*.

Chancellorship

Professor the Hon Gareth Evans AO QC commenced his three-year appointment as Chancellor on 1 January 2010.

Identifying and managing business risk

This is set out in the Risk Management section of this Annual Report on page 59.

Establishment and maintenance of appropriate ethical standards

The University's Code of Conduct applies to all staff and to members of the University Council. It can be seen at policies.anu.edu.au/policies/code_of_conduct/policy. The University also has a number of Codes of Practice in place for Teaching and Learning, HDR Supervision and Student Academic Integrity that apply to staff and students.

FUNCTIONS OF THE UNIVERSITY'S STATUTORY OFFICERS

Chancellor

The Chancellor presides at all meetings of Council and ensures that Council operates effectively and supports the University's strategic intent. The Chancellor assists the Vice-Chancellor with the representation of ANU to government, the private sector and benefactors and reviews the performance of the Vice-Chancellor as the Chief Executive Officer of the University. The Chancellor and the Vice-Chancellor sign the Annual Report of the University to Parliament. The Chancellor presides on all ceremonial occasions when available to do so.

Pro-Chancellor

In the absence of the Chancellor, the Pro-Chancellor presides at meetings of the Council and on ceremonial occasions.

Vice-Chancellor

The Vice-Chancellor is the Chief Executive Officer of the University. Under the *Vice-Chancellorship Statute 2002*, the Vice-Chancellor is charged with the responsibility to control and manage the affairs and concerns of the University and the real and personal property at any time vested in or acquired by the University including the disposal of that property. The Vice-Chancellor has, and may exercise, such powers as are necessary or desirable to discharge those duties. The Vice-Chancellor also represents and acts for the University in its relations with the Commonwealth Government and other bodies.

POWERS OF THE UNIVERSITY

The University's powers flow from the *Australian National University Act 1991*. Subject to the Act, the University has power to do all things that are necessary or convenient to be done for, or in connection with, the performance of its functions outlined in Section 5 of the Act. Delegated legislative instruments made by the University are Statutes, Rules and Orders which can be viewed at info.anu.edu.au/ovc/Policy_and_Planning/legislation

The only delegated legislation that affects members of the public who are not members of the University community are the Liquor, Parking and Traffic and University House Statutes, which can also be found at info.anu.edu.au/ovc/Policy_and_Planning/legislation

FREEDOM OF INFORMATION

The University is subject to the provisions of the *Freedom of Information Act 1982* (Cwlth).

Documents available for purchase by the public or otherwise accessible in terms of the *Freedom of Information Act 1982*

- > Council Statutes, Rules and Orders
- > Annual Report of ANU to Parliament
- > Undergraduate Handbook
- > Graduate Coursework Handbook (electronic version only)
- > Finance and Business Manual (electronic version only)
- > Occupational Health and Safety Unit information

Documents which are customarily made available to the public free of charge upon request, otherwise than under the *Freedom of Information Act 1982*, are *ANU Reporter*, information pamphlets and booklets on courses and academic requirements in various disciplines, information on external scholarships, Library Guides and an accommodation brochure.

Internal working documents, including internal user manuals, Financial Authorisations, Personnel and Payroll (General) Manuals and other policy and procedural documents, are also available.

Facilities for access

Limited facilities for the perusal of documents applicable to individual areas are available at the Human Resources Division and/or Division of Registrar and Student Services. Many documents are also readily available through the internet at the University website www.anu.edu.au

FOI procedures and initial contact points

Applications for access to documents under the Act should be lodged in writing to the Freedom of Information Coordinator, University Records. The written application should include details of the document or information sought. In addition the application fee (currently \$30) or a request for its remission, an address to which notices may be sent and a telephone number effective during normal business hours (and in order to facilitate contact with the applicant) must be provided. Lodged applications for access to documents will be acknowledged and a decision notified to the applicant as quickly as possible in accordance with the Act.

Enquiries regarding freedom of information and access to documents may be made to:

FOI Coordinator
University Records
Building 10A
East Road
The Australian National University
CANBERRA ACT 0200
T 02 6125 4237
E foi.requests@anu.edu.au

ANU Council and University Officers

THE COUNCIL

Chancellor

Professor the Hon Gareth Evans AO, QC, BA LLB(Hons) *Melb*, MA *Oxf*, Hon LLD *Melb, Syd, Carleton, Queen's Ont*

Relevant experience: politics, law, higher education, international relations

Vice-Chancellor

Professor Ian Chubb AC, MSc DPhil *Oxf*, Hon DSc *Flinders*, FACE

Relevant experience: higher education

Seven members appointed by the Minister on the recommendation of the Nominations Committee of Council

The Hon Justice Annabelle Bennett AO, BSc(Hons) PhD *Syd*, LLB *UNSW*

Relevant experience: higher education; community service; Judge; Senior Counsel; intellectual property

Ms Ilana R Atlas, BJuris LLB(Hons) *WAust*, LLM *Syd*

Relevant experience: executive and non-executive experience in compliance; human resources; legal; banking and finance; mergers and acquisitions governance

Mr Michael Delaney, BA *LaT*

Relevant experience: Executive Director MTAA Ltd; Chief Executive Officer MTAA Super; Senior Executive in public administration and public policy; chief of Ministerial staffs; higher education and community service

Dr Vincent W J FitzGerald, BEc(Hons) *Qld*, PhD *Harv*, FIPAA, FAICD

Relevant experience: Chair, The Allen Consulting Group Pty Ltd; public administration; higher education; chair of a firm consulting in economics; public policy and regulation; directorships in the finance, property and arts sectors

Ms Robin Hughes AO, BA MA *Syd*

Relevant experience: Independent producer; director and writer; media sector management; chairmanships and directorships in the arts and educational sector

Ms Martine D Letts, BA(Hons) *ANU*

Relevant experience: Deputy Director, Lowy Institute for International Policy; international relations

Mr David Miles AM, LLB *Melb*, Hon LLD *Qld*

Relevant experience: Lawyer; Chair, Innovation Australia, Company Director

One person who is either a Dean or the Head of a Research School and is elected, in either case, by the Deans and the Heads of the Research Schools voting together

Professor Keith Houghton, BCom *Melb*, MSc (Econ) *Lond*, PhD *WAust*, FCA, FCPA (to 13.8.10)

Relevant experience: Dean and Director, ANU College of Business and Economics

Professor Kiaran Kirk, BSc(Hons) PhD *Syd*, MA DPhil *Oxf* (from 30.9.10)

Relevant experience: Director, Research School of Biology, ANU College of Medicine, Biology and Environment

One member of the academic staff of the Institute of Advanced Studies elected by the members of that staff

Professor Ann McGrath OAM, BA(Hons) *Qld*, PhD *LaT*, FASSA

Relevant experience: Head of History Program, Research School of Social Sciences and Director of the Australian Centre for Indigenous History

One member of the academic staff of The Faculties elected by the members of that staff

Dr Samantha Cromptvoets, BSc(Hons) *Melb*, PhD *ANU* (to 29.9.10)

Relevant experience: Research Fellow, Rural Clinical School, ANU Medical School, ANU College of Medicine, Biology and Environment

Dr Royston Gustavson, BA(Hons) *Qld*, MBA PhD *Melb*, AFAIM, FAICD (from 30.9.10)

Relevant experience: Lecturer in Management, School of Management, Marketing and International Business, ANU College of Business and Economics

One member of the general staff of the University elected by members of that staff

Mr Bill Speed, DipProjMgt *UNE Partnerships*, MMgt *ANU* (to 25.5.10)

Relevant experience: tertiary education, project management

Mr Matthew King (from 26.5.10)

Relevant experience: tertiary education as a staff member

One graduate student of the University elected by the graduate students of the University

Ms Tegan Kelly, BSc *Tas*, BSc(Hons) *ANU* (to 27.1.10)

Relevant experience: tertiary education as a graduate student

Ms Nazneen Chowdhury, BSS(Hons) MSS *CU*, GradDipEcDev MEcDev *ANU* (from 28.1.10 to 19.5.10)

Relevant experience: tertiary education as a graduate student

Mr Areti Metuamate, BA(Hons) *VUW* (from 20.5.10)

Relevant experience: tertiary education as a graduate student

One undergraduate student of the University elected by the undergraduate students of the University

Mr Tully Fletcher (to 30.11.10)

Relevant experience: tertiary education as an undergraduate student

Ms Leah Ginnivan (from 1.12.10)

Relevant experience: tertiary education as an undergraduate student

UNIVERSITY OFFICERS

Chancellor

Professor the Hon Gareth Evans AO, QC, BA LLB(Hons) *Melb, MA Oxf, Hon LLD Melb, Syd, Carleton, Queen's Ont*

Pro-Chancellor

The Hon Justice Annabelle Bennett AO, BSc(Hons) PhD Syd, LLB UNSW

Vice-Chancellor and President

Professor Ian Chubb AC, MSc DPhil Oxf, HonDSc *Flinders*, FACE

Deputy Vice-Chancellor and Vice-President

Professor Lawrence Cram, BSc(Hons) BE(Hons) PhD Syd

Pro Vice-Chancellor (E-Strategies)

Professor Robin Stanton, BE PhD UNSW, FTSE

Pro Vice-Chancellor (Innovation and Advancement)

Professor Michael Cardew-Hall, BSc(Hons) *Nott*, PhD *Imperial College*, CEng, FIMechEPro

Vice-Chancellor (Research and Graduate Studies)

Professor Mandy Thomas, BA(Hons) PhD ANU

Pro Vice-Chancellor (Students)

Professor Elizabeth Deane, BSc(Hons) PhD Syd

Executive Director (Administration and Planning)

Dr Brok Glenn, BSc(Hons) PhD Lond

Dean and Director, ANU College of Arts and Social Sciences

Professor Toni Makkai, BA *CIAE*, MSPD PhD *Qld*

Dean of Arts and Social Sciences, ANU College of Arts and Social Sciences

Professor Joan Beaumont, BA(Hons) *Adel*, PhD Lond, FASSA

Dean and Director, ANU College of Asia and the Pacific

Professor Andrew MacIntyre, BA(Hons) MA PhD ANU

Dean and Director, ANU College of Business and Economics

Professor Keith A Houghton, BCom *Melb*, MSc (Econ) Lond, PhD *WAust*, FCA, FCPA (to 13.8.10)

Associate Professor Alex Clarke (from 16.8.10)

Dean and Director, ANU College of Engineering and Computer Science

Professor Chris Baker, BSc (DipAppPhys) PhD *Hull*, FIET, MIEEE

Dean and Director, ANU College of Law

Professor Michael Coper, BA LLB(Hons) Syd, PhD UNSW, Barrister NSW, Barrister & Solicitor ACT

Dean and Director, ANU College of Medicine, Biology and Environment

Professor Andrew Cockburn, BSc PhD *Monash*, FAA

Dean of Medicine and Health Sciences, ANU College of Medicine, Biology and Environment

Professor Nicholas Glasgow, MBChB, MD *Auck*, FRNZGP, FRACGP, FACHPM

Dean and Director, ANU College of Physical and Mathematical Sciences

Professor Aidan Byrne, BSc MSc *Auck*, PhD ANU

Dean of Science, ANU College of Medicine, Biology and Environment and ANU College of Physical and Mathematical Sciences

Professor Aidan Byrne, BSc MSc *Auck*, PhD ANU

Director, Electron Microscopy Unit

Professor Timothy White, BSc(Hons) *UNE*, PhD ANU

Director, Faculty of Law

Professor Michael Coper, BA LLB(Hons) Syd, PhD UNSW, Barrister NSW, Barrister & Solicitor ACT

Dean, ANU Medical School

Professor Nicholas Glasgow, MBChB, MD *Auck*, FRNZGP, FRACGP, FACHPM

Director, The John Curtin School of Medical Research

Professor Julio Licinio, MD *Bahia*, FAPA

Director, Research School of Astronomy and Astrophysics

Professor Harvey Butcher, BSc(Hons) *CalTech*, PhD ANU, FASA

Director, Research School of Biology

Professor Kiaran Kirk, BSc(Hons) PhD Syd, MA DPhil Oxf

Director, Research School of Business

Professor Keith A Houghton, BCom *Melb*, MSc(Econ) Lond, PhD *WAust*, FCA, FCPA (to 13.8.10)

Associate Professor Alex Clarke (from 16.8.10)

Director, Research School of Chemistry

Professor Martin Banwell, BSc(Hons) PhD *Well*, FAA, FRACI, FRSC, Hon FRSNZ

Director, Research School of Earth Sciences

Professor Brian L N Kennett, MA PhD ScD *Camb*, FAA, FRS, FGSAust, Hon FRAS (to 31.1.10)
Professor Andrew Roberts, BSc *Massey* BSc(Hons) PhD DSc *Victoria* (from 1.2.10)

Director, Research School of Economics

Professor Warwick McKibbin AM, BComm(Hons) UNSW, PhD *Harv*, FASSA

Director, Research School of Humanities and the Arts

Professor Howard Morphy, BSc MPhil Lond, PhD ANU

Director, Research School of Physics and Engineering

Professor Jim Williams AM, BSc PhD UNSW, FAA, FAIP, FIEAust, FTSE, FAPS, FMRS

Director, Research School of Social Sciences

Professor David Marsh, BA *Swansea*, PhD *Exe* (to 30.9.10)
Professor Adam Graycar, BA PhD DLitt UNSW, FASSA (from 1.10.10)

Director, ANU Climate Change Institute

Professor William Steffen, BSc *Missouri-Rolla*, MSc PhD *Flor*

Director, Asia Pacific College of Diplomacy

Professor William Maley AM, BEc LLB MA ANU, PhD UNSW

Director, Australian Centre for Economic Research on Health

Professor James Butler, BEcon MPEcon PhD *Qld*

Director, Australian Demographic and Social Research Institute

Professor Peter McDonald, BComm UNSW, PhD ANU, FASSA

Director, Australian Primary Health Care Research Institute

Mr Robert Wells, BA *NE*, APHCRI

Director, Centre for Mental Health Research

Professor Helen Christensen, BA(Hons) *Syd*, MPsych(Hons) PhD *UNSW*, FASSA

Director, Australian National Centre for the Public Awareness of Science

Associate Professor Sue Stocklmayer AM, BSc *Lond*, MSc PhD *Curtin*

Director, Crawford School of Economics and Government

Professor Tom Kompas, MSc BSc *Iowa State*, PhD *Tor*

Director, The Fenner School of Environment and Society

Professor Stephen Robert Dovers, BAppSc *Canberra*, LittB PhD *ANU*

Director, Mathematical Sciences Institute

Professor Alan Carey, BSc *Syd*, MSc *Adel*, DPhil *Oxf*

Director, Menzies Centre for Health Policy

Mr Robert Wells, BA *NE*

Director, National Centre for Epidemiology and Population Health

Professor Niels Becker, BSc(Hons) MSc *Melb*, PhD *Sheff*

Director, National Centre for Indigenous Studies

Professor Michael Dodson AM, LLB BJuris *Monash*, Hon DLit *Technol Syd*, Hon LLD *UNSW*

Director, School of Culture, History and Language

Professor Kent Anderson, BA *Middlebury*, MA JD *Washington*, MJur *Oxf*

Director, School of Health and Psychological Sciences

Professor Donald Byrne, BA PhD *Adel*, FASSA, FAPS

Director, School of International, Political and Strategic Studies

Professor Paul Hutchcroft, BA *Macalester*, MA PhD *Yale*

Director, School of Regulation, Justice and Diplomacy

Professor Veronica Taylor, BA(Hons) LLB *Monash*, LLM *Washington*

Dean of Students

Dr Paula Newitt, BSc(Hons) PhD *LaT*, GradDipScienceEd *Curtin*

Chief Finance Officer & Director, Finance and Business Services

Mr David Sturgiss, BComm *UNSW*, FCA, MAICD

Director, Communications and External Liaison Office

Ms Catriona Jackson, BA GradDipHum *LaT* (from 27.1.10)

Director, Information Services

Mr Rick Van Haefen, GradDipIT *UNSW*

Director, Information Infrastructure Services

Mr Allan Williams, BSc(Hons) GradDipCompSci *NE*, CISM, CISSP

Director, Facilities and Services

Mr Mick Serena, MDesSc *Syd*

Director, Human Resources

Mr Ron Watts, BCom *WAI*, MCom *Melb*, GradDip(BusMgt) *Monash*, FAHRI

Director, North America Liaison Office

Ms Jane O'Dwyer, BA *Curtin*, MJourn *W'gong*

Director, Research Office

Dr John Wellard, BAppSc *LaT*, GradDipSci PhD *ANU*

Director, Residential and Campus Communities

Mr Luce Buitler Andrews, BA *UWS*, GradDipAppPsych *Canberra* (from 6.12.10)

