Financial Statements

AND

Performance Indicators

AUDITOR **GENERAL**

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

THE UNIVERSITY OF WESTERN AUSTRALIA
FINANCIAL STATEMENTS AND PERFORMANCE INDICATORS
FOR THE YEAR ENDED 31 DECEMBER 2005

Audit Opinion
In my opinion,

(i) the financial statements are based on proper accounts and present fairly the financial position of The University of Western Australia and the consolidated entity at 31 December 2005 and their financial performance and cash flows for the year ended on that date. They are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions;

(ii) the controls exercised by the University provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and

(iii) the key effectiveness and efficiency performance indicators of the University are relevant and appropriate to help users assess the University's performance and fairly represent the indicated performance for the year ended 31 December 2005.

Scope
The University Senate is responsible for keeping proper accounts and maintaining adequate systems of internal control for preparing the financial statements and performance indicators, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement of the University and the consolidated entity, and the Notes to the Financial Statements.

The performance indicators consist of key indicators of effectiveness and efficiency.

Summary of my Role
As required by the Act, I have independently audited the accounts, financial statements and performance indicators to express an opinion on the financial statements, controls and performance indicators. This was done by testing selected samples of the evidence. Further information on my audit approach is provided in my audit practice statement. Refer "http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf".

An audit does not guarantee that every amount and disclosure in the financial statements and performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and performance indicators.

D D R PEARSON
AUDITOR GENERAL
22 March 2006

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THE UNIVERSITY OF WESTERN AUSTRALIA

CERTIFICATIONS

FOR THE YEAR ENDED 31 DECEMBER 2005

CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying financial statements of The University of Western Australia and the accompanying consolidated financial statements have been prepared in compliance with the provision of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ending 31 December 2005 and the financial position as at 31 December 2005.

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

Michael Chaney Chancellor	Alan Robson Vice-Chancellor	Gaye McMath Chief Finance Officer

CERTIFICATION OF FINANCIAL STATEMENTS REQUIRED BY DEST

We declare that:

- at the time of this certification there are reasonable grounds to believe that The University of Western Australia will be able to pay its debts as and when they fall due;
- the amount of Australian Government financial assistance expended during the financial year ending 31 December 2005 was for the purpose(s) for which it was intended; and
- the University has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure.

Michael Chaney Chancellor	Alan Robson Vice-Chancellor

27 February 2006

THE UNIVERSITY OF WESTERN AUSTRALIA
INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

		Consolidated		University	
		2005	2004	2005	2004
	Notes	$'000	$'000	$'000	$'000
Revenue from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	226,659	204,232	226,659	204,232
HECS-HELP Australian Government payments	2	42,441	38,161	42,441	38,161
FEE-HELP	2	4,195	3,721	4,195	3,721
Western Australian and Local Government financial assistance	3	27,606	31,605	27,606	31,605
HECS-HELP student payments		13,772	9,953	13,772	9,953
Other research grants and contracts	4	21,989	18,895	21,989	18,859
Investment income	5	56,032	66,863	55,944	65,259
Fees and charges	6	57,347	53,520	57,062	53,520
Salaries and other recoveries	7	18,355	16,253	18,358	16,263
Other revenue	8	41,309	28,588	37,157	27,833
Share of net results of associates accounted for using the equity method	42	(872)	30	-	-
Total revenue from continuing operations		508,833	471,821	505,183	469,406
Expenses from continuing operations					
Employee benefits and on-costs	9	276,797	258,494	273,807	258,056
Student expenses	10	24,287	21,000	24,291	21,000
Materials and supplies	11	22,584	19,437	21,318	19,316
Depreciation, amortisation and impairment	12	24,673	25,305	24,670	25,003
Repairs and maintenance	13	12,188	12,078	12,118	12,046
Grants distributed	14	23,087	20,833	23,227	20,883
Travel	15	14,756	14,275	14,732	14,203
Professional fees	16	13,231	10,324	13,123	10,302
Other expenses	17	56,196	63,929	55,933	62,936
Total expenses from continuing operations		467,799	445,675	463,219	443,745
Net operating result from continuing operations		41,034	26,146	41,964	25,661
Net operating result attributable to minority interest		-	424	-	-
Net operating result		41,034	26,570	41,964	25,661

The income statements should be read in conjunction with the accompanying notes.

THE UNIVERSITY OF WESTERN AUSTRALIA
BALANCE SHEETS
AS AT 31 DECEMBER 2005

	Notes	Consolidated 2005 $'000	Consolidated 2004 $'000	University 2005 $'000	University 2004 $'000
ASSETS					
Current assets					
Cash and cash equivalents	21	35,969	31,354	35,324	31,147
Receivables	22	38,327	37,714	37,889	37,558
Inventories	23	669	627	554	627
		74,965	69,695	73,767	69,332
Non-current assets classified as held for sale – restricted	24	-	10,000	-	10,000
Total current assets		74,965	79,695	73,767	79,332
Non-current assets					
Receivables	22	631	557	631	557
Investment properties – restricted	25	17,440	33,320	17,440	33,320
Other financial assets – restricted	26	327,696	285,195	327,696	285,195
Other financial assets – unrestricted	26	104,923	122,555	114,213	131,512
Investments accounted for using the equity method	27	4,491	3,913	-	-
Property, plant and equipment – restricted	28	188,453	171,599	188,453	171,599
Property, plant and equipment – unrestricted	28	726,213	703,020	726,203	703,020
Intangible assets	29	9,703	7,306	9,703	7,306
Total non-current assets		1,379,550	1,327,465	1,384,339	1,332,509
Total assets		1,454,515	1,407,160	1,458,106	1,411,841
LIABILITIES					
Current liabilities					
Payables	31	17,900	18,527	17,420	18,439
Other financial liabilities	32	10,622	9,737	10,622	9,737
Provisions	33	35,019	36,970	34,920	36,958
Deferred revenue	34	58,321	51,616	58,151	51,528
Total current liabilities		121,862	116,850	121,113	116,662
Non-current liabilities					
Provisions	33	29,679	29,853	29,669	29,853
Total non-current liabilities		29,679	29,853	29,669	29,853
Total liabilities		151,541	146,703	150,782	146,515
Net assets		1,302,974	1,260,457	1,307,324	1,265,326
EQUITY					
Reserves	35	68,008	69,277	68,008	69,277
Retained profits	36	1,234,966	1,191,180	1,239,316	1,196,049
Total equity		1,302,974	1,260,457	1,307,324	1,265,326

The balance sheets should be read in conjunction with the accompanying notes.

THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2005

		Consolidated		University	
		2005	2004	2005	2004
	Notes	$'000	$'000	$'000	$'000
Total equity at the beginning of the financial year	47	1,260,457	1,233,887	1,265,326	1,239,665
Reserves					
Opening balance		69,277	49,918	69,277	49,918
Transfer from/(to) accumulated funds		(1,269)	19,359	(1,269)	19,359
	35	68,008	69,277	68,008	69,277
Retained profits					
Opening balance		1,191,180	1,183,969	1,196,049	1,189,747
Net profit/(loss) from ordinary activities		41,034	26,570	41,964	25,661
Net adjustment from adoption of AASB 132 / 139		34	-	34	-
Gain on dilution of holdings in associates recognised directly in equity		1,449	-	-	-
Transfer from/(to) reserves		1,269	(19,359)	1,269	(19,359)
	36	1,234,966	1,191,180	1,239,316	1,196,049
Total equity at the end of the financial year		1,302,974	1,260,457	1,307,324	1,265,326
Total recognised income and expense for the year attributable to:					
Members		41,034	26,146	41,964	25,661
Minority interest		-	424	-	-
		41,034	26,570	41,964	25,661

The statements of changes in equity should be read in conjunction with the accompanying notes.