Director, Risk Management and Audit Office

Ms Nancy Bennison, BCom *Syd*, Chartered Accountant ICAA (from 10.3.10)

Director, Scholarly Information Services and University Librarian

Mr Victor George Elliott, MA *Well*, MLitt *Oxf*, DipNZLS, AALIA, FNZLIA

Director, University Accommodation

Ms Marie Wensing (to 30.6.10)

Head, Council and Boards Secretariat

Ms Jan O'Connor, BA *James Cook*

Registrar

Mr Timothy Beckett, MA *Dub*

University Counsel

Mr Kenneth Grime, BEc LLB *Monash*, Barrister & Solicitor

Master, University House and Graduate House

Professor John Richards AM, BE PhD *UNSW*, FIREE, FIEAust, FIEEE, FTSE, CPEng

Head, Bruce Hall

Ms Marion Stanton, BA(Hons) *ANU*

Head, Burton and Garran Hall

Mr Keith Conley, BA(Hons) *ANU*

Head, Fenner Hall

Dr Jack Bowers, BA(Hons) *Flin*, PhD *UNSW* (Acting to 27.3.10)

Mr Luce Buitler Andrews, BA *UWS*, GradDipAppPsych *Canberra* (from 22.3.10 to 5.12.10)

Dr Jasmine Jury, BSc(Hons) *Massey*, PhD *ANU* (Acting from 6.12.10)

Head, Toad Hall

Dr Ian Walker, BA DipEd *Syd*, MA *Macq*, PhD *UNSW* (from 29.3.10)

Head, Ursula Hall

Dr George Watt, BA(Hons) *Brigham Young*, MA *Calif State*, LittB *UNE*, PhD *Flin*, PGDipEd *Adel* (to 13.7.10)

Dr Jack Bowers, BA(Hons) *Flin*, PhD *UNSW* (from 14.7.10)

OFFICERS FOR CEREMONIAL OCCASIONS**Marshal**

Mr Selwyn Harcourt Cornish AM, BEc *WAust*

Dr Royston Gustavson, BA(Hons) *Qld*, MBA PhD *Melb*, FAICD (Alternate)

Esquire Bedel

Mrs Julie Gorrell, BA *ANU*

Professor Marie Carroll, BA(Hons) PhD *Otago*, MAPS (Alternate) (to 28.2.10)

Dr Ian Walker, BA DipEd *Syd*, MA *Macq*, PhD *UNSW* (Alternate) (from 13.5.10)

Council and Council Committees

Number of meetings and Members' attendance for the period 1.1.10 to 31.12.10

Council

Number of meetings: 7

Name of Member	Number of Attendances
Professor G Evans (Chair)	7
Justice A Bennett	7
Professor I Chubb*	7
Ms I Atlas	5
Ms N Chowdhury** (to 19.5.10)	2
Dr S Crompvoets*	4
Mr M Delaney	6
Dr V FitzGerald	5
Mr T Fletcher (to 30.11.10)**	6
Ms L Ginnivan** (from 1.12.10)	1
Dr R Gustavson* (from 30.9.10)	2
Professor K Houghton* (to 13.8.10)	2
Ms R Hughes	6
Mr M King* (from 26.5.10)	5
Professor K Kirk* (from 30.9.10)	1
Ms M Letts	6
Professor A McGrath*	7
Mr A Metuamate** (from 20.5.10)	(includes 1 via teleconference) 5
Mr D Miles	6
Mr W Speed* (to 25.5.10)	2

Audit and Risk Management Committee

Number of meetings: 5

Name of Member	Number of Attendances
Mr P McPhillips (Chair) (to 30.6.10)	2
Mr G Knuckey (Chair) (from 1.7.10)	3
Mr M Delaney	1
Ms I Atlas (from 24.9.10)	0
Professor K Houghton* (to 13.8.10)	2
Ms D Moody	5
Mr P Perkins	5

Finance Committee

Number of meetings: 5

Name of Member	Number of Attendances
Mr M Delaney (Chair)	5
Professor I Chubb*	5
Justice A Bennett	(includes 1 via teleconference) 2
Mr P Carlin	4
Mr M Empson	4
Mr P Gourley	3
Mr G Knuckey (from 1.7.10)	2
Mr K Lyon	3
Mr P McPhillips (to 30.6.10)	1
Ms A Terry (to 11.5.10)	0

Honorary Degrees Committee

Number of Meetings: 2

Name of Member	Number of Attendances
Professor G Evans	(Chair) 2
Justice A Bennett	2
Professor I Chubb*	2
Ms N Chowdhury** (to 19.5.10)	1
Professor L Cram*	1
Dr V FitzGerald	2
Ms R Hughes	2
Ms M Letts	2
Mr A Metuamate** (from 20.5.10)	1
Professor N Peterson*	2
Professor S Von Caemmerer*	2

Committee on Conditions of Appointment of the Vice-Chancellor

Number of Meetings: Committee members conferred as required throughout 2010 regarding conditions of appointment of the Vice-Chancellor.

Name of Member
Professor G Evans (Chair)
Justice A Bennett
Mr M Delaney

Emergency Appointment (Vice-Chancellor) Committee

Number of Meetings: 0

Name of Member
Professor G Evans (Chair)
Justice A Bennett
Mr M Delaney

* ANU staff member

** ANU student

Risk management

This statement has been prepared to comply with section 15 of the Commonwealth Authorities and Companies (Report of Operations) Orders 2008 not covered in other sections of this report.

Risks are inherent to all academic, administrative and business activities. Every member of the University community continuously manages risks in their day-to-day activities.

The aim of risk management is not to eliminate risk, rather to manage the risks involved in all University activities, with the overall goal of maximising opportunities and minimising adversity. In periods of change, risk and uncertainty become more pressing concerns for people. In such times, a structured and systematic approach to managing risk is beneficial. Consequently, ANU acknowledges that the adoption of a strategic and formal approach to risk management will improve decision-making, enhance outcomes and lead to greater accountability.

The ANU Risk Awareness Framework assists in the protection of the University's key assets: people, reputation, finances, infrastructure and intellectual property. The framework is supported by:

- > a robust governance structure, including the Audit and Risk Management Committee and the Risk Management Advisory Committee
- > a risk management policy that clearly articulates and assigns key roles and responsibilities
- > ANU risk profiles
- > a risk-based Strategic Audit Plan (2011–2013)
- > a Fraud Control Plan aligned with the Commonwealth Fraud Control Policy and Guidelines and based on a rolling risk review program
- > a communication strategy underpinned by ANU risk web portal
- > an emergency response and business continuity planning framework
- > the availability of risk management support, advice, assessment tools and training to academic and support areas.

Indemnities

Indemnities and insurance premiums for ANU Officers

All employees of the University are covered by the Code of Conduct. The Code states:

The University will indemnify its staff against liabilities incurred by them while carrying out their duties in good faith for the University. It will stand behind its staff and meet the costs of actions that might be taken against them personally as though the action had been taken against the University, provided that the staff member concerned was acting in good faith.³

Professional indemnity insurance and other appropriate insurances, including a Directors and Officers Liability and Company Reimbursement policy, have been acquired on terms and conditions that are consistent with provisions in the *Commonwealth Authorities and Companies Act*.

³ policies.anu.edu.au/policies/code_of_conduct/policy

Access

This statement has been prepared to comply with section 18 of the Commonwealth Authorities and Companies (Report of Operations) Orders 2008 not covered in other sections of this report.

ANU has one of the highest rates of representation of students with disability in Australia's higher education sector, an outcome of the University's long-term commitment to diversity and the inclusion of people with disability in education.

ANU continues to implement strategies set out in the *University's 2009 – 2012 Disability Action Plan*. The plan will be reviewed in early 2011.

Employment/Staff

ANU is a foundation member of the Australian Employers Network on Disability and is actively involved with other employers in the ACT working together to increase the employment opportunities and work experience of people with disability, and support their managers and supervisors. In 2010, ANU continued its involvement by having a staff representative on the board of the employers network.

The relevant policies on access and equity are readily available to all staff. These policies cover: equal opportunity, disability, discrimination, harassment and bullying, and dealing with student complaints and staff grievances. The University provides training to staff with human resource responsibilities and to selection committee panel members, ensuring they are capable and confident when dealing with employment-related matters for people with disability. Equity statements continue to be included in staff recruitment advertisements.

During 2010, the Health, Safety and Work Environment Branch provided advice on reasonable adjustment to staff employed with a disability and those who acquired a disability whilst working at ANU. Following a review of staff disability services, a Staff Disability Adviser has been appointed to provide support for staff handling disability issues.

Education/Students

Support services for students with disability are provided by ANU Colleges with the advice and assistance of the University's Disability Services Centre. Provision of services is guided by the Disability Standards for Education 2005 and relevant University policies. Support services include the provision of alternative examination arrangements, note taking assistance, equipment loans and the provision of resources in alternative formats to standard print.

Students registered with the Disability Services Centre are provided with individual Education Access Plans, introduced in 2010. The plans provide written advice to ANU Colleges on recommended reasonable adjustments that minimise the impact of a student's disability in education and therefore supports the student to participate in his or her program of study on the same basis as other students.

A report into the need for improved assistive technology support for students with disability was undertaken in 2010. The recommendation of the appointment of a full-time officer from January 2011 to facilitate the systemic changes needed to provide timely and comprehensive technology support for students was approved.

The University Access and Equity Committee established a Disability Subcommittee to advise on: the University's disability strategy for research, teaching, employment and community engagement; the timely implementation and review of ANU Disability Action Plan 2009 – 2012; and to oversee the University's response to the Disability Standards for Education 2005. The UEC established an Inclusive Curriculum Working Party to develop inclusive curriculum policy, guidelines and procedures for the University.

ANU is part of a consortium that received 2010 ALTC funding to develop an interactive online training tool for Australian universities on the Disability Standards for Education 2005. The consortium consists of the University of Canberra (lead institution), the Australian Association of Special Education, the Office of Human Rights and Disability Discrimination and ANU.

ANU holds council positions on the Disability Education Association NSW/ACT Inc. and the Australian Tertiary Education Network on Disability.

Physical access

Physical access requirements are monitored by a standing working group and, where significant issues are identified, they are addressed as part of the University maintenance and site infrastructure program. In 2010, no significant access projects were undertaken. Minor projects to address specific needs of students with disabilities in various teaching and learning spaces, some access works, and installation of signage where necessary, were incorporated as part of the campus maintenance program. Several major site projects to improve access and mobility in key campus areas are being planned.

The Campus Master Plan is due for completion in early 2011. This plan includes strategies for progressively improving access for all campus community members and visitors. The University's Acton campus has received significant investment in new infrastructure which has improved physical access to campus infrastructure. An Asset Management Plan is currently being developed and will include plans to upgrade existing buildings to comply with access requirements in the longer term.

IT access

During 2010, the extensive range of assistive technologies were updated to include major improvements in voice recognition, screen readers, magnifiers, converters and alternative input devices. Access to these technologies remains available to members of the University community on all publicly accessible workstations. Facilities are available 24 hours a day, seven days a week, with around the clock access to ANU support networks. As noted earlier, the University has appointed a full-time officer, commencing January 2011, to provide timely and comprehensive technology support to students with disability.

The current set of Learning Management Services is reviewed regularly to ensure that they meet or exceed mandated accessibility guidelines.

ANU remains an active member of the Liberated Learning Consortium, an international group of universities engaged in researching and developing assistive technologies. ANU currently provides lecture recordings to the consortium to assist with the development of an Australian Speech Model.

A safe, healthy and sustainable work environment

This is a report on occupational health and safety matters of The Australian National University under the requirements of section 74 of the Occupational Health and Safety (Commonwealth Employment) Act 1991.

The University has a broad Occupational Health and Safety (OHS) risk profile arising from its research, teaching and other operations, including specific risks associated with laboratories, workshops, maintenance, chemical storage handling and use, and manual handling, including occupational overuse. ANU is committed to providing a workplace that: is safe and healthy for all staff, students, contractors and visitors; is without risk to the environment; and complies with the *Occupational Health and Safety Act 1991* and other relevant legislation, regulations, national standards and codes of practice. ANU manages work health and safety through its Health, Safety and Work Environment (HSWE) Branch which is responsible for OHS, injury management, the ANU Wellbeing Program and disability support for staff.

The *Occupational Health and Safety Strategic Plan 2007 – 2010* provides the platform for meeting the University's work health and safety commitment. Table 12 summarises the University's achievements against its strategic objectives. Corrective action was taken or is currently underway regarding all reported incidents.

TABLE 12. OHS STRATEGIC PLAN SUMMARY OF ACHIEVEMENTS – 2010

Objective	Achievement
1. Reduce the impact of workplace injuries and illnesses	1. A reduction of 47 per cent in the number of compensable claims 2. A reduction of 52 per cent in lost time frequency for accepted compensation claims
2. Raise the awareness of the effective use of risk management	1. A comprehensive baseline assessment of the University's OHSMS commenced as a precursor to the improvement of the enterprise risk management system 2. University OHS procedures revised to incorporate legislative changes
3. Reduce incidents by the active elimination of hazards	1. A 13 per cent decrease in the number of reported incidents 2. A strategic approach to the reduction of manual task, and slips, trips and falls injuries developed and implemented
4. Be compliant with the new OHS Act requirements for Health and Safety Management Arrangements	1. Conversion of the <i>Health and Safety Management Arrangements</i> to electronic format commenced, which will form the basis of the University's revised OHSMS
5. Enhance the profile and practice of health, safety and wellbeing at all levels of ANU	1. Awareness sessions for ANU Colleges and Service Divisions conducted on responsibilities under the proposed Work Health and Safety legislation 2. The University's Wellbeing Program of events developed and implemented, attracted over 2,500 staff

The HSWE Branch, in a consultative process, developed a revised structure for the University's OHS Management System (OHSMS). The revised OHSMS will provide ANU Colleges and Service Divisions with greater information on their OHS performance that will enable them more effectively to revise their OHS Improvement Plans in 2011. The branch continues its work on achieving compliance with the proposed *Work Health and Safety Act* (Cwlth), due for implementation in January 2012.

Other 2010 activities included monitoring the University's health surveillance program – currently 77 staff are being monitored. Eighty seven OHS training courses were held for 1,410 staff and students compared with 1,111 in 2009 and 824 in 2008. The supervisor OHS responsibilities course was revised in 2010 following feedback from participants.

TABLE 13. OCCUPATIONAL HEALTH AND SAFETY INCIDENT STATISTICS 2006 – 2010

PERFORMANCE INDICATOR	2006	2007	2008	2009	2010
Reported Incidents (including injury and illness)	467	448	387	423	366
Number of Accepted Compensation Claims	71	50	47	43	23
Number of Lost Time Incidents	45	28	24	23	13
Lost Time Frequency for Accepted Claims	11.1	7.7	7.2	6.5	3.4

Incidents reported to Comcare in 2010 include: 24 serious personal injuries (down from 39 in 2009, up from 22 in 2008); and seven dangerous occurrences (down from 12 in 2009 and the same as in 2008). Comcare requested further information on 12 lodged Incident Reports, four of which involved small fires. Comcare conducted one formal investigation relating to an explosion in a laboratory. The University implemented all recommendations relating to the investigation. There were no Prohibition or Improvement Notices issued to the University by Comcare in 2010.

ANU also provides compliance data to the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA), the Australian Safeguards and Non-Proliferation Office, National Industrial Chemicals Notification and Assessment Scheme, Australian Quarantine and Inspection Service, ACT WorkCover and ACT Health. ARPANSA requested additional information on a radiation contamination incident that was investigated by the University and accepted the University's response.

In measuring its OHS performance, ANU continues to benchmark itself against the Go8 and other government agencies. The University's OHS performance has been consistently improving over time and this is reflected in the Comcare premium, expressed as a percentage of payroll. The premium is essentially a measure of system performance – the lower the premium rates, the better the performance. Table 14 indicates how over the past five years the University's premiums are consistently lower than all other government agencies combined.

TABLE 14. COMCARE PREMIUM RATES AS A PERCENTAGE OF PAYROLL

Premium Rates	2006-7	2007-8	2008-9	2009-10	2010-11
ANU	0.86	1.00	0.86	0.86	0.80
All agencies combined	1.77	1.55	1.36	1.25	1.20

The environment

This statement has been prepared to comply with section 516A of the Environment Protection and Biodiversity Conservation Act 1999 (Cwlth).

Activities of the University and their accordance with the principles of ecologically sustainable development

The University's *Environmental Management Plan 2009-2015* promotes a comprehensive and integrated program for improving campus sustainability using international best practice, integrating environmental management into the University decision making processes and developing an organisational culture that fosters sustainable behaviour within the campus and broader communities (www.anu.edu.au/anugreen/files/1165_ANU_EMP_09-15.pdf). The plan's goals include:

- > 35 per cent reduction in energy use and greenhouse gas emissions by 2020
- > 50 per cent reduction in potable water use by 2020, including removing all potable water use from the landscape by 2015
- > 70 per cent reduction of material waste to landfill by 2020
- > maximising sustainable transport by significantly increasing green commuting and minimising single-occupant vehicle trips
- > offsetting all emissions generated by air travel by 2015.

Strategies have been implemented to continually reduce pollution risk, protect and enhance biodiversity values, establish sustainable procurement arrangements and design environmentally efficient buildings and mechanical plant and equipment. During 2010, these strategies included:

- > enhancement of plant and equipment and site and landscape infrastructure to improve particularly energy use and potable water consumption
- > installation of photo voltaic/solar cells on selected buildings, using Commonwealth and ACT Government grant funding
- > incorporation of ESD principles into the design of new buildings, such as the ANU Colleges of Science precinct and the Fenner School of Environment and Society. The latter is being built with the goal of achieving a six Green Star rating from the Green Building Council of Australia
- > offering programs that build community awareness of environmental impacts and promote changes in behaviour. Participation in these events doubled during the 2009-2010 period, while student participation in sustainability projects tripled
- > the establishment of a University Carbon Fund to provide support for medium size projects aimed at reducing University emissions in absolute terms
- > integrating academic activities with campus environmental programs, including working with students through environmental internships, research projects (attracting hundreds of students) and informal curriculum programs, such as the Sustainability Learning Community
- > continuing collaborations with other universities, nationally and internationally (through IARU), in developing best practice models for campus sustainability

- > the completion of the construction of a world-class synthetic oval on campus, including the installation of 500 kilolitre sub-surface storm water tank. Achieving significant savings in irrigation and is an important initiative in eliminating the overall use of potable water in the landscape. The project was funded through a Green Precincts grant provided by the Commonwealth Government
- > ANU was the recipient of several ACT Sustainable Cities Awards in the Keep Australian Beautiful program, including recognition for the campus recycling initiatives, heritage and cultural protection for the restoration work at the Mount Stromlo Observatory and sustainable building design for the Laurus Wing Modular Student Accommodation project. The synthetic oval conversion was also highly commended for its water saving potential. Additionally, ANU was the first Australasian university to receive an international 'GreenGowns' award, in recognition of the University's long term commitment to campus sustainability.

The impact of the University's activities on the environment

The size of the campus, the scale and complexity of activities conducted impact on the environment, particularly in the areas of direct or indirect production of greenhouse emissions, water consumption, waste generation, procurement and development. The full details of this impact are published in the annual reports provided to the Vice-Chancellor in March each year. These reports are then made available at: www.anu.edu.au/facilities/anugreen/EMPC/Reports.

The structure of the University Environmental Management Plan promotes a strategic approach to environmental best practice through initiatives focused in four areas: People (community); Place (campus); Performance (management); and Integration (of operational and academic activities). The projects emerging from the plan progressively reduce environmental impact through the introduction of better engineered solutions and more environmentally conscious behaviour. In regard to the latter, a number of informal and formal education programs have been established to build environmental awareness within the campus community. Additionally, a number of education and research programs also provide both undergraduate and graduate students with an understanding of the need to integrate the ecological, economic and social dimensions into decision making. The cumulative effect of this approach is to establish environmentally sustainable practices by individuals and personal values characterised by sensitivity to environmental issues that will translate into the broader community.

Collaborations on campus sustainability continue with other Australian universities, including the Go8 and, internationally through IARU. IARU provides the opportunity for student exchanges, where interns work in the Sustainability Office of the host university. A larger intern program is run on campus for ANU students as part of ANUgreen (campus sustainability) program. The University also continues to support informal and vocational education initiatives, such as learning communities and the Green Steps Professional Skills program.

Reporting and review of effectiveness

The University's Environmental Management Planning Committee reports annually to the Vice-Chancellor on the status of the Environmental Management Plan, as well as submitting reports to the Commonwealth under the National Environmental Protection Measures Legislation and National Greenhouse Emissions Reporting Scheme. The annual report is published on the University website at www.anu.edu.au/anugreen/?pid=4, and is available to the campus and wider community. The University contributes information annually to the National Pollutant Index and submits reports under the terms of the *National Greenhouse Emissions Reporting Act 2007* (Cwth).

Financial information

To view Financial Information in a larger format please visit:
www.anu.edu.au/publications/content/annual_reports

Audit report



INDEPENDENT AUDITOR'S REPORT

To the Minister for Tertiary Education, Skills, Jobs and Workplace Relations

I have audited the accompanying financial statements of the Australian National University and the consolidated entity for the year ended 31 December 2010, which comprises: the Statement by the Directors; Income Statement; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Statement of Cash Flows; Schedule of Commitments; Schedule of Contingencies; and Notes to and forming part of the Financial Statements, including a Summary of Significant Accounting Policies. The consolidated entity comprises the Australian National University and the entities it controlled at the year's end or from time to time during the financial year.

The Directors Responsibility for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the 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 Australian National University's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion

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Statement by directors

on the effectiveness of the Australian National University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

Opinion

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

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the 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's and the consolidated entity's financial position as at 31 December 2010 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Michael J Watson

Group Executive Director

Delegate of the Auditor-General

Canberra

5 April 2011



Professor the Hon Gareth Evans AO QC
Chancellor

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CRICOS Provider No. 00120C

CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2010 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 2010) Orders made under the *Commonwealth Authorities and Companies Act 1997* (FMO) and the Guidelines for the Preparation of Annual Financial Reports for the 2010 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.

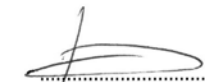
This statement is made in accordance with a resolution of the Council.



G J EVANS AO QC
Chancellor



I R YOUNG
Vice-Chancellor



D N STURGISS
Chief Finance Officer

4 April 2011

Financial Statements

THE AUSTRALIAN NATIONAL UNIVERSITY

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

Notes	Consolidated		University		
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	
INCOME					
Revenue					
Australian Government financial assistance					
Australian Government Grants	2	624,797	500,918	624,797	500,918
Higher Education Contribution Scheme - HECS-HELP					
Australian Government payments	2	33,857	32,537	33,857	32,537
Student payments		10,735	9,690	10,735	9,690
Fee-Higher Education Loan Programme - FEE-HELP	2	13,931	10,209	13,931	10,209
State Government financial assistance	3	1,769	4,371	1,769	4,371
Fees and charges	4	133,089	113,385	125,440	107,244
Investment revenue	5	69,893	62,855	69,712	62,379
Consultancy and contracts	6	67,487	64,103	51,188	53,003
Construction contract revenue	7	11,098	33,578	-	-
Other revenue	8	33,914	43,857	27,734	40,166
Total Revenue		1,000,570	875,503	959,163	820,517
Other Income					
Investment income	9	15,183	10,211	15,183	10,687
Gains/(losses) on revaluation	9	4,098	4,267	4,098	4,267
Total Other Income		19,281	14,478	19,281	14,954
TOTAL INCOME		1,019,851	889,981	978,444	835,471
EXPENSES					
Employees	10	454,492	401,866	448,441	396,484
Services	11	313,806	278,712	291,472	264,159
Depreciation and amortisation	12	56,218	49,963	55,603	49,546
Write-down and impairment of assets	13	34,877	49,891	34,833	49,891
Finance cost	14	9,394	5,250	9,394	5,250
Losses on disposal of assets	15	1,548	2,977	1,541	3,017
Construction expenses	16	5,512	31,457	-	-
TOTAL EXPENSES		875,847	820,116	841,284	768,347
Operating result before income tax		144,004	69,865	137,160	67,124
Income tax benefit/(expense)	17	(2,161)	(611)	-	-
OPERATING RESULT		141,843	69,254	137,160	67,124

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 2010

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Other Comprehensive Income				
Operating result for the period	141,843	69,254	137,160	67,124
Revaluation of property, plant and equipment	14,930	(56,384)	16,882	(56,836)
Net change in fair value of available-for-sale (AFS) financial assets	(13,593)	75,458	(13,593)	75,458
Reclassifications to income - impairment and derecognition of AFS financial assets	6,268	38,201	6,269	38,201
Defined benefit plan actuarial gains/(losses)	(11,975)	102,800	(11,975)	102,800
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	-	-	-	-
Change in fair value of cash flow hedging instruments	357	-	357	-
Total other comprehensive income before income tax	(4,013)	160,075	(2,060)	159,623
Income tax on other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the period	137,830	229,329	135,100	226,747

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

BALANCE SHEET
AS AT 31 DECEMBER 2010

Notes	Consolidated		University		
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	
ASSETS					
Financial Assets					
Cash and cash equivalents	18	151,127	166,804	141,699	150,736
Loans and receivables	19	41,012	36,340	37,707	34,001
Investments	20	993,790	931,495	993,921	938,337
Investments accounted for using the equity method	21	16,455	15,546	16,455	15,546
Other financial assets	22	357	-	357	-
Total Financial Assets		1,202,741	1,150,185	1,190,139	1,138,620
Non-Financial Assets					
Land, buildings and infrastructure	23	1,336,361	1,179,179	1,324,661	1,168,679
Plant and equipment	23	167,272	157,429	166,278	156,656
Investment property	24	17,250	16,600	17,250	16,600
Intangibles	25	829	77	-	-
Inventories	26	4,156	3,026	1,718	1,183
Other non-financial assets	27	20,416	16,660	20,302	16,605
Total Non-Financial Assets		1,546,284	1,372,971	1,530,209	1,359,723
TOTAL ASSETS		2,749,025	2,523,156	2,720,348	2,498,343
LIABILITIES					
Payables					
Suppliers	28	37,907	49,280	36,040	47,549
Other payables	29	30,239	27,683	20,647	18,951
Total Payables		68,146	76,963	56,687	66,500
Financial Liabilities					
Interest bearing liabilities	30	184,830	113,965	184,830	113,965
Other financial liabilities	22	-	-	-	-
Total Financial Liabilities		184,830	113,965	184,830	113,965
Provisions					
Employee benefits	31	642,802	616,811	641,950	616,097
Total Provisions		642,802	616,811	641,950	616,097
TOTAL LIABILITIES		895,778	807,739	883,467	796,562
NET ASSETS		1,853,247	1,715,417	1,836,881	1,701,781
EQUITY					
PARENT ENTITY INTEREST					
Reserves	32	923,827	910,341	918,133	902,694
Retained surpluses		929,420	805,076	918,748	799,087
TOTAL EQUITY		1,853,247	1,715,417	1,836,881	1,701,781
CURRENT ASSETS		400,958	355,449	379,173	335,144
NON-CURRENT ASSETS		2,348,067	2,167,707	2,341,175	2,163,199
CURRENT LIABILITIES		198,769	195,153	186,526	184,014
NON-CURRENT LIABILITIES		697,009	612,586	696,941	612,548

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

Statement of Changes in Equity

Consolidated	Accumulated Results		Total Asset Revaluation Surplus		Total Special Reserves		Total Equity	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Opening balance	805,076	620,487	877,502	834,052	32,839	31,549	1,715,417	1,486,088
Balance carried forward from previous period	-	13,825	-	(13,825)	-	-	-	-
Adjustment for changes in accounting policies	805,076	634,312	877,502	820,227	32,839	31,549	1,715,417	1,486,088
Adjusted opening balance								
Comprehensive income								
Operating surplus/(deficit) from ordinary activities	141,843	69,254	-	-	-	-	141,843	69,254
Net revaluation increase	-	-	1,694	19,074	-	-	1,694	19,074
Adjustment direct to equity - actuarial gains/(losses) on employee superannuation liability	(11,975)	102,800	-	-	-	-	(11,975)	102,800
Adjustment direct to equity - income tax	-	-	-	-	-	-	-	-
Transfers to/(from) reserves	(5,524)	(1,290)	6,268	38,201	5,524	1,290	6,268	38,201
Total comprehensive income	124,344	170,764	7,962	57,275	5,524	1,290	137,830	229,329
Total equity at the end of the financial year	929,420	805,076	885,464	877,502	38,363	32,839	1,853,247	1,715,417
University								
University	Accumulated Results		Total Asset Revaluation Surplus		Total Special Reserves		Total Equity	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Opening balance	799,087	616,628	869,855	826,857	32,839	31,549	1,701,781	1,475,034
Balance carried forward from previous period	-	13,825	-	(13,825)	-	-	-	-
Adjustment for changes in accounting policies	799,087	630,453	869,855	813,032	32,839	31,549	1,701,781	1,475,034
Adjusted opening balance								
Comprehensive income								
Operating surplus/(deficit) from ordinary activities	137,160	67,124	-	-	-	-	137,160	67,124
Net revaluation increase	-	-	3,646	18,622	-	-	3,646	18,622
Adjustment direct to equity - actuarial gains/(losses) on employee superannuation liability	(11,975)	102,800	-	-	-	-	(11,975)	102,800
Adjustment direct to equity - income tax	-	-	-	-	-	-	-	-
Transfers to/(from) reserves	(5,524)	(1,290)	6,269	38,201	5,524	1,290	6,269	38,201
Total comprehensive income	119,661	168,634	9,915	56,823	5,524	1,290	135,100	226,747
Total equity at the end of the financial year	918,748	799,087	879,770	869,855	38,363	32,839	1,836,881	1,701,781

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
OPERATING ACTIVITIES					
Cash received					
Australian Government financial assistance		672,270	544,152	672,270	544,152
State Government financial assistance		1,775	4,332	1,775	4,332
HECS-HELP - student payments		10,735	9,690	10,735	9,690
Fees and charges		152,404	99,688	124,224	99,688
Consultancy and contracts		62,079	112,503	49,956	52,725
Interest and other investment earnings		35,330	37,551	34,570	37,029
Dividends received		33,744	33,754	34,544	33,754
Other receipts		63,720	55,477	63,358	55,128
Total cash received		1,032,057	897,147	991,432	836,498
Cash used					
Payments to employees and pensioners		441,705	412,907	435,792	407,634
Direct investment expenses		712	771	712	771
Borrowing expenses		9,235	5,250	9,235	5,250
Payments to services		370,004	330,435	340,803	281,356
Income taxes		650	339	-	-
Total cash used		822,306	749,702	786,542	695,011
NET CASH FROM OPERATING ACTIVITIES	33	209,751	147,445	204,890	141,487
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment		571	876	567	876
Loan repayments		-	-	-	-
Proceeds from sale and maturity of investments		440,693	1,476,861	439,043	1,475,922
Dividends received		-	(523)	-	-
Total cash received		441,264	1,477,214	439,610	1,476,798
Cash used					
Loan advances		-	-	-	-
Purchase of property, plant and equipment		216,235	153,133	212,240	152,528
Intangibles expenditure - development costs		797	-	-	-
Purchase of investments		520,525	1,428,030	512,162	1,427,275
Total cash used		737,557	1,581,163	724,402	1,579,803
NET CASH FROM INVESTING ACTIVITIES		(296,293)	(103,949)	(284,792)	(103,005)
FINANCING ACTIVITIES					
Proceeds from borrowings		72,000	-	72,000	-
Repayments of borrowings		(1,135)	(2,593)	(1,135)	(2,592)
Dividends paid		-	-	-	-
NET CASH FROM FINANCING ACTIVITIES		70,865	(2,593)	70,865	(2,592)
NET INCREASE (DECREASE) IN CASH HELD		(15,677)	40,903	(9,037)	35,890
Cash and cash equivalents at 1 January	18	166,804	125,901	150,736	114,846
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	18	151,127	166,804	141,699	150,736

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

SCHEDULE OF COMMITMENTS
AS AT 31 DECEMBER 2010

	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
BY TYPE					
Capital Commitments					
Property, plant and equipment		344,544	407,608	344,544	407,608
Total Capital Commitments		344,544	407,608	344,544	407,608
Other Commitments					
Operating leases		380	399	-	-
Other commitments		30,148	20,915	30,148	32,640
Total Other Commitments		30,528	21,314	30,148	32,640
Commitments Receivable		(34,063)	(38,957)	(34,063)	(51,257)
Net Commitments by Type		341,009	389,965	340,629	388,991
BY MATURITY					
All net commitments					
One year or less		263,995	274,401	263,884	273,710
From one to five years		77,009	83,476	76,740	83,246
Greater than five years		5	32,088	5	32,035
Net Commitments by Maturity		341,009	389,965	340,629	388,991
Operating lease commitments					
One year or less		111	116	-	-
From one to five years		269	230	-	-
Greater than five years		-	53	-	-
Net Operating Lease Commitments Payable		380	399	-	-