THE UNIVERSITY OF WESTERN AUSTRALIA
CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

		Consolidated		University	
		2005	2004	2005	2004
	Notes	$'000	$'000	$'000	$'000
Cash flows from operating activities					
Receipts					
Australian Government					
Commonwealth Grant Scheme and other DEST grants		75,712	64,510	76,362	64,510
Higher Education Loan Programmes		48,309	38,918	48,309	38,918
Scholarships		7,051	5,849	6,659	6,241
DEST – Research		59,061	54,171	58,803	53,779
ARC grant – Discovery		12,628	10,942	12,645	10,942
ARC grant – Linkages		8,070	5,881	9,068	5,881
ARC grant – Networks and Centres		3,507	1,993	2,509	1,993
Other Australian Government grants		68,603	60,799	68,586	60,799
Western Australian and Local Government financial assistance		31,347	33,502	31,347	33,502
HECS-HELP student payments		12,382	9,952	12,382	9,952
OS-HELP (net)		240	-	240	-
Other research grants and contracts		27,028	24,653	27,028	24,617
Other fees and charges		56,384	54,876	56,384	54,526
Consultancy and other grants		11,111	7,670	11,111	7,670
Dividends received		289	287	289	287
Interest received		2,762	2,714	2,742	2,714
Other investment income received		2,089	9,247	2,089	9,216
Salary and other recoveries		20,096	17,494	20,096	17,496
Other receipts		37,690	22,064	33,776	21,368
Payments					
Employee benefits and on-costs		(276,033)	(247,541)	(274,150)	(247,233)
Suppliers		(146,470)	(124,346)	(144,338)	(123,932)
Other miscellaneous payments		(39,410)	(46,548)	(39,510)	(45,783)
Net cash inflow for operating activities	45	22,446	7,087	22,427	7,463
Cash flows from investing activities					
Receipts					
Proceeds from sale of investment properties		26,359	36,397	26,359	36,397
Proceeds from sale of plant and equipment		1,588	1,778	1,588	1,778
Proceeds from sale or redemption of investments and shares		83,044	15,000	83,044	15,000
Proceeds from disposal of subsidiary		-	30	-	30
Other		1,318	915	1,318	915
Payments					
Payments for property, plant and equipment		(71,465)	(83,020)	(71,452)	(82,867)
Payments for investment property		(563)	(1,368)	(563)	(1,095)
Payments for sale or redemption of investments and shares		(58,000)	-	(58,000)	-
Other		(172)	(132)	(605)	(132)
Net cash inflow/(outflow) for investing activities		(17,891)	(30,400)	(18,311)	(29,974)
Cash flows from financing activities					
Receipts					
Proceeds from borrowings and advances		-	2,942	-	-
Payments					
Repayment of borrowings and advances		-	(10)	-	-
Net cash inflow for financing activities		-	2,932	-	-
Net increase/(decrease) in cash and cash equivalents		4,555	(20,381)	4,116	(22,511)
Cash and cash equivalents at the beginning of the year		31,354	54,120	31,147	53,596
Effects of exchange rate fluctuations on cash held in foreign currencies		60	62	61	62
Adjustment to cash on deconsolidation		-	(2,447)	-	-
Cash and cash equivalents at the end of the year	21	35,969	31,354	35,324	31,147

The cash flow statements should be read in conjunction with the accompanying notes.

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1. Summary of significant accounting policies

The following are the principal accounting policies adopted in the preparation of the financial report and have been consistently applied for all years presented, unless otherwise stated. The financial report includes separate financial statements for The University of Western Australia and the consolidated entity consisting of the University and its subsidiaries and associates.

(a) Basis of preparation

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group (UIG) interpretations, as applied by the Treasurer's Instructions.

The *Financial Administration and Audit Act 1985* and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over pronouncements of the Australian Accounting Standards Board and may modify or clarify their application, disclosure, format and wording to provide certainty and ensure consistency and appropriate reporting across the public sector. If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention as modified by the revaluation of financial assets at fair value through the profit and loss and investment property.

The financial statements are presented in Australian dollars ($), which is the University's functional and presentation currency. All values are rounded to the nearest thousand dollars ($'000) unless otherwise stated.