NB: Commitments are GST inclusive where relevant

SCHEDULE OF CONTINGENCIES
AS AT 31 DECEMBER 2010

	Notes	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
CONTINGENT ASSETS					
Claims for damages/costs		-	-	-	-
TOTAL CONTINGENT ASSETS	34	-	-	-	-
CONTINGENT LIABILITIES					
Guarantees		10,092	9,452	9,568	8,928
Claims for damages/costs		-	-	-	-
TOTAL CONTINGENT LIABILITIES	35	10,092	9,452	9,568	8,928

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

SCHEDULE OF ASSET ADDITIONS (University Only)
for the period ended 31 December 2010

The following non-financial non-current assets were added in 2010:

	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	2,288	230,497	-	-	41,494	-	-	274,279
By finance lease	-	-	-	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-	2	2

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	-	-	-	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-	11	11

THE AUSTRALIAN NATIONAL UNIVERSITY

SCHEDULE OF ASSET ADDITIONS (Consolidated)
for the period ended 31 December 2010

The following non-financial non-current assets were added in 2010:

	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	2,288	234,015	-	-	41,976	-	-	278,279
By finance lease	-	-	-	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-	2	2

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	-	209,960	-	-	32,706	-	-	242,666
By finance lease	-	-	-	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-	11	11

NOTES TO AND FORMING PART OF THE ACCOUNTS

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3	State Government Financial Assistance
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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 48), 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 Section 9 of 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 2010), 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 2010 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 NFP 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 3 Business Combinations
AASB 127 Consolidated and Separate Financial Statements
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127
AASB 2008-6 Amendments to Australian Accounting Standards arising from the annual improvements project [AASB 1, AASB 5]
AASB 2008-8 Amendments to Australian Accounting Standards [AASB 5, 7, 107, 112, 136 & 139 and Interpretation 17]
AASB 2008-11 Amendments to Australian Accounting Standards - Business Combinations Among Not-for-Profit Entities
AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 - Distributions of Non-cash Assets to Owners
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 Accounting Standards [AASB 5, 7, 107, 112, 136 & 139 and Interpretation 17]
AASB 2009-8 Amendments to Australian Accounting Standards - Group Cash-settled Share-based Payment Transactions
INT 17 Distributions of Non-cash Assets to Owners
INT 18 Transfers of Assets from Customers

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 2009-12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023, 1031, INT 2, 4, 16, 1039, 1052]
AASB 2009-14 Amendments to Australian Interpretation- Prepayments of a Minimum Funding Requirement
AASB 2010-3 Amendments to Australian Accounting Standards [AASB 3, 7, 121, 128, 131, 132, 139]
AASB 2010-4 Further Amendments to Australian Accounting Standards [AASB 1, 7, 101, 134 and Interpretation 13]
AASB 2010-6 Amendments to Australian Accounting Standards- Disclosures on Transfers of Financial Assets [AASB 1,7]
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9
AASB 124 Related Party Disclosures
AASB 9 / AASB 2009-11 Financial Instruments and related amendments
AASB 119 Employee Benefits
INT 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

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 receivable 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 cost by more than 20% and a prolonged decline to be one in which the fair value is below the 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 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 Accounting Policies, Changes in Accounting Estimates and Errors

Change in Accounting Policy

In 2010, the University implemented a new investment software system. Effective from 1 January 2010, this has enabled the University to move from the weighted average cost (WAC) method to the first-in, first-out method (FIFO) of accounting for its financial assets. This change brings the University's business practice in line with the general industry treatment.

The change in accounting policy retrospectively to 2009 results in a reclassification of \$13.825m from the Asset Revaluation Reserve- Investments to Retained Earnings for the financial year ended 31 December 2009. As it is impracticable to determine the cumulative effects of applying the FIFO policy to reporting periods prior to 2009, the University will only apply this policy prospectively from 1 January 2009 and disregard the portion of cumulative adjustments to equity arising before 1 January 2009.

Correction of Prior Year Omission

In 2009, an amount of \$38.201m was not included in the Statement of Comprehensive Income (SOC), despite being included in the Statement of Changes in Equity (SOCE). This amount represented values reversed from reserves to profit on impairment of Available-for-Sale (AFS) financial assets and on reversal of fair value changes upon disposal of AFS financial assets. This amount has now been included in the SOC under Reclassifications to Income - Impairment and Derecognition of AFS Financial Assets line item. The amendments are presentational only and do not change reported balances.

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.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued**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.

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

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.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued**1.11 Financial Assets continued**

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

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.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.11 Financial Assets continued

Cash flow hedge

The University has entered into financial instruments (derivatives) as principal to manage balance sheet interest rate risk. The derivatives held are interest rate swaps. A swap is an agreement to exchange cash flows in the future in accordance with a pre-arranged formula. Interest rate swap contracts generally involve exchange of fixed and floating interest payment obligations without the exchange of underlying principal amounts.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement within other income or other expense.

Amounts that have been recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the Income Statement within 'finance costs'. The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in the Income Statement within 'sales'.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the Income Statement and are included in other income or other expenses.

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 2010;
- Fixed interest securities, such as semi government bonds are calculated from yields provided by UBS Investment Bank Rate Sheet as at 31 December 2010;
- Managed investment funds and overseas managed investment funds - unit valuation supplied by the fund management groups as at 31 December 2010; and
- Derivative contracts are determined by reference to the spot rate of the relevant currency as at 31 December 2010.

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 asset 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.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

1.13.3 Valuation

Land as identified in Note 41, has been brought to account. Substantially all of the land in the Australian Capital Territory and the Northern Territory was revalued in 2010. The valuation was completed by independent valuers, the Australian Valuation Office. The valuation was on the basis of Fair Value for financial reporting purposes, in accordance with the requirements of AASB 116 and the Finance Minister's Orders issued by the Department of Finance and Deregulation. 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 2010. The basis of the valuation was based on research of recent records of Australian and international sales, purchases and other forms of acquisition. The valuation was completed by an independent qualified valuer, The Antique Bookshop and Curios (Peter Tinslay).

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.

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, which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the property. If this information is not available, the valuer uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. 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 University revalued investment land and buildings as at 31 December 2010 in accordance with the valuation conducted by CB Richard Ellis (V) Pty Ltd. The valuation assessment addresses the market value of the property subject to the existing tenancy arrangements with valuation calculations including rental growth assumptions throughout a defined cashflow period. These assumptions have been based on prevailing economic and market conditions as at the date of valuation. The valuers also relied on refurbishment cost estimates for the remaining office lift lobbies based on costs recently expended on other floors in the building. The valuers assumed that the actual costs will not differ substantially from those adopted.

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.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued**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 LiabilitiesSuppliers 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.

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 2010. 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 the longest dated 10 year Commonwealth bonds on issue as at valuation date 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 2010 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 AASB119 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 42.

NOTES continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued**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.

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 50.

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 50.

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 43.

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 993 students. The first facility was opened in January 2007 and the second in January 2009.

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	
		2010 \$'000	2009 \$'000
(a) Australian Government Grants Scheme and Other Grants	51.1, 51.2		
Commonwealth Grants Scheme [#]		64,419	58,308
Indigenous Support Programme		508	433
Higher Education Equity Support Programme		-	63
Disability Support Programme		87	104
Workplace Reform Programme		-	721
Workplace Productivity Programme		1,450	975
Learning & Teaching Performance Fund		-	2,451
National Institutes Funding		172,831	169,277
Teaching and Learning Capital Fund		-	18,155
Transitional Cost Program		336	526
Collaboration & Structural Reform Programme		-	-
Higher Education Participation Programme		204	-
Higher Education Partnership Base Funding		356	-
Total Australian Government Grants Scheme and Other Grants		240,191	251,013
(b) Higher Education Loan Programmes	51.3		
HECS - HELP		33,857	32,537
FEE - HELP		13,931	10,209
Total Higher Education Loan Programmes		47,788	42,746
(c) Scholarships	51.4		
National Priority Scholarships		22	35
Australian Postgraduate Awards		8,609	6,438
International Postgraduate Research Scholarships		1,128	1,109
Indigenous Access Scholarships		(20)	71
Commonwealth Education Costs Scholarships		(94)	448
Commonwealth Accommodation Scholarships		250	1,354
Commonwealth Indigenous Scholarships		36	-
Total Scholarships		9,931	9,455
(d) DIISR - Research	51.5		
Australian Scheme for Higher Education Repositories		-	343
Commercialisation Training Scheme		292	280
Education Investment Fund		26,304	10,870
Diversity and Structural Adjustment Fund		-	2,983
Implementation Assistance Programme		138	252
Institutional Grants Scheme		16,463	16,973
Research Infrastructure Block Grants		15,074	16,469
Research Training Scheme		32,717	31,925
Sustainable Research Excellence		5,672	-
Systemic Infrastructure Initiative		-	-
Total DIISR - Research Grants		96,660	80,095
[#] Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading.			
(e) Australian Research Council	51.6		
(e)(i) Discovery	51.6(a)		
Project		31,677	32,990
Fellowships		8,549	6,148
Indigenous Researchers Initiatives		77	15
Total Discovery		40,303	39,153
(e)(ii) Linkages	51.6(b)		
Special Research Initiatives		-	-
Infrastructure		5,795	4,580
International Researcher Exchange		103	349
Projects		6,403	7,274
Total Linkages		12,301	12,203

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	
		2010 \$'000	2009 \$'000
(e)(iii) Networks and Centres	51.6(c)		
Research Networks		-	541
Centres		6,863	7,232
Total Networks and Centres		6,863	7,773
(f) Other Australian Government financial assistance:			
Agriculture, Fisheries and Forestry		886	2,084
Broadband, Communications and the Digital Economy		1,188	1,981
Defence		1,375	1,432
Education, Employment and Workplace Relations		11,049	5,014
Environment, Water, Heritage and the Arts		3,842	5,361
Families, Housing, Community Services and Indigenous Affairs		1,252	1,387
Foreign Affairs and Trade		9,531	10,927
Health and Ageing		43,136	41,361
Infrastructure, Transport, Regional Development and Local Government		6	23
Innovation, Industry, Science and Research		129,838	19,683
Prime Minister and Cabinet		1,446	395
Resources, Energy and Tourism		2,637	2,532
Other		12,362	9,046
Total Other Australian Government financial assistance		218,548	101,226
Total Australian Government financial assistance		672,585	543,664
Reconciliation			
Australian Government grants [a+c+d+e+f]		624,797	500,918
HECS-HELP - Australian Government payments		33,857	32,537
Other Australian Government loan programmes [FEE-HELP]		13,931	10,209
Total Australian Government financial assistance		672,585	543,664
(g) Australian Government Grants received - cash basis:			
CGS and Other DEEWR Grants		240,191	251,013
Higher Education Loan Programmes		47,788	42,746
Scholarships		9,931	9,455
DIISR Research		96,660	80,095
ARC Grants		59,467	59,129
Other Australian Government Grants		218,237	101,602
Total Australian Government Grants received - cash basis		672,274	544,040
OS-Help (Net) *		5	112
Total Australian Government funding received - cash basis		672,279	544,152

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

Capital Funding

Capital Funding is defined as non-recurring funding received by the University from Australian Government departments for special projects. Included in Total Australian Government Financial Assistance are the following capital grants:

Health and Ageing	11,500	16,500
Innovation, Industry, Science and Research	66,300	-
Education, Employment and Workplace Relations	26,290	10,870
	104,090	27,370

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
3. STATE GOVERNMENT FINANCIAL ASSISTANCE				
ACT Government grants were received by the University during the reporting period:				
Contributions	1,769	4,371	1,769	4,371
Total state government financial assistance	1,769	4,371	1,769	4,371
4. FEES AND CHARGES				
Fees and charges collected during the reporting period were:				
Course fees and charges				
Continuing education & conferences	11,823	10,144	4,099	3,734
Full fee paying international students	84,886	68,919	84,886	68,917
Full fee paying domestic students ¹	6,658	8,424	6,658	8,424
Total course fees and charges	103,367	87,487	95,643	81,075
Other fees and charges				
Parking fees	2,035	2,037	2,035	2,037
Rentals and hire facilities	4,474	4,033	4,523	4,294
Land Lease Premium	577	577	577	577
Student accommodation	20,467	17,350	20,467	17,358
Other student charges and fines	2,169	1,901	2,195	1,903
Total other fees and charges	29,722	25,898	29,797	26,169
Total fees and charges	133,089	113,385	125,440	107,244
1. Full fee paying domestic students comprise:				
Non-award	729	807	729	807
Undergraduate	4	282	4	282
Postgraduate	5,925	7,335	5,925	7,335
Total full fee paying domestic students	6,658	8,424	6,658	8,424
5. INVESTMENT REVENUE				
Interest	34,872	30,010	33,891	29,487
Dividends	34,442	32,082	35,242	32,082
Rentals from investment properties	1,290	1,581	1,290	1,581
Direct investment expenditure	(711)	(818)	(711)	(771)
Total other investment revenue less direct investment expenditure	69,893	62,855	69,712	62,379
6. CONSULTANCY AND CONTRACTS				
Consultancy research	1,320	1,291	1,431	1,555
Contract research	40,851	42,433	40,909	42,535
Consultancy non-research	19,556	14,361	3,089	2,894
Contract non-research	5,760	6,018	5,759	6,019
Total consultancy and contracts	67,487	64,103	51,188	53,003
7. CONSTRUCTION CONTRACT REVENUE				
Design and construction	5,652	31,407	-	-
Other	5,446	2,171	-	-
Total construction and contract revenue	11,098	33,578	-	-

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
8. OTHER REVENUE				
Sundry income	9,318	10,262	8,627	10,888
Income arising from Joint Ventures and Associates	-	6,656	-	6,656
Sales of goods and services	21,310	18,473	15,821	14,156
Workers compensation reimbursements	599	593	599	593
Scholarships and prizes	(439)	1,030	(439)	1,030
Donations and bequests	3,126	6,843	3,126	6,843
Total other revenue	33,914	43,857	27,734	40,166
9. OTHER INCOME				
Investment income				
<i>Unrealised investment income</i>				
Interest bearing securities	-	-	-	-
Overseas investments	(597)	(6,570)	(597)	(6,570)
Domestic shares and listed securities	-	-	-	-
Forward foreign exchange contracts	1,116	4,461	1,116	4,461
<i>Realised investment income</i>				
Interest bearing securities	2,525	874	2,525	874
Overseas managed funds	(101)	(3,208)	(101)	(3,208)
Domestic unlisted investments	162	(34)	162	(34)
Domestic shares and listed securities	12,078	14,688	12,078	15,164
	15,183	10,211	15,183	10,687
Asset impairment reversal	3,448	3,667	3,448	3,667
Gains/(losses) on revaluation of investment property	650	600	650	600
Total other income	19,281	14,478	19,281	14,954
10. EMPLOYEES				
Academic				
Salaries	159,264	150,608	159,264	150,608
Superannuation contributions	26,558	24,828	26,558	24,828
Long service leave expense	(4,988)	(3,068)	(4,988)	(3,068)
Annual leave	16,533	12,343	16,533	12,343
Total academic	197,367	184,711	197,367	184,711
Non-Academic				
Salaries ¹	166,921	153,282	161,717	148,773
Superannuation contributions	27,230	25,416	26,520	24,652
Long service leave expense	15,322	(1,544)	15,284	(1,597)
Annual leave expense	16,453	12,098	16,354	12,042
Total non-academic	225,926	189,252	219,875	183,870
<i>Commonwealth Superannuation Account</i>				
Pension payments	29,777	28,436	29,777	28,436
Employee superannuation entitlements expense	1,422	(533)	1,422	(533)
Total commonwealth superannuation account	31,199	27,903	31,199	27,903
Total employee expenses	454,492	401,866	448,441	396,484
1. Non academic staff salaries comprise:				
Administrative staff	117,505	106,728	112,301	102,219
Technical staff	25,980	24,586	25,980	24,586
Research officers	14,076	12,803	14,076	12,803
Service staff including security	5,581	5,389	5,581	5,389
Librarians	1,090	1,160	1,090	1,160
Trade staff	2,689	2,616	2,689	2,616
Total non academic staff salaries	166,921	153,282	161,717	148,773

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
11. SERVICES				
Site maintenance and servicing ¹	48,087	41,809	47,656	41,735
Consumables, research and training materials	112,629	100,176	91,651	87,937
Employee related expenses	31,042	29,177	30,448	28,538
Travel, conferences and fieldwork	28,522	27,429	28,311	27,209
Project contributions	35,192	22,697	35,270	22,774
Scholarships	45,847	42,803	45,915	42,869
Miscellaneous operating expenses ²	12,487	14,621	12,221	13,097
Total cost of services	313,806	278,712	291,472	264,159
1. Site maintenance and servicing includes:				
Electricity and gas	9,667	9,134	9,525	9,053
Cleaning expenses	10,826	8,074	10,701	8,220
Municipality charges	2,944	2,960	2,924	2,918
Total miscellaneous site expenses	23,437	20,168	23,150	20,191
Building repairs and maintenance	18,750	15,627	18,655	15,579
Grounds maintenance	1,514	1,486	1,514	1,486
Other site maintenance and servicing expenses	4,386	4,528	4,337	4,479
Total maintenance expenses	24,650	21,641	24,506	21,544
Total site maintenance and servicing	48,087	41,809	47,656	41,735
2. Miscellaneous operating expenses includes:				
Advertising	2,314	2,483	2,314	2,483
Management fees	1,058	1,209	1,058	1,236
Membership - professional bodies	2,308	2,953	2,284	2,943
Staff development	1,193	1,331	1,187	1,311
Audit expenses, internal and external	835	733	733	593
Patent, copyright and royalties	1,122	1,182	449	706
Legal expenses, settlements	877	1,044	814	1,023
Other miscellaneous operating expenses	2,780	3,686	3,382	2,802
Total miscellaneous operating expenses	12,487	14,621	12,221	13,097
12. DEPRECIATION AND AMORTISATION				
Property at cost	2,409	2,557	2,407	2,555
Property at valuation	27,324	22,508	26,949	22,196
Plant, equipment and motor vehicles at cost	20,654	19,286	20,416	19,183
Plant, equipment and motor vehicles at deemed cost	5,810	5,592	5,810	5,592
Licence agreement	21	20	21	20
Total depreciation and amortisation	56,218	49,963	55,603	49,546

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
13. WRITE-DOWN AND IMPAIRMENT OF ASSETS				
Impairment losses - financial instruments				
Interest bearing securities	124	3,622	124	3,622
Domestic shares and listed securities	9,019	1,704	9,019	1,704
Domestic unlisted investments	18,912	33,686	18,912	33,686
Equity accounted associates	2,291	7,873	2,291	7,873
Overseas managed funds	1,759	-	1,759	-
	32,105	46,885	32,105	46,885
Expenses arising from Joint Ventures and Associates	95	2,660	95	2,660
Impairment losses - intangibles	44	-	-	-
Allowance for doubtful debts	2,524	(495)	2,524	(495)
Bad debts expense	109	841	109	841
Total write-down and impairment losses	34,877	49,891	34,833	49,891
14. FINANCE COST				
Borrowing cost expense - interest on loans	9,090	5,242	9,090	5,242
Borrowing cost expense - interest on swaps (cashflow hedge)	297	-	297	-
Borrowing cost expense - other expenses	7	8	7	8
Total borrowing cost expense	9,394	5,250	9,394	5,250
<i>Interest rate swap (Cashflow hedge)</i>				
The University has interest rate swaps in place for 100% of its interest bearing debt facility, fixing the interest rate payable on the debt facility at 7.33% per annum. The interest payable on the fixed value was \$1,709,227.39 compared to the floating value of \$1,411,856.10 and the difference between the fixed and floating notional values has been offset against the interest paid.				
15. LOSSES ON DISPOSAL OF ASSETS				
Loss on disposal of property, plant, equipment and motor vehicles	1,675	3,080	1,668	3,120
Gain on disposal of property, plant, equipment and motor vehicles	(127)	(103)	(127)	(103)
Net losses on disposal of assets	1,548	2,977	1,541	3,017
16. CONSTRUCTION EXPENSES				
Design and construction	4,996	31,407	-	-
Other	516	50	-	-
Total construction expenses	5,512	31,457	-	-
17. INCOME TAX BENEFIT/(EXPENSE)				
<i>Recognised in the Income Statement</i>				
Current tax income/(expense)	(2,352)	(502)	-	-
Current year	(6)	10	-	-
Adjustment from prior year	276	-	-	-
Deferred tax income/(expense)	(79)	(119)	-	-
Origination and reversal of temporary differences				
Total income tax income/(expense)	(2,161)	(611)	-	-

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
18. CASH AND CASH EQUIVALENTS				
Cash on hand	33	39	33	39
Cash at bank	10,501	14,998	7,494	12,702
Deposits at call	140,593	151,767	134,172	137,995
	<u>151,127</u>	<u>166,804</u>	<u>141,699</u>	<u>150,736</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 0.06% and 4.75% (2009 - 0.10% and 3.75%). These deposits are at call.

18.(c) Deposits at call

The deposits are bearing floating interest rates between 4.50% and 6.01% (2009 - 3.75% and 5.70%). These deposits have an average maturity of 39 days.

19. LOANS AND RECEIVABLES*Current receivables:*

Goods and services	28,216	21,595	25,265	19,397
Less: Allowance for doubtful debts	(3,416)	(892)	(3,416)	(892)
	<u>24,800</u>	<u>20,703</u>	<u>21,849</u>	<u>18,505</u>
Income due	4,058	6,360	4,058	6,360
Interest receivable	6,778	5,597	6,451	5,552
GST receivable	3,876	2,180	3,849	2,084
Loans	79	-	79	-
Total current receivables	<u>39,591</u>	<u>34,840</u>	<u>36,286</u>	<u>32,501</u>

Non-current receivables:

Loans	921	1,000	921	1,000
Loans to related party ¹	500	500	500	500
Total non-current receivables	<u>1,421</u>	<u>1,500</u>	<u>1,421</u>	<u>1,500</u>
Total receivables	<u>41,012</u>	<u>36,340</u>	<u>37,707</u>	<u>34,001</u>

1. Refer to Note 38 - Related Parties

Ageing of receivables (gross):

Not overdue	29,409	29,719	29,408	29,719
Less than 30 days overdue	3,413	2,517	2,062	2,252
30 to 60 days overdue	1,381	1,265	865	678
61 to 90 days overdue	1,498	494	1,233	406
More than 90 days	8,727	3,237	7,555	1,838
	<u>44,428</u>	<u>37,232</u>	<u>41,123</u>	<u>34,893</u>

Ageing of allowance for doubtful debts

Not overdue	13	74	13	74
Less than 30 days overdue	12	10	12	10
30 to 60 days overdue	95	55	95	55
61 to 90 days overdue	53	63	53	63
More than 90 days	3,243	690	3,243	690
	<u>3,416</u>	<u>892</u>	<u>3,416</u>	<u>892</u>

Reconciliation of allowance for doubtful debts:

Opening balance 1 January	892	1,387	892	1,387
Amounts written off	-	-	-	-
Amounts recovered and reversed	-	-	-	-
Increase/(decrease) recognised in net surplus	2,524	(495)	2,524	(495)
Closing balance 31 December	<u>3,416</u>	<u>892</u>	<u>3,416</u>	<u>892</u>

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
20. INVESTMENTS				
<i>Current investments:</i>				
<i>Listed securities:</i>				
Interest bearing securities	17,166	1,653	10,666	1,653
Total listed securities	<u>17,166</u>	<u>1,653</u>	<u>10,666</u>	<u>1,653</u>
<i>Unlisted securities:</i>				
Interest bearing securities	168,754	132,739	168,754	132,739
Total unlisted securities	<u>168,754</u>	<u>132,739</u>	<u>168,754</u>	<u>132,739</u>
Total current investments	<u>185,920</u>	<u>134,392</u>	<u>179,420</u>	<u>134,392</u>
<i>Non-current investments:</i>				
<i>Listed securities:</i>				
Domestic shares and listed securities	317,375	303,889	317,375	303,888
Interest bearing securities	50,325	60,551	50,325	60,551
Total listed securities	<u>367,700</u>	<u>364,440</u>	<u>367,700</u>	<u>364,439</u>
<i>Unlisted securities:</i>				
Interest bearing securities	252,607	246,800	252,038	246,443
Overseas managed funds	74,121	67,093	74,121	67,093
Domestic unlisted investments	113,442	118,770	113,442	118,770
Interests in related parties	-	-	7,200	7,200
Total unlisted securities	<u>440,170</u>	<u>432,663</u>	<u>446,801</u>	<u>439,506</u>
Total non-current investments	<u>807,870</u>	<u>797,103</u>	<u>814,501</u>	<u>803,945</u>
Total investments	<u>993,790</u>	<u>931,495</u>	<u>993,921</u>	<u>938,337</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 2010, the University held \$143,483,067 (2009 \$126,983,582) in restricted funds.

20(b) Investment in Giant Magellan Telescope

The University has invested \$15.6 million to date (\$12.1 million in 2010) in the Giant Magellan Telescope project. Funding for this project is provided by the Commonwealth Government under the Education Investment Fund program. Total agreed funding over the life of the project is \$88.4 million with \$65.0 million of this representing the University's \$32.5 million and Astronomy Australia Limited's \$32.5m contribution to the Giant Magellan Telescope Organisation Corporation (registered in Pasadena, California) which will construct the Giant Magellan Telescope in Chile. The University, along with Astronomy Australia Limited and seven international universities have signed a Founders Agreement to undertake the construction of the project. The funds invested by the University purchases the right to viewing time on the telescope once the facility is finally constructed and available for use. This is currently expected to be in 2020. The project is currently in the design/development phase and commencement of construction is dependent on engineering stage and financial milestones being achieved. The investment made by the University to date has been fully impaired as the recoverability of future economic benefits is not considered probable at this point in time. Impairment of this investment is recognised in Note 13.

21. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates	32,640	31,854	32,640	31,854
Provision for impairment - interests in associates	(17,057)	(17,092)	(17,057)	(17,092)
Investments in jointly controlled entities	5,787	5,004	5,787	5,004
Provision for impairment - interests in jointly controlled entities	(4,915)	(4,220)	(4,915)	(4,220)
Total investments accounted for using the equity method	<u>16,455</u>	<u>15,546</u>	<u>16,455</u>	<u>15,546</u>

Reconciliation

Balance at 1 January 2010	15,546	17,146	15,546	17,146
Share of profit/(loss) for the year	(286)	5,885	(286)	5,885
Additions	1,855	(487)	1,855	(487)
Impairments	(660)	(6,998)	(660)	(6,998)
Balance at 31 December 2010	<u>16,455</u>	<u>15,546</u>	<u>16,455</u>	<u>15,546</u>

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000

22. OTHER FINANCIAL ASSETS AND LIABILITIES

Other Financial Assets*Non current asset:*

Interest rate swap contract	357	-	357	-
Total other financial assets	357	-	357	-

Other Financial Liabilities*Non current liability:*

Interest rate swap contract	-	-	-	-
Total other financial liabilities	-	-	-	-

Interest rate swap (Cashflow hedge)

The University has interest rate swaps in place for 100% of its interest bearing debt facility, fixing the interest rate payable on the debt facility at 7.33% per annum. The interest payable on the fixed value was \$1,709,227.39 compared to the floating value of \$1,411,856.10 and the difference between the fixed and floating notional values has been offset against the interest paid. Details on the bank loan is disclosed at Note 30 - Interest Bearing Liabilities.

23. LAND, BUILDINGS AND INFRASTRUCTURE, PLANT AND EQUIPMENT

Land, Buildings and Infrastructure

Buildings under construction	207,147	100,653	207,147	100,653
Site infrastructure at cost	26	-	26	-
Accumulated depreciation	(1)	-	(1)	-
Land at cost	-	11,658	-	11,658
Dwellings at cost	-	-	-	-
Accumulated depreciation	-	-	-	-
Campus buildings at cost	106,042	44,053	106,042	44,053
Accumulated depreciation	(2,498)	(92)	(2,498)	(92)
Land, buildings and infrastructure at cost	103,569	55,619	103,569	55,619
Site infrastructure at valuation	40,946	40,947	40,946	40,947
Accumulated depreciation	(2,088)	(4)	(2,088)	(4)
Land at valuation	81,881	59,348	80,531	58,543
Dwellings at valuation	12,203	12,203	12,203	12,203
Accumulated depreciation	(314)	-	(314)	-
Campus buildings at valuation	904,667	904,012	894,317	894,317
Accumulated depreciation	(23,650)	(16)	(23,650)	(16)
Land, buildings and infrastructure at valuation	1,013,645	1,016,490	1,001,945	1,005,990
Crown Lease at valuation	12,000	8,250	12,000	8,250
Accumulated amortisation	-	(1,833)	-	(1,833)
Amortised crown lease	12,000	6,417	12,000	6,417
Total land, buildings and infrastructure	1,336,361	1,179,179	1,324,661	1,168,679
Plant and Equipment				
Plant and equipment under construction	25,699	20,962	25,699	20,962
Plant, equipment and motor vehicles at cost	168,314	141,910	166,677	140,719
Accumulated depreciation	(88,298)	(70,017)	(87,655)	(69,599)
Plant, equipment and motor vehicles at deemed cost	56,642	59,200	56,642	59,200
Accumulated depreciation	(38,778)	(35,247)	(38,778)	(35,247)
	97,880	95,846	96,886	95,073
Works of art at cost	926	168	926	168
Works of art at valuation	31,003	31,031	31,003	31,031
	31,929	31,199	31,929	31,199
Rare library materials at valuation	11,764	9,422	11,764	9,422
	11,764	9,422	11,764	9,422
Total plant and equipment	167,272	157,429	166,278	156,656
Total land, buildings and infrastructure, plant and equipment	1,503,633	1,336,608	1,490,939	1,325,335

NOTES continued

23. 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 2010	71,006	1,060,921	49,197	1,181,124	262,693	1,443,817
Additions	2,288	234,015	26	236,329	41,952	278,281
Revaluations	8,587	(2,863)	3,749	9,473	2,312	11,785
Disposals	-	(62,014)	-	(62,014)	(12,609)	(74,623)
As at 31 December 2010	81,881	1,230,059	52,972	1,364,912	294,348	1,659,260
Accumulated depreciation / amortisation						
As at 1 January 2010	-	108	1,837	1,945	105,264	107,209
Charge for the reporting period	-	26,720	3,002	29,722	26,475	56,197
Disposals	-	-	-	-	(4,663)	(4,663)
Revaluations	-	(366)	(2,750)	(3,116)	-	(3,116)
As at 31 December 2010	-	26,462	2,089	28,551	127,076	155,627
Net book value as at						
31 December 2010	81,881	1,203,597	50,883	1,336,361	167,272	1,503,633
Net book value as at						
1 January 2010	70,201	1,061,618	47,360	1,179,179	157,429	1,336,608

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 2010	70,201	1,051,226	49,197	1,170,624	261,502	1,432,126
Additions	2,288	230,497	26	232,811	41,470	274,281
Revaluations	8,042	-	3,749	11,791	2,312	14,103
Disposals	-	(62,014)	-	(62,014)	(12,573)	(74,587)
As at 31 December 2010	80,531	1,219,709	52,972	1,353,212	292,711	1,645,923
Accumulated depreciation / amortisation						
As at 1 January 2010	-	108	1,837	1,945	104,846	106,791
Charge for the reporting period	-	26,354	3,002	29,356	26,226	55,582
Disposals	-	-	-	-	(4,639)	(4,639)
Revaluations	-	-	(2,750)	(2,750)	-	(2,750)
As at 31 December 2010	-	26,462	2,089	28,551	126,433	154,984
Net book value as at						
31 December 2010	80,531	1,193,247	50,883	1,324,661	166,278	1,490,939
Net book value as at						
1 January 2010	70,201	1,051,118	47,360	1,168,679	156,656	1,325,335

NOTES continued

23. 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 & Crown Lease \$'000	Total land, buildings and infrastructure \$'000	Plant and equipment \$'000	Total \$'000
Gross value						
As at 1 January 2010	59,348	916,215	49,197	1,024,760	40,453	1,065,213
Additions	-	3,518	-	3,518	30	3,548
Revaluations	22,533	(2,863)	3,749	23,419	2,312	25,731
Disposals	-	-	-	-	(28)	(28)
As at 31 December 2010	81,881	916,870	52,946	1,051,697	42,767	1,094,464
Accumulated depreciation / amortisation						
As at 1 January 2010	-	16	1,837	1,853	-	1,853
Charge for the reporting period	-	24,314	3,001	27,315	-	27,315
Disposals	-	-	-	-	-	-
Revaluations	-	(366)	(2,750)	(3,116)	-	(3,116)
As at 31 December 2010	-	23,964	2,088	26,052	-	26,052
Net book value as at 31 December 2010	81,881	892,906	50,858	1,025,645	42,767	1,068,412
Net book value as at 1 January 2010	58,543	917,004	47,360	1,022,907	40,453	1,063,360

Table D: Assets under construction (Consolidated only)

Item	Land \$'000	Buildings \$'000	Infrastructure & Crown Lease \$'000	Total land, buildings and infrastructure \$'000	Plant and equipment \$'000	Total \$'000
As at 31 December 2010						
Gross value	-	207,147	-	207,147	25,699	232,846
Accumulated depreciation/amortisation	-	-	-	-	-	-
Net book value	-	207,147	-	207,147	25,699	232,846
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

NOTES continued

24. INVESTMENT PROPERTY

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Properties at fair value	17,250	16,600	17,250	16,600
	17,250	16,600	17,250	16,600

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

Balance as at 1 January 2010	16,600	16,000	16,600	16,000
Additions	-	-	-	-
Net gain/(loss) from fair value adjustment	650	600	650	600
Disposals	-	-	-	-
Balance as at 31 December 2010	17,250	16,600	17,250	16,600

Rental income from investment properties was \$1,305,808.06 in 2010 (2009 - \$1,191,968).
Operating expenses in relation to these properties were \$711,003.24 in 2010 (2009 - \$759,271).