In preparation of the financial statements, management is required to exercise its judgement when applying the accounting policies. When there is a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements these are disclosed separately.

(b) First time adoption of Australian Equivalents to International Financial Reporting Standards

These financial statements are the first financial statements to be prepared in accordance with Australian Equivalents to International Financial Reporting Standards (AIFRS). AASB 1 *First time Adoption of Australian Equivalents to International Financial Reporting Standards* has been applied in preparing these financial statements. Until 31 December 2004 the financial statements have been prepared under the previous Australian Generally Accepted Accounting Principals (AGAAP). With the exception of AASB 132 and 139, the comparative figures in respect of 2004 have been restated to reflect the differences between AGAAP and AIFRS. The group has taken the exemption available under AASB 1 to apply only AASB 132 and AASB 139 from 1 January 2005.

Reconciliations explaining the effect on transition from previous AGAAP to AIFRS are given in note 47.

(c) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of The University of Western Australia ('University') as at 31 December 2005 and the results for the year then ended. The term 'consolidated' used throughout these financial statements means The University of Western Australia and its subsidiaries. A list of subsidiaries appears in the notes to these financial statements.

The effects of all intra-group transactions in the economic entity are eliminated in full. Where subsidiaries are acquired or disposed during a year, they are consolidated from the date control is transferred to the group or de-consolidated from the date that control ceases. The accounting policies of consolidated entities are consistent with the policies of the University.

Associates are accounted for in the consolidated financial statements using the equity method. A list of associates appears in the notes to these financial statements.

(d) Financial effects of changes to Australian Government payment arrangements for 2005 grant year

Background

Department of Education, Science and Training (DEST) made changes to payment arrangements in late 2004 so that all recurrent payments in respect of a grant year will be made in that year. The past practice of making the first payment in respect of a grant year at the end of December of the previous year was discontinued. For the 2005 grant year, the first payment was made in January 2005 instead of December 2004.

Financial effects for 2004

The University has deferred recognition of the first payment of each grant year to the year in which the grants relate to, and not when received. Therefore the changes to the Australian Government payment arrangements for 2005 grant year have no impact on the reported operating results for 2004.

1. Summary of significant accounting policies *(continued)*

(e) Revenue

Revenue is recognised at the fair value of the consideration received or receivable. Revenue is recognised net of returns, allowances and taxes paid. Revenue is recognised as follows for major activities:

Sale of goods:
Revenue on the sale of goods to be recognised by the University when the goods have been despatched and the associated risk of ownership has passed to the customer.

Rendering of services:
Revenue is recognised in accordance with the percentage of completion method unless the outcome of the contract cannot be reliably measured. The stage of completion is determined by reference to expenditure incurred to date as a proportion of the total expenditure. If the outcome cannot be reliably measured, where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Contributions:
Contributions are non-reciprocal transfers and are recognised as revenue at fair value when the University obtains control of the contributions and it is probable that future economic benefit will flow to the University.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, bank accounts and other short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

(g) Receivables

Receivables are recognised at amortised cost less provision for doubtful debts. Collectibility is reviewed on an ongoing basis and those specifically determined to be uncollectible are written off. The provision is determined from objective evidence that not all amounts will be able to be collected.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is assigned on a first-in first-out basis.

(i) Non-current assets classified as held for sale

Non-current assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell.

1. Summary of significant accounting policies *(continued)*

(j) Investments and other financial assets

From 1 January 2004 to 31 December 2004

The University has taken the exemption available under AASB 1 to apply AASB 132 and AASB 139 only from 1 January 2005. Comparative information is determined using previous AGAAP requirements. Under previous requirements unlisted shares and loan advances were recorded at cost.

From 1 January 2005

The University has classified its financial assets into the following categories: financial assets at fair value through the profit and loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. The classification depends on the purpose for which the assets are acquired.