No indicators of impairment were found for investment properties.

25. INTANGIBLES

<i>Non-current assets:</i>				
Goodwill on acquisition	180	180	-	-
Impairment of goodwill	(103)	(103)	-	-
Instrument development costs	847	-	-	-
Impairment of development costs	(95)	-	-	-
Total non-current assets	829	77	-	-

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

Balance as at 1 January 2010	77	77	-	-
Addition of intangibles	847	-	-	-
Impairment recognised in the operating result	(95)	-	-	-
Balance as at 31 December 2010	829	77	-	-

26. INVENTORIES

Inventory held for sale	117	139	117	139
Consumables in store	824	807	824	807
WIP equipment for sale	3,215	2,080	777	237
	4,156	3,026	1,718	1,183

27. OTHER NON-FINANCIAL ASSETS

<i>Current assets:</i>				
Advance payments and prepaid expenditure	20,143	16,366	20,029	16,311
Licence Agreement	187	166	187	166
Amortisation of Licence Agreement	(166)	(145)	(166)	(145)
Total current assets	20,164	16,387	20,050	16,332
<i>Non-current assets:</i>				
Deferred development costs	-	-	-	-
Licence Agreement	252	273	252	273
Total non-current assets	252	273	252	273
Total other non-financial assets	20,416	16,660	20,302	16,605

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

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
28. SUPPLIERS				
<i>Current liability:</i>				
Suppliers	37,907	49,280	36,040	47,549
Total current liabilities	37,907	49,280	36,040	47,549
<i>Non-current liability:</i>				
Suppliers	-	-	-	-
Total non-current liabilities	-	-	-	-
Total payables to suppliers	37,907	49,280	36,040	47,549

Supplier payables are current. Settlement is usually made within supplier terms of trade which is net 30 days.

29. OTHER PAYABLES

	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<i>Other current payables:</i>				
Income in advance	21,173	21,369	18,198	16,621
Other creditors	3,120	2,337	2,449	2,330
Income tax expense	1,980	278	-	-
Deferred tax liability	100	291	-	-
Construction project liability	3,318	2,713	-	-
Incomplete project revenue	548	695	-	-
Total other current payables	30,239	27,683	20,647	18,951
<i>Other non-current payables:</i>				
Income in advance	-	-	-	-
Total other non-current payables	-	-	-	-
Total other payables	30,239	27,683	20,647	18,951

30. INTEREST BEARING LIABILITIES

	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<i>Current liability:</i>				
Indexed Annuity Bonds	1,779	1,546	1,779	1,546
Total current liabilities	1,779	1,546	1,779	1,546
<i>Non-current liability:</i>				
Bank loans	72,000	-	72,000	-
Indexed Annuity Bonds	111,051	112,419	111,051	112,419
Total non-current liabilities	183,051	112,419	183,051	112,419
Total loans	184,830	113,965	184,830	113,965

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.

31. EMPLOYEE BENEFITS

	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<i>Current liability:</i>				
Accrued salary and related expenses	10,961	9,240	10,961	9,240
Superannuation levy	1,459	1,182	1,459	1,182
Employee redundancy and early retirement scheme	205	160	205	160
Employee superannuation entitlements	26,913	26,913	26,913	26,913
Annual Leave entitlements	41,398	34,924	40,851	34,476
Long Service Leave entitlements	47,908	44,225	47,671	43,997
Total current liability	128,844	116,644	128,060	115,968
<i>Non-current liability:</i>				
Employee redundancy and early retirement scheme	-	-	-	-
Employee superannuation entitlements	499,588	486,194	499,588	486,194
Long Service Leave entitlements	14,370	13,973	14,302	13,935
Total non-current liability	513,958	500,167	513,890	500,129
Total provisions and payables to employees	642,802	616,811	641,950	616,097

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
32. RESERVES				
<i>Asset Revaluation Surplus:</i>				
Asset revaluation - Property	749,640	742,748	743,948	735,104
Asset revaluation - Plant & Equipment	27,373	27,373	27,373	27,373
Asset revaluation - Investments	83,859	91,986	83,857	91,983
Asset revaluation - Crown Lease	15,001	8,501	15,001	8,501
Asset revaluation - Rare Library Materials	9,234	6,894	9,234	6,894
Asset revaluation - Cashflow Reserve	357	-	357	-
Total asset revaluation surplus	885,464	877,502	879,770	869,855
<i>Special Reserves:</i>				
Building	16,746	12,108	16,746	12,108
Equipment	13,281	12,466	13,281	12,466
Self insurance	8,336	8,265	8,336	8,265
Equipment replacement	-	-	-	-
Total special reserves	38,363	32,839	38,363	32,839
Total reserves	923,827	910,341	918,133	902,694

Summary of movements in reserves during the year ended 31 December 2010

	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Balance at beginning of year	910,341	865,601	902,694	858,406
Transfer (to)/from income	6,268	24,376	6,269	24,376
Increments/(decrements) on revaluation	1,694	19,074	3,646	18,622
Transfer (to)/from retained surpluses	5,524	1,290	5,524	1,290
Transfer to provisions and payables	-	-	-	-
Balance at end of year	923,827	910,341	918,133	902,694

Movements in reserves

	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<i>Asset revaluation - Property</i>				
Balance at beginning of year	742,748	799,124	735,104	791,932
Transfer (to)/from income	802	-	802	-
Transfers to retained surpluses	-	-	-	-
Increments/(decrements) on revaluation of				
Land	8,587	-	8,042	-
Buildings	(2,497)	(56,376)	-	(56,828)
Balance at end of year	749,640	742,748	743,948	735,104
<i>Asset revaluation - Plant and Equipment</i>				
Balance at beginning of year	27,373	27,385	27,373	27,385
Transfers to retained surpluses	-	-	-	-
Increments/(decrements) on revaluation	-	(12)	-	(12)
Balance at end of year	27,373	27,373	27,373	27,373
<i>Asset revaluation - Investments</i>				
Balance at beginning of year	91,986	(7,848)	91,983	(7,851)
Transfer (to)/from income	5,466	24,376	5,467	24,376
Increments/(decrements) on revaluation	(13,593)	75,458	(13,593)	75,458
Balance at end of year	83,859	91,986	83,857	91,983

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
32. RESERVES continued				
<i>Asset revaluation - Crown Lease</i>				
Balance at beginning of year	8,501	8,501	8,501	8,501
Transfer to retained surpluses	-	-	-	-
Increments on revaluation	6,500	-	6,500	-
Balance at end of year	15,001	8,501	15,001	8,501
<i>Asset revaluation - Rare Library Materials</i>				
Balance at beginning of year	6,894	6,890	6,894	6,890
Transfer to retained surpluses	-	-	-	-
Increments on revaluation	2,340	4	2,340	4
Balance at end of year	9,234	6,894	9,234	6,894
<i>Cash Flow Hedge</i>				
Balance at beginning of year	-	-	-	-
Transfer to retained surpluses	-	-	-	-
Increments on revaluation	357	-	357	-
Balance at the end of year	357	-	357	-
<i>Special Reserve - Building</i>				
Balance at beginning of year	12,108	13,200	12,108	13,200
Transfer from retained surpluses	6,017	(4,006)	6,017	(4,006)
Transfer to retained surpluses	(1,379)	2,914	(1,379)	2,914
Balance at end of year	16,746	12,108	16,746	12,108
<i>Special Reserve - Equipment</i>				
Balance at beginning of year	12,466	10,667	12,466	10,667
Transfer from retained surpluses	3,586	(827)	3,586	(827)
Transfer to retained surpluses	(2,771)	2,626	(2,771)	2,626
Balance at end of year	13,281	12,466	13,281	12,466
<i>Special Reserve - Self insurance of dwellings and buildings</i>				
Balance at beginning of year	8,265	7,682	8,265	7,682
Transfer from retained surpluses	318	(209)	318	(209)
Transfer to retained surpluses	(247)	792	(247)	792
Balance at end of year	8,336	8,265	8,336	8,265

NOTES continued

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
33. RECONCILIATION OF OPERATING RESULT TO NET CASH FLOWS FROM OPERATIONS				
Reported net operating surplus/(deficit) from ordinary activities	141,843	69,254	137,160	67,124
Depreciation and amortisation of property, plant and equipment	56,218	49,963	55,603	49,546
Impairment losses	32,258	46,885	32,214	46,885
Net loss on disposal of assets	1,548	2,977	1,541	3,017
Net (gain) on revaluation of investment property	(650)	(600)	(650)	(600)
Net (gain) on asset impairment reversal	(3,448)	(3,667)	(3,448)	(3,667)
Expenses arising from joint venture interests	95	2,660	95	2,660
Provision for doubtful debts	2,524	(495)	2,524	(495)
Provision for income tax	-	-	-	-
Unrealised (gain)/loss on investments	(519)	(4,497)	(519)	(4,495)
Realised (gain)/loss on investment sales	(14,664)	(304)	(14,664)	(304)
<u>(Increase)/decrease in operating assets</u>				
Receivables	(8,701)	15	(6,228)	(1,066)
Advance payments and prepaid expenditure	(2,838)	(3,115)	(3,718)	(2,392)
Inventories	(1,130)	(455)	(536)	(17)
Other	3	(7)	-	-
<u>Increase/(decrease) in operating liabilities</u>				
Provision for employee entitlements	2,136	2,550	1,998	2,439
Grant Income in Advance	-	-	-	-
Employee related liabilities	11,882	(7,188)	11,882	(7,188)
Trade creditors	(9,358)	1,752	(10,059)	915
Other provisions and payables	2,552	(8,283)	1,695	(10,875)
Net cash flows from operating activities	209,751	147,445	204,890	141,487

34. CONTINGENT ASSETS

There are no contingent assets as at 31 December 2010.

NOTES continued

35. CONTINGENT LIABILITIES

The following guarantees have been provided:

Guarantee	Purpose	Consolidated		University	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'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	6	13	6	13
Land Development Agency	To support financing arrangements entered into by the Australian National University for the development of Block 6 Section 21 Division of City in the Australian Capital Territory	647	-	647	-
National Bank	To support export projects	524	524	-	-
		<u>10,092</u>	<u>9,452</u>	<u>9,568</u>	<u>8,928</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.

36. REMUNERATION OF AUDITORS

	Consolidated		University	
	2010 \$	2009 \$	2010 \$	2009 \$
Remuneration to the Auditor-General for auditing the financial statements for the reporting period ¹	286,000	309,500	232,000	261,500
Total remuneration paid to the Auditor-General	<u>286,000</u>	<u>309,500</u>	<u>232,000</u>	<u>261,500</u>

1. Amounts shown exclude GST paid on these services.

No other services were provided by the Auditor-General during the reporting period.

2009 figures have been amended to reflect additional payment of \$36,500 for services carried out in relation to the audit of the 2009 annual financial statements.

37. DIRECTORS' REMUNERATION

	Consolidated		University	
	2010 Number	2009 Number	2010 Number	2009 Number
Less than \$150,000	7	7	-	-
	<u>7</u>	<u>7</u>	<u>-</u>	<u>-</u>
Total remuneration received or due and receivable by Directors of the Consolidated Entity	<u>222,541</u>	<u>198,000</u>	<u>-</u>	<u>-</u>

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

38. RELATED PARTY DISCLOSURES

	Consolidated		University	
	2010 \$	2009 \$	2010 \$	2009 \$
A loan was made to the following Senior Executive. It was approved by the University Council.				
<i>Loan - Professor Ian Chubb AC</i>				
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 39.

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.

THE AUSTRALIAN NATIONAL UNIVERSITY
NOTES continued

39. REMUNERATION OF EXECUTIVE OFFICERS

Table A - Actual remuneration expensed during the reporting period

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Short-term employee benefits				
Salary (including annual leave taken)	7,008	5,252	6,431	4,736
Annual leave accrued	233	218	227	214
Performance bonus	161	140	95	110
Other Allowances	1,347	1,249	1,311	1,209
Total short-term employee benefits	<u>8,749</u>	<u>6,859</u>	<u>8,064</u>	<u>6,269</u>
Post-employment benefits				
Superannuation	1,270	944	1,204	880
Total post-employment benefits	<u>1,270</u>	<u>944</u>	<u>1,204</u>	<u>880</u>
Other long-term benefits				
Long service leave	213	11	206	4
Total other long-term benefits	<u>213</u>	<u>11</u>	<u>206</u>	<u>4</u>
Termination benefits				
Total	<u>10,232</u>	<u>7,814</u>	<u>9,474</u>	<u>7,153</u>

1. Excludes acting arrangements and part-year services where remuneration expensed is less than \$150,000
2. During the reporting period, there were 358 employees for which the combined salary and performance bonus were \$150,000 or more. These employees did not have a role as senior executive or director and therefore were not disclosed in the table above.

39. REMUNERATION OF EXECUTIVE OFFICERS

Table B - Average Annual Remuneration Packages for Substantive Senior Executives as at 31 December 2010

Relevant remuneration bands Less than \$150,000	Consolidated				University							
	Number	Salary	Motor vehicle allowance	Other allowances	Superannuation	Total	Number	Salary	Motor vehicle allowance	Other allowances	Superannuation	Total
\$150,000 - \$179,999	5	118,246	-	3,138	16,589	137,973	3	113,425	-	5,230	19,981	138,636
\$180,000 - \$209,999	2	135,079	-	3,955	21,025	159,689	1	129,377	-	4,170	22,509	156,056
\$210,000 - \$239,999	3	165,515	-	5,677	25,846	197,038	2	155,709	-	8,515	27,089	191,313
\$240,000 - \$269,999	5	172,761	-	19,535	32,291	224,587	5	172,761	-	19,535	32,291	224,587
\$270,000 - \$300,000	7	219,278	2,920	29,009	37,062	266,148	5	190,087	-	29,009	37,062	256,148
\$300,000 - \$330,000	2	221,159	-	50,759	39,377	281,191	7	219,278	2,920	19,616	39,377	281,191
\$330,000 - \$359,999	-	-	-	-	42,168	314,066	2	221,159	-	50,759	42,168	314,066
\$360,000 - \$389,999	1	289,362	-	47,493	40,664	377,519	1	289,362	-	47,493	40,664	377,519
\$390,000 - \$419,999	-	-	-	-	-	-	-	-	-	-	-	-
\$420,000 - \$449,999	2	287,442	690	112,665	58,518	459,315	2	287,442	690	112,665	58,518	459,315
\$450,000 - \$479,999	1	378,456	-	36,355	79,908	494,719	1	378,456	-	36,355	79,908	494,719
\$480,000 - \$509,999	1	615,674	-	1,141	123,965	740,180	1	615,674	-	1,141	123,965	740,180
\$720,000 -	-	-	-	-	-	-	-	-	-	-	-	-
Total	34	2,793,059	3,610	328,973	516,903	3,642,445	30	2,772,730	3,610	334,468	522,922	3,632,730

Notes:

- Non-salary elements available to Senior Executives include:
 - Performance bonus: \$132,325 (Consolidated), \$95,000 (University)
 - Variable allowance: \$445,134 (Consolidated), \$412,845 (University)
 - Superannuation: The University contributes to UniSuper at the rate equivalent to 14% of members' salaries.

Average Annual Remuneration Packages for Substantive Senior Executives as at 31 December 2009

Relevant remuneration bands Less than \$150,000	Consolidated				University							
	Number	Salary	Motor vehicle allowance	Other allowances	Superannuation	Total	Number	Salary	Motor vehicle allowance	Other allowances	Superannuation	Total
\$150,000 - \$179,999	6	110,216	-	4,459	16,167	130,842	3	107,651	-	7,204	19,017	133,872
\$180,000 - \$209,999	3	135,584	2,990	5,335	17,370	161,279	3	125,584	2,990	5,335	17,370	161,279
\$210,000 - \$239,999	3	164,940	-	2,989	26,031	193,960	2	155,894	-	3,583	26,904	186,381
\$240,000 - \$269,999	4	166,473	-	22,762	31,794	223,168	4	166,473	2,139	22,762	31,794	223,168
\$270,000 - \$300,000	8	182,001	2,243	34,807	36,346	255,397	8	182,001	2,243	34,807	36,346	255,397
\$300,000 - \$330,000	3	209,014	3,430	29,295	37,848	279,587	3	209,014	3,430	29,295	37,848	279,587
\$330,000 - \$359,999	1	170,593	-	96,244	38,032	304,869	1	170,593	-	96,244	38,032	304,869
\$360,000 - \$389,999	-	-	-	-	-	-	-	-	-	-	-	-
\$390,000 - \$419,999	-	-	-	-	-	-	-	-	-	-	-	-
\$420,000 - \$449,999	1	353,477	-	26,091	55,133	434,701	1	353,477	-	26,091	55,133	434,701
\$450,000 - \$479,999	-	-	-	-	-	-	-	-	-	-	-	-
\$480,000 - \$509,999	-	-	-	-	-	-	-	-	-	-	-	-
\$630,000 -	1	548,243	-	1,091	103,891	653,225	1	548,243	-	1,091	103,891	653,225
Total	30	2,040,541	10,802	222,473	362,612	2,636,428	26	2,029,930	10,802	226,412	366,335	2,632,479

Notes:

- Non-salary elements available to Senior Executives include:
 - Performance bonus: \$140,000 (Consolidated), \$110,000 (University)
 - Variable allowance: \$583,412 (Consolidated), \$528,634 (University)
 - Superannuation: The University contributes to UniSuper at the rate equivalent to 14% of members' salaries.

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

40. FINANCIAL INSTRUMENTS

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
40(a) Categories of Financial Instruments				
Financial Assets				
<i>Available-for-sale financial assets</i>				
Australian cash deposits and short-term securities	143,271	153,286	134,091	137,472
Overseas denominated cash deposits and short-term securities	7,856	13,518	7,608	13,264
Interest bearing securities	488,852	441,387	481,783	441,387
Domestic shares and listed securities	317,375	303,887	317,375	303,887
Domestic unlisted investments	113,442	119,127	120,642	125,970
Overseas managed funds	74,121	67,094	74,121	67,093
<i>Loans and receivables at amortised cost</i>				
Loans and receivables	37,136	34,160	33,858	31,917
<i>Fair value through profit or loss</i>				
Receivables derivative instruments	-	-	-	-
Carrying amount of financial assets	1,182,053	1,132,459	1,169,478	1,120,990
Financial liabilities				
<i>At amortised cost</i>				
Payables	68,146	76,389	56,687	66,500
Loans payable	184,830	113,965	184,830	113,965
<i>Fair value through profit or loss</i>				
Payables derivative instruments	-	-	-	-
Carrying amount of financial liabilities	252,976	190,354	241,517	180,465
40(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	34,872	30,010	33,891	29,487
Dividend revenue	34,442	32,082	35,242	32,082
Exchange gains/(loss)	(597)	(6,570)	(597)	(6,570)
Gain/(loss) recognised in equity	(13,593)	75,458	(13,593)	75,458
Amounts reversed from equity - impairment	17,753	38,336	17,753	38,336
Gain/(loss) on disposal	14,664	12,661	14,664	12,661
Net gain/(loss) available-for-sale	87,541	181,977	87,360	181,454
Net gain/(loss) from financial assets	87,541	181,977	87,360	181,454
40(c) Net Income and expense from financial liabilities				
<i>Financial liabilities at amortised cost</i>				
Borrowing expense	(9,394)	(5,250)	(9,394)	(5,250)
Exchange gains/(loss)	-	-	-	-
Gain/(loss) on disposal	-	-	-	-
Net gain/(loss) financial liabilities at amortised cost	(9,394)	(5,250)	(9,394)	(5,250)
<i>Fair value through profit or loss</i>				
Exchange gains/(loss)	1,116	4,461	1,116	4,461
Net gain/(loss) financial liabilities through profit and loss	1,116	4,461	1,116	4,461
Net gain/(loss) from financial liabilities	(8,278)	(789)	(8,278)	(789)

NOTES continued

40. FINANCIAL INSTRUMENTS continued

40(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 \$'000
	Market Values (Level 1)	Market Inputs (Level 2)	Non-Market Inputs (Level 3)	
	\$'000	\$'000	\$'000	
Financial assets				
<i>Available-for-sale financial assets</i>				
Australian cash deposits and short-term securities	134,091	-	-	134,091
Overseas denominated cash deposits and short-term securities	7,608	-	-	7,608
Interest bearing securities	481,783	-	-	481,783
Domestic shares and listed securities	317,375	-	-	317,375
Domestic unlisted investments	-	-	120,642	120,642
Overseas managed funds	74,121	-	-	74,121
<i>Fair value through profit or loss</i>				
Receivables derivative instruments	-	-	-	-
Total	1,014,978	-	120,642	1,135,620
Financial liabilities				
<i>Fair value through profit or loss</i>				
Payables derivative instruments	-	-	-	-
Total	-	-	-	-

Consolidated

Consolidated	Valuation technique utilising			Total \$'000
	Market Values (Level 1)	Market Inputs (Level 2)	Non-Market Inputs (Level 3)	
	\$'000	\$'000	\$'000	
Financial assets				
<i>Available-for-sale financial assets</i>				
Australian cash deposits and short-term securities	143,271	-	-	143,271
Overseas denominated cash deposits and short-term securities	7,856	-	-	7,856
Interest bearing securities	488,852	-	-	488,852
Domestic shares and listed securities	317,375	-	-	317,375
Domestic unlisted investments	-	-	113,442	113,442
Overseas managed funds	74,121	-	-	74,121
<i>Fair value through profit or loss</i>				
Receivables derivative instruments	-	-	-	-
Total	1,031,475	-	113,442	1,144,917
Financial liabilities				
<i>Fair value through profit or loss</i>				
Payables derivative instruments	-	-	-	-
Total	-	-	-	-

NOTES continued

40. FINANCIAL INSTRUMENTS continued

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

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Level 3 Financial Assets				
Opening balance	118,770	149,508	125,970	156,708
Total gains or losses				
Through profit or loss	(1,630)	(1,099)	(1,630)	(1,099)
Through Statement of Comprehensive Income	(4,506)	(18,756)	(4,506)	(18,756)
Purchases	16,434	23,593	16,434	23,593
Sales	(15,624)	(34,476)	(15,624)	(34,476)
Issues	-	-	-	-
Settlements	-	-	-	-
Transfers out of Level 3	(2)	-	(2)	-
Closing balance	113,442	118,770	120,642	125,970
Gain (loss) for assets held 31 December	(6,136)	(19,855)	(6,136)	(19,855)

NOTES continued

40. FINANCIAL INSTRUMENTS continued

40(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 35 'Contingent Liabilities'. The maximum exposure to credit risk, if the University was called upon to meet the obligations, is the amount disclosed in Note 35.

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	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Loans and receivables				
Carrying amount as at 31 December	41,012	36,340	37,707	34,001
of which:				
Neither impaired nor past due on the reporting date	29,396	29,645	29,395	29,645
Less than 30 days	3,401	2,507	2,051	2,242
Between 30 and 60 days	1,286	1,210	770	623
Between 61 and 90 days	1,445	431	1,180	343
More than 90 days	5,484	2,547	4,311	1,148
	41,012	36,340	37,707	34,001

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

40(g) Liquidity Risk

The following tables illustrate the maturities for financial liabilities

Consolidated

2010	On Demand \$'000	Within 1 Year \$'000	1-5 Years \$'000	Greater than 5 Years \$'000	Total \$'000
Suppliers and payables	-	68,146	-	-	68,146
Loans payable - principal	-	1,779	27,586	183,464	212,829
Loans payable - interest	-	33,287	135,105	143,903	312,295
Total	-	103,212	162,691	327,367	593,270

2009	On Demand \$'000	Within 1 Year \$'000	1-5 Years \$'000	Greater than 5 Years \$'000	Total \$'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

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.

NOTES continued

40. FINANCIAL INSTRUMENTS continued

Sensitivity Analysis (Consolidated)

40(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."

40(h)(i) Foreign Exchange 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 \$8,198,000 higher/(lower) (2009: \$8,061,000), as a result of foreign gains/(losses) on translation of foreign currency bank account balances. Equity would have been \$8,198,000 higher/(lower) (2009: \$8,061,000), had the AUD weakened/(strengthened) by 10% against the Trade Weighted Index, arising from the Available-for-sale investments.

The following table, 40(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.

40(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 2010, if interest rates decreased/(increased) by 1.0%, with all other variables held constant, operating result and equity would have been \$6,401,000 higher/(lower) (2009: \$6,082,000).

The following table, 40(h)(iv), demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant.

40(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, 40(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 \$31,738,000 (2009: \$30,389,000). 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 \$11,344,000 (2009: \$11,913,000). 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 \$7,412,000 (2009: \$6,709,000).

The following table, 40(h)(iv), demonstrates the sensitivity to a reasonably possible change in S&P/ASX300 Accumulated Index, with all other variables held constant.

NOTES continued

40. FINANCIAL INSTRUMENTS continued

40(b)(iv) 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 2010	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Market risk				Australian CPI risk				
		-1.0%		+1.0%		-10.0%		+10.0%		-10.0%		+10.0%		-10.0%		+10.0%		
		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	134,091	(1,341)	1,341		1,341													
Overseas denominated cash deposits and short-term securities	7,608	(76)	76	761	(761)													
Interest bearing securities	481,783	(4,818)	4,818															
Domestic shares and listed securities	317,375																	
Domestic unlisted investments	120,642			7,412	(7,412)													
Overseas managed funds	74,121																	
Financial liabilities																		
Loans payable	184,830	(6,235)	6,235	8,173	(8,173)													
Total increase/(decrease)		(6,235)	6,235	8,173	(8,173)													

31 December 2009	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Market risk				Australian CPI risk				
		-1.0%		+1.0%		-10.0%		+10.0%		-10.0%		+10.0%		-10.0%		+10.0%		
		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													
Overseas denominated cash deposits and short-term securities	13,264	(133)	133	1,326	(1,326)													
Interest bearing securities	441,387	(4,414)	4,414															
Domestic shares and listed securities	303,887																	
Domestic unlisted investments	125,970			6,709	(6,709)													
Overseas managed funds	67,093																	
Financial liabilities																		
Loans payable	113,965																	
Total increase/(decrease)		(5,922)	5,922	8,035	(8,035)													

THE AUSTRALIAN NATIONAL UNIVERSITY

NOTES continued

40. FINANCIAL INSTRUMENTS continued

40(b)(iv) 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 2010	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Market risk				Australian CPI risk				
		-1.0%		+1.0%		-10.0%		+10.0%		-10.0%		+10.0%		-10.0%		+10.0%		
		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	143,271	(1,433)	1,433		1,433													
Overseas denominated cash deposits and short-term securities	7,856	(79)	79	786	(786)													
Interest bearing securities	488,852	(4,889)	4,889															
Domestic shares and listed securities	317,375																	
Domestic unlisted investments	113,442			7,412	(7,412)													
Overseas managed funds	74,121																	
Financial liabilities																		
Loans payable	184,830	(6,401)	6,401	8,198	(8,198)													
Total increase/(decrease)		(6,401)	6,401	8,198	(8,198)													

31 December 2009	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Market risk				Australian CPI risk				
		-1.0%		+1.0%		-10.0%		+10.0%		-10.0%		+10.0%		-10.0%		+10.0%		
		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	153,286	(1,533)	1,533		1,533													
Overseas denominated cash deposits and short-term securities	13,518	(135)	135	1,352	(1,352)													
Interest bearing securities	441,387	(4,414)	4,414															
Domestic shares and listed securities	303,887																	
Domestic unlisted investments	119,128			6,709	(6,709)													
Overseas managed funds	67,093																	
Financial liabilities																		
Loans payable	113,965	(6,082)	6,082	8,061	(8,061)													
Total increase/(decrease)		(6,082)	6,082	8,061	(8,061)													

NOTES continued

41. 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.

42. SUPERANNUATION COMMITMENTS

42.1 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 2010 loss \$11,972,970 (2009 gain \$102,800,320) resulting in a cumulative amount of actuarial losses recognised in equity of \$86,701,748.

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 2010 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 \$1,752,429 (2009 \$2,853,194) and Interest Cost \$29,446,581 (2009 \$24,163,677).

The present value of the obligations of the Commonwealth Superannuation Account has increased by \$13,394,522 in 2010 as a result of applying the 10 year Commonwealth Government bond rate at the relevant interest rate (decreased from 5.9% to 5.7%) as required by Australian Accounting Standard AASB 119. The improvement in the Fair Value of Plan Assets during 2010 reflects the improvement in investment market performance during this time.

The Australian Government Actuary completed an interim review of the Account at 30 June 2010 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 \$77.9 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. A formal review of this account is due on 30 June 2011.

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

	2010	2009
Discount rate as at 31 December	5.70%	5.90%
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.

NOTES continued

42. SUPERANNUATION COMMITMENTS continued

Reconciliation of the Present Value of the Obligation

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Previous year closing balance	513,107	616,440	513,107	616,440
Current Service cost	1,752	2,853	1,752	2,853
Interest cost	29,447	24,164	29,447	24,164
Actuarial (gains)/losses	11,973	(102,800)	11,973	(102,800)
Benefit payments	(29,777)	(27,550)	(29,777)	(27,550)
Current year closing balance	526,502	513,107	526,502	513,107

Reconciliation of the Fair Value of Plan Assets

	Consolidated		University	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Opening fair value of plan assets	451,193	386,925	451,193	386,925
Expected return on plan assets	37,880	33,097	37,880	33,097
Contributions	1,167	1,297	1,167	1,297
Transfers	7,146	22,104	7,146	22,104
Benefits paid	(29,777)	(27,550)	(29,777)	(27,550)
Actuarial gain/(loss)	(13,776)	35,320	(13,776)	35,320
Current year closing balance	453,833	451,193	453,833	451,193

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	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Present value of funded obligation	526,502	513,107	526,502	513,107
Fair value of plan assets	453,833	451,193	453,833	451,193
Present value of unfunded obligations	-	-	-	-
Unrecognised past service cost	-	-	-	-
Net liability in Balance Sheet	72,669	61,914	72,669	61,914
Amounts in Balance Sheet				
Liabilities	526,502	513,107	526,502	513,107
Assets	453,833	451,193	453,833	451,193
Net liability in Balance Sheet	72,669	61,914	72,669	61,914

NOTES continued

42. SUPERANNUATION COMMITMENTS continued

42.2 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 2010 were \$43,430,869 (2009 \$40,672,583).

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.

42.3 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 11.9 per cent of members' salaries. During 2010, the University's contributions amounted to \$147,967 (2009 \$132,663). This scheme is closed to new members of the University's staff.

42.4 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 2010, the University's contributions were \$187,144 (2009 \$212,318) and \$28,373 (2009 \$25,785) 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 2010 were \$8,990,722 (2009 \$8,238,882).

43. 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. The Centre ceased operation in 2010.

Cotton Catchment Communities - a cooperative research centre with the core participant's 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.

NOTES continued

43. COOPERATIVE RESEARCH CENTRES continued

Energy Pipelines - a cooperative research centre with the core participants being APIA Research and Standards Committee (representing 49 members across the spectrum of suppliers, constructors and operators of energy pipelines) and four research institutions including the Australian National University. The CRC was established in 2010 for a period of seven years. The Australian National University's in-kind contribution is \$1,740,000 over the life of the project. The CRC is to address key challenges facing the Australian pipeline industry by creating new technologies to safely extend the life of the existing pipeline network and facilitate construction of new networks for transmission of gas and emerging energy cycle fluids.

Costs for all Cooperative Research Centres are expensed as incurred except where future benefits are expected beyond reasonable doubt to exceed those costs. In 2010 all costs were expensed.

44. SEGMENT INFORMATION

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

45. 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 2010, funding from these Acts (\$406,260,000) represented 41.52 per cent (2009: \$399,692,000; 48.05 per cent) of the total operating revenues.

46. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

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 continued. Settlement with the broker occurred in January 2011.

The University has commenced negotiations to acquire further shares in two companies currently accounted for as Associates, being BRU Holdings Pty Ltd and SA2 Holdings Pty Ltd, in early 2011. The University currently holds a 50% equity interest in BRU Holdings Pty Ltd and a 33.33% interest in SA2 Holdings Pty Ltd and is seeking to acquire the remaining balance of equity interests. As at the date of authorisation of this financial report, settlement has not occurred. If the acquisitions are successful in the 2011 reporting year, the University will be reporting these two companies as its subsidiaries on a consolidated basis in the 2011 annual financial statements.