Financial assets at fair value through the profit and loss

This category has two sub-categories: financial assets held for trading; and assets designated as fair value upon initial recognition. Held-for-trading assets are principally for the purpose of generating a profit from short-term fluctuations in value. When derivatives are held they will be classified as held-for-trading unless they are accounted for as hedges. Assets within this category are recorded at fair value based on market prices and changes in fair value recognised in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They typically arise when the group provides money, goods or services directly to a debtor with no intention of trading the receivable. Assets within this category are recorded at amortised cost.

Held-to-maturity investments

Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturity that the group has the positive intent and ability to hold to maturity. Assets within this category are recorded at amortised cost.

Available-for-sale financial assets

Available-for-sale assets are those designated as available for sale or not classified in another category. Assets within this category are recorded at fair value and changes in fair value recognised in equity.

The University assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired.

(k) Investment properties

Initially investment properties are measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value determined annually by external valuers. Any gains or losses arising from changes in the fair values of investment properties are included in the income statements in the year in which they arise.

1. Summary of significant accounting policies *(continued)*

(l) Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation less accumulated impairment losses. Where an asset is acquired at no cost or for a nominal cost, the cost recorded is the fair value of the asset at the acquisition date.

Subsequent costs are included in the assets carrying value or recognised as a separate asset, where appropriate, when it is probable that future economic benefit associated with the asset will flow to the University. All other repairs and maintenance are charged to the income statement when incurred.

The depreciation rate policy is as follows:

Asset class	*Depreciation rate*
Leasehold land	Not depreciated
Freehold land	Not depreciated
Buildings	2% reducing balance
Computer hardware	25% straight line
Equipment	12.5% straight line
Motor vehicles	17.5% straight line if held more than one year
Artworks	Not depreciated
Special collections	Not depreciated
Library books	Depreciated 100% in fourth year after acquisition

Assets' residual values and useful lives are reviewed at each balance sheet date. Profits and losses on disposal are recorded in the income statement for the year.

Impairment testing is performed when an indicator of impairment is identified.

(m) Impairment

Assets that have an indefinite useful life are tested annually for impairment. Assets with a finite life are tested for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying value exceeds the recoverable amount. The recoverable amount is the higher of its fair value less costs to sell and its value in use. As the University is a not-for-profit entity, if the future economic benefits of the asset are not primarily dependent on its ability to generate net cash flows, unless the asset has been identified as surplus, the value in use is its depreciated replacement cost.

(n) Intangible assets

Intangible assets are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

Expenditure on research activities is recognised as an expense in the income statement when incurred. Expenditure on development activities is expensed unless the outcome is technically and commercially feasible, resources are available to complete the development and there is a commitment to complete the project.

Amortisation is calculated on a straight line basis over the estimated useful life of the asset. The useful life of software is currently determined to be ten years.

Impairment testing is performed when an indicator of impairment is identified.

(o) Leases

Leases where the lessor has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of fair value and the present value of the minimum lease payments and the corresponding obligation is recorded in payables. Each lease payment is allocated between the finance charge and reducing the liability.

Leases are classified as operating leases when the lessor retains substantially all the risks and rewards of ownership. Payments or income received under operating leases are recognised in the income statement on a straight line basis over the lease term. Where the University is the lessor, the asset subject to an operating lease is recognised in the balance sheet according to the nature of the asset.

1. Summary of significant accounting policies *(continued)*

(p) Payables

Payables represent liabilities for goods or services incurred on or before reporting date.

(q) Provisions

Provisions are recognised where there is a present obligation as a result of a past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount.

If the effect of the time value of money is material the provision will be discounted.

(r) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages, salaries and annual leave are recognised and measured as the amount unpaid at the reporting date at expected value in respect of employees' services up to that date.

(ii) Long service leave

A liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, based on statistical data related to employee departures and periods of service.

(iii) Parental leave

A liability for parental leave is recognised based on the University's present obligation to make future parental leave payments in respect of services provided by employees up to the reporting date. The value of these future payments incorporates expected future wage and salary levels, based on statistical data related to historical employee parental leave and periods of service.

(iv) Superannuation

The University contributes to a number of employee funds that exist to provide benefits for employees and their dependants on retirement, disability or death. Three of these funds are defined benefit pension schemes.

Expenses incurred in relation to schemes accounted for as defined benefit schemes are determined using the projected unit credit actuarial valuation method. Actuarial gains and losses are recognised immediately as an income or expense in the income statement.

The University recognises amounts payable to defined contributions schemes as an expense in the income statement in the period that the service has been rendered by the employee.

(v) Other employee benefits

All other benefits are recognised when the benefit is received by the employee and measured at the rates paid or payable.

(s) Income tax

The University is exempt from income tax in Australia.

The University is subject to foreign income tax for overseas operations, currently no income tax has been payable. Deferred tax assets are only recognised where it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses.

(t) Foreign currency transactions

The functional currency of the University and its subsidiaries is the Australian dollar.

Foreign currency transactions are initially translated into Australian currency at the rate of exchange at the date of the transaction. At the reporting date, amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange at that date. Non-monetary items held at the reporting date are measured using the exchange rate at the date of the initial transaction.

Resulting exchange differences are recognised in the income statements.

	Notes	Consolidated 2005 $'000	Consolidated 2004 $'000	University 2005 $'000	University 2004 $'000
2. Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes					
(a) Commonwealth Grant Scheme and other grants					
Commonwealth Grant Scheme	48.1	77,273	60,765	77,273	60,765
Indigenous Support Fund	48.1	507	-	507	-
Equity Programmes	48.1	364	143	364	143
Workplace Reform Programme	48.1	1,128	2,266	1,128	2,266
Capital Development Pool	48.1	1,570	1,049	1,570	1,049
Total Commonwealth Grant Scheme and Other Grants		80,842	64,223	80,842	64,223
(b) Higher Education Loan Programmes (HELP)					
HECS-HELP	48.2	42,441	38,161	42,441	38,161
FEE-HELP	48.2	4,195	3,721	4,195	3,721
Total Higher Education Loan Programmes		46,636	41,882	46,636	41,882
(c) Scholarships					
Australian Postgraduate Awards	48.3	4,705	4,680	4,705	4,680
International Postgraduate Research Scholarships	48.3	1,516	1,242	1,516	1,242
Commonwealth Education Costs Scholarships	48.3	292	98	292	98
Commonwealth Accommodation Scholarships	48.3	555	256	555	256
Total Scholarships		7,068	6,276	7,068	6,276
(d) DEST – Research					
Institutional Grants Scheme	48.4	16,254	15,969	16,254	15,969
Research Training Scheme	48.4	28,904	28,412	28,904	28,412
Systemic Infrastructure Initiative	48.4	-	2,080	-	2,080
Research Infrastructure Block Grants	48.4	13,903	12,420	13,903	12,420
Total DEST – Research Grants		59,061	58,881	59,061	58,881
(e) Australian Research Council					
(i) Discovery					
Projects	48.5	11,008	9,267	11,008	9,267
Fellowships	48.5	967	730	967	730
Total Discovery		11,975	9,997	11,975	9,997
(ii) Linkages					
Infrastructure	48.5	2,767	1,498	2,767	1,498
International	48.5	360	76	360	76
Projects	48.5	4,916	3,606	4,916	3,606
Special Research Initiatives	48.5	32	47	32	47
Total Linkages		8,075	5,227	8,075	5,227
(iii) Networks and Centres					
Research Networks	48.5	793	-	793	-
Centres	48.5	1,553	1,806	1,553	1,806
Total Networks and Centres		2,346	1,806	2,346	1,806
(f) Other Australian Government financial assistance					
National Health and Medical Research Council		25,436	23,313	25,436	23,313
Other Commonwealth research grants		16,725	21,487	16,725	21,487
Other Commonwealth grants		14,312	12,591	14,312	12,591
Building capital grants		819	431	819	431
Total other Australian Government financial assistance		57,292	57,822	57,292	57,822
Total Australian Government financial assistance		**273,295**	**246,114**	**273,295**	**246,114**
Reconciliation					
Australian Government grants		226,659	204,232	226,659	204,232
HECS-HELP – Australian Government payments		42,441	38,161	42,441	38,161
FEE-HELP		4,195	3,721	4,195	3,721
Total Australian Government financial assistance		**273,295**	**246,114**	**273,295**	**246,114**