47. 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	
	2010	2009
	\$'000	\$'000
Balance carried forward from previous year	371	255
Receipts during the year	8,872	7,026
Interest received	15	22
Available for payments	9,258	7,303
Less payments made	9,258	6,932
Balance carried forward to next year	-	371

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	
	2010	2009
	\$'000	\$'000
Balance carried forward from previous year	-	-
Receipts during the year	601	593
Available for payments	601	593
Less payments made	519	593
Balance carried forward to next year	82	-

NOTES continued

48. SUBSIDIARIES

	Country of Incorporation	Ownership interest	
		2010	2009
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%

	2010 \$'000	2009 \$'000
ANU Enterprise Pty Limited		
Gross Income	32,122	24,208
Surplus/(Deficit)	409	1,193
Net Assets	17,584	19,128
ANU (UK) Foundation		
Gross Income	-	-
Surplus/(Deficit)	-	-
Net Assets	-	-
ANU Section 68 Pty Limited		
Gross Income	12,826	33,601
Surplus/(Deficit)	5,074	1,460
Net Assets	5,982	1,708

NOTES continued

49. 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	
		2010	2009	2010 \$'000	2009 \$'000
Australian Technology Park Innovations Pty Limited	To facilitate the commercialisation of start-up companies.	25%	25%	4,510	4,511
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%	-	-
Vantage Private Equity Growth Limited	To facilitate commercialisation of start-up companies.	29%	29%	11,062	10,240
Pestat Pty Ltd	To commercialise safe, humane and effective solutions for pest control and innovative products for animal management purposes.	22%	22%	11	11
Digitalcore Pty Ltd	To provide 3D high-resolution image based on core analysis and petrophysical services to the oil and gas industry	41%	0%	-	-
				15,583	14,762

Australian Technology Park Innovations Pty Limited is based on the audited financial statements as at 30 June 2010.
SA2 Holdings Pty Limited is based on unaudited financial statements as at 31 December 2010.
BRU Holdings Pty Limited is based on unaudited financial statements as at 31 December 2010.
Wriota Pty Ltd is based on audited financial statements as at 30 June 2010.
Vantage Private Equity Growth Limited is based on the audited financial statements as at 30 June 2010.
Pestat Pty Limited is based on the audited financial statements as at 30 June 2010.
Digitalcore Pty Limited is based on the audited financial statements as at 30 June 2010.

* 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	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial Position				
Total assets	190,983	186,951	190,983	186,951
Total liabilities	147,176	139,792	147,176	139,792
Net assets	43,807	47,159	43,807	47,159
Share of associates' net assets	15,583	14,762	15,583	14,762
Financial Performance				
Total revenue	19,149	48,327	19,149	48,327
Profit/(Loss)	(2,787)	19,101	(2,787)	19,101
Share of associates' profit/(loss)	820	6,292	820	6,292

NOTES continued

50. 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	
		2010	2009	2010	2009
				\$'000	\$'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%	1,781	1,889
				1,781	1,889
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
ANU MTAA Super Venture Capital Partnership, LP	Provide investment in commercialisation, pre-seed and early stage private equity investment.	50%	50%	872	709
				872	784

The University's equity interest at 31 December 2010 is based on management accounts as at 31 December 2010 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 Hornbrook 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 three projects to build 1,412-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 has been completed. A further student accommodation complex with 558 beds is currently under construction.

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

	Consolidated		University	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Financial Position				
Current assets	466	379	466	379
Non-current assets	2,163	1,896	2,163	1,896
Total assets	2,629	2,275	2,629	2,275
Current liabilities	162	87	162	87
Non-current liabilities	-	-	-	-
Total liabilities	162	87	162	87
Net assets	2,467	2,188	2,467	2,188
Share of jointly controlled entities' net assets	872	784	872	784
Financial Performance				
Income	-	1,039	-	1,039
Expenses	704	2,513	704	2,513
Profit/(Loss)	(704)	(1,474)	(704)	(1,474)
Share of jointly controlled entities' profit/(loss)	(211)	408	(211)	408

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NOTES continued

51. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

51.1 DEEWR - CGS and Other DEEWR Grants

Notes	Commonwealth Grants Scheme ^a		Indigenous Support Scheme		Equity Support Programme		Disability Support Programme		Workplace Reform Programme		Workplace Productivity Programme	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	64,419	58,308	508	433	-	63	87	104	-	721	1,450	975
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the Period	64,419	58,308	508	433	-	63	87	104	-	721	1,450	975
Surplus / (deficit) from the previous year	-	-	-	-	-	-	-	-	-	-	90	-
Total revenue including accrued revenue	64,419	58,308	508	433	-	63	87	104	-	721	1,540	975
Less expenses including accrued expenses	64,419	58,308	508	433	-	63	87	104	-	721	833	885
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-	-	-	707	90

^a Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading. Comparatives are pro-rata split for CGS/NIF.

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

51.1 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	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	-	2,451	172,831	169,277	-	18,155	-	-	336	-	-	-
Net accrual adjustments	-	-	-	-	-	-	-	-	-	526	-	-
Revenue for the Period	-	2,451	172,831	169,277	-	18,155	-	-	336	526	-	-
Surplus / (deficit) from the previous year	-	-	-	-	-	-	-	93	-	-	584	609
Total revenue including accrued revenue	-	2,451	172,831	169,277	-	18,155	93	585	336	526	584	609
Less expenses including accrued expenses	-	2,451	172,831	169,277	-	271	93	472	336	526	488	25
Surplus / (deficit) for reporting period	-	-	-	-	-	17,884	-	93	-	-	96	584

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

51. ACQUISITION OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

51.1 DEEWR - CGS and Other DEEWR Grants continued

	Higher Education Participation & Partnerships Program			Total 2010 \$'000	2009 \$'000
	2010 \$'000	2009 \$'000	2009 \$'000		
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	560	-	240,191	251,013	
Net accrual adjustments	560	-	240,191	251,013	
Revenue for the Period	-	-	18,651	1,174	
Surplus / (deficit) from the previous year	560	-	258,842	252,187	
Total revenue including accrued revenue	98	-	245,057	233,536	
Less expenses including accrued expenses	462	-	13,785	18,651	
Surplus / (deficit) for reporting period					

2(a)

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NOTES continued

51. ACQUISITION OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

51.2 DEEWR - Higher Education Special Program Grants

	Commonwealth Capital Grant 2010		University Matching Funds 2010 \$'000	Commonwealth Capital Grant 2009		University Matching Funds 2009 \$'000
	Note 1	Note 2		Note 1	Note 2	
Financial Assistance	-	-	-	-	-	-
University Matching Funds	-	1,967	-	-	40,157	40,157
Interest	-	1,967	-	2,148	-	40,157
Total Revenue	-	3,934	-	2,148	40,157	40,157
Surplus/(deficit) from the previous year	2,611	61,091	-	6,691	86,386	-
Total Funds Available	2,611	63,058	-	6,691	88,534	40,157
Less Expenditure	2,198	37,992	-	4,080	27,443	40,157
Surplus / (deficit) for reporting period	413	25,066	-	2,611	61,091	-

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 has spent \$50 million of its own resources on capital works (excluding routine maintenance), including for building/replacing science laboratories and associated services by 2009.

NOTES continued

51. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

51.3 Higher Education Loan Programmes

Notes	HECS - HELP (Australian Government payments only)		FEE-HELP		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	33,857	32,537	13,931	10,209	47,788	42,746
Net accrual adjustments	-	-	-	-	-	-
Revenue for the Period	33,857	32,537	13,931	10,209	47,788	42,746
2(b)						
Surplus / (deficit) from the previous year	-	-	-	-	-	-
Total revenue including accrued revenue	33,857	32,537	13,931	10,209	47,788	42,746
Less expenses including accrued expenses	33,857	32,537	13,931	10,209	47,788	42,746
Surplus / (deficit) for reporting period	-	-	-	-	-	-

OS-Help*	
2010 \$'000	2009 \$'000

Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	663	512
Less expenses including accrued expenses	667	401
Net accrual adjustments	(4)	111
Surplus / (deficit) from the previous year	185	74
Surplus / (deficit) for reporting period	181	185

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

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51. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

51.4 Scholarships

Notes	National Priority Scholarships		Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Costs Scholarships		Commonwealth Accommodation Scholarships		Indigenous Staff Scholarships	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	22	35	8,609	6,438	1,128	1,109	(94)	448	250	1,354	36	-
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the Period	22	35	8,609	6,438	1,128	1,109	(94)	448	250	1,354	36	-
2(c)												
Surplus / (deficit) from the previous year	11	-	665	8	(463)	(519)	456	303	1,089	631	11	11
Total revenue including accrued revenue	33	35	9,274	6,446	665	590	362	751	1,339	1,985	47	11
Less expenses including accrued expenses	29	24	8,108	5,781	1,001	1,053	179	295	715	896	18	-
Surplus / (deficit) for reporting period	4	11	1,166	665	(336)	(463)	183	456	624	1,089	29	11

51.4 Scholarships (Continued)

Notes	Indigenous Access Scholarships		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	(20)	71	9,931	9,455
Net accrual adjustments	-	-	-	-
Revenue for the Period	(20)	71	9,931	9,455
2(c)				
Surplus / (deficit) from the previous year	54	16	1,823	450
Total revenue including accrued revenue	34	87	11,754	9,905
Less expenses including accrued expenses	13	33	10,063	8,082
Surplus / (deficit) for reporting period	21	54	1,691	1,823

NOTES continued

51. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

51.5 DIISR Research

Notes	Joint Research Engagement Programme		Research Training Scheme		Systemic Infrastructure Initiative		Research Infrastructure Block Grants		Implementation Assistance Programme		Total
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	16,463	16,973	32,717	31,925	-	-	15,074	16,469	138	252	-
Net accrual adjustments	16,463	16,973	32,717	31,925	-	-	15,074	16,469	138	252	-
Revenue for the Period	-	-	-	-	-	-	-	-	4	(4)	-
Surplus / (deficit) from the previous year	-	-	-	-	77	77	-	-	-	-	248
Total revenue including accrued revenue	16,463	16,973	32,717	31,925	-	-	15,074	16,469	142	248	-
Less expenses including accrued expenses	16,463	16,973	32,717	31,925	-	-	15,074	16,469	142	244	-
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-	-	-	4

Notes	Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme		Education Investment Fund		Diversity and Structural Adjustment Fund		Sustainable Research Excellence		Total
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	-	343	292	280	26,304	10,870	-	2,983	5,672	-	96,660
Net accrual adjustments	-	343	292	280	26,304	10,870	-	2,983	5,672	-	96,660
Revenue for the Period	198	340	546	351	8,681	-	3,470	2,517	-	-	12,899
Surplus / (deficit) from the previous year	198	683	838	631	34,985	10,870	3,470	5,500	5,672	-	109,559
Total revenue including accrued revenue	198	485	128	85	27,758	2,189	5,258	2,030	5,672	-	103,410
Less expenses including accrued expenses	-	198	710	546	7,227	8,681	(1,788)	3,470	-	-	6,149
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-	-	-	12,899

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NOTES continued

51. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

51.6 Australian Research Council

(a) Discovery

Notes	Projects		Fellowships		Indigenous Research Development		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	31,677	32,990	8,549	6,148	77	15	40,303	39,153
Net accrual adjustments	31,677	32,990	8,549	6,148	77	15	40,303	39,153
Revenue for the Period	17,501	17,454	3,087	1,725	10	-	20,598	19,179
Surplus / (deficit) from the previous year	49,178	50,444	11,636	7,873	87	15	60,901	58,332
Total revenue including accrued revenue	32,158	32,943	7,133	4,786	30	5	39,321	37,734
Less expenses including accrued expenses	17,020	17,501	4,503	3,087	57	10	21,580	20,598
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-

51.6 Australian Research Council

(b) Linkages

Notes	Special Research Initiatives		Infrastructure		International Researcher Exchange		Projects		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	-	-	5,795	4,580	103	349	6,403	7,274	12,301	12,203
Net accrual adjustments	-	-	5,795	4,580	103	349	6,403	7,274	12,301	12,203
Revenue for the Period	-	7	551	441	247	196	4,005	5,567	4,803	6,211
Surplus / (deficit) from the previous year	-	7	6,346	5,021	350	545	10,408	12,841	17,104	18,414
Total revenue including accrued revenue	-	7	5,157	4,470	147	298	6,176	8,836	11,480	13,611
Less expenses including accrued expenses	-	-	1,189	551	203	247	4,232	4,005	5,624	4,803
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-	-	-

NOTES continued

51. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE continued

51.6 Australian Research Council

(c) Networks and Centres

Notes	Research Networks		Centres		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth for the Programmes)	-	541	6,863	7,232	6,863	7,773
Net accrual adjustments	-	-	-	-	-	-
Revenue for the Period	-	541	6,863	7,232	6,863	7,773
Surplus / (deficit) from the previous year	38	452	3,613	3,404	3,651	3,856
Total revenue including accrued revenue	38	993	10,476	10,636	10,514	11,629
Less expenses including accrued expenses	38	955	9,482	7,023	9,520	7,978
Surplus / (deficit) for reporting period	-	38	994	3,613	994	3,651

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NOTES continued

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

Program	Agency	2010		2009		31-Dec \$'000	31-Dec \$'000
		1-Jan \$'000	Income \$'000	Expenditure \$'000	Income \$'000		
Catalina NEO Sky Survey	NASA	-	-	-	284	-	-
University of Arizona Collaborative Agreement to Search for Near Earth Objects	NASA	20	246	285	(55)	(19)	20
The Dynamics of Hunter-Gatherer Language Change	NSF	(39)	55	57	-	(41)	(39)
Visually Guided Terrain Following and Landing in UAV's	Office of Naval Research	-	-	-	54	-	-
Neuromodulation of Excessive Reward-Directed Behaviour	NIH	-	-	-	(4)	-	-
Temporal Resolution of Flight Control in Dragonflies and Locusts: Lessons for the Design of Flapping	Air Force	-	-	-	15	-	-
Plant Response to Bacterial Quorum Sensing Signals	Dep't of Agriculture	-	-	-	(56)	-	-
Mechanisms of Mammalian Neuronal Integration	NIH	-	-	-	(95)	-	-
Quantum Linear Systems Theory	Air Force	140	198	151	-	187	140
VHESC-Silicon Solar Cells	US Army Research Office	-	-	-	8	-	-
Detection of Nuclear Explosions Using Infrared Techniques	Air Force	2	-	-	12	2	2
CD8+ T Cell Specificity in Mouse Models of Small Pox Vaccination and Challenge	NIH	143	(13)	118	232	12	143
Systems Approach to Immunity and Inflammation	NIH	(146)	1,026	1,213	196	(333)	(146)
Control of Calcium Movements in Muscle	NIH	(10)	16	12	(8)	(6)	(10)
TOTALS *		110	1,528	1,836	563	(198)	110

* 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

AIC	Automotive Industry Innovation Council
ALTC	Australian Learning and Teaching Council
ANCLAS	Australian National Centre for Latin American Studies
ANIPP	Australian National Institute for Public Policy
ANU	The Australian National University
APHCRI	Australian Primary Health Care Research Institute
APS	Australian Public Service
ARC	Australian Research Council
ARPANSA	The Australian Radiation Protection and Nuclear Safety Agency
ATAR	Australian Tertiary Admission Rank
BURF	Better Universities Renewal Funding
CIW	China in the World
CRC	Cooperative Research Centres
Cwth	Commonwealth
DEEWR	Department of Education, Employment and Workplace Relations
DIISR	Department of Innovation, Industry, Science and Research
EFTSL	Equivalent Full-time Student Load
EIF	Education Investment Fund
ESD	Ecologically Sustainable Development
FTE	Full-time equivalent
GMT	Giant Magellan Telescope
GRACE	Gravity Recovery and Climate Experiment
Go8	Group of Eight Universities
HDR	Higher Degree by Research
HESPG	Higher Education Special Purpose Grant
HHF	Health and Hospital Fund
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
MoU	Memorandum of Understanding
NALO	North American Liaison Office
NCRIS	National Collective Research Infrastructure Strategy
NHMRC	National Health and Medical Research Council
NSC	National Security College
OHMS	OHS Management System
OHS	Occupational Health and Safety
RAP	Reconciliation Action Plan
SELT	Student Evaluation of Learning and Teaching
SES	Socioeconomic status
SII	Systemic Infrastructure Initiative
UAI	Universities Admissions Index
UEC	University Education Committee
WATTLE	Web Access To Teaching and Learning Environment