		Consolidated		University	
		2005	2004	2005	2004
	Notes	$'000	$'000	$'000	$'000
3.	**Western Australian and Local Government financial assistance**				
	Research grants	10,492	12,732	10,492	12,732
	Other grants	17,114	18,873	17,114	18,873
	Total Western Australian and Local Government financial assistance	**27,606**	**31,605**	**27,606**	**31,605**
4.	**Other research grants and contracts**				
	International	6,201	6,358	6,201	6,358
	Bequests and donations	1,015	1,041	1,015	1,041
	Industry and others	14,773	11,496	14,773	11,460
	Total other research grants and contracts	**21,989**	**18,895**	**21,989**	**18,859**
5.	**Investment income**				
	Fair value gain on investment assets	18,027	29,083	18,027	29,083
	Dividend income	4,469	7,153	4,469	7,153
	Interest income	7,819	6,244	7,803	6,244
	Trust distributions	23,266	13,782	23,266	13,782
	Rental income	2,584	6,499	2,584	6,499
	Fair value gain/(loss) on investment property	(178)	1,347	(178)	1,347
	Other investment income	45	3,073	(27)	3,041
	Loss on disposal of shares in subsidiary	-	(318)	-	(1,890)
	Total investment income	**56,032**	**66,863**	**55,944**	**65,259**
6.	**Fees and charges**				
	Course fees and charges				
	Continuing education and short courses	7,274	6,969	7,274	6,969
	Fee-paying domestic postgraduate students	3,218	2,994	3,230	2,994
	Fee-paying domestic undergraduate students	36	-	36	-
	Fee-paying overseas students – onshore courses	34,286	30,962	34,286	30,962
	Fee-paying overseas students – offshore courses	3,861	4,486	3,861	4,486
	Total-course fees and charges	48,675	45,411	48,687	45,411
	Other fees and charges				
	Amenities and services fees	1,598	1,465	1,598	1,465
	Student accommodation	2,066	2,071	2,066	2,071
	Parking fees	1,553	1,504	1,557	1,504
	Registration fees	1,526	2,016	1,526	2,016
	Rental and hire charges	1,048	444	747	444
	Other	881	609	881	609
	Total other fees and charges	8,672	8,109	8,375	8,109
	Total fees and charges	**57,347**	**53,520**	**57,062**	**53,520**
7.	**Salaries and other recoveries**				
	Salary recoveries	13,504	11,640	13,482	11,640
	Other recoveries	4,851	4,613	4,876	4,623
	Total salary and other recoveries	**18,355**	**16,253**	**18,358**	**16,263**

		Consolidated		University	
		2005	2004	2005	2004
	Notes	$'000	$'000	$'000	$'000
8. Other revenue					
Sales of goods and services		8,806	6,213	6,119	5,843
Donations, bequests and sponsorships		9,417	5,724	9,417	5,724
Scholarships and prizes		1,108	632	1,108	632
Rental property income		1,961	1,969	1,961	1,969
Other general grants		5,753	2,903	5,753	2,903
Consultancy		6,583	4,488	5,785	4,103
Royalties and licences		579	885	579	885
Performance and production		2,252	2,808	2,252	2,808
Other		4,850	2,966	4,183	2,966
Total other revenue		**41,309**	**28,588**	**37,157**	**27,833**
9. Employee benefits and on-costs					
Academic					
Salaries		113,272	107,077	113,272	107,077
Superannuation – funded		17,438	16,157	17,438	16,157
Annual leave provision		(53)	(31)	(53)	(31)
Long service leave provision		1,104	1,340	1,104	1,340
Employment on-costs					
Payroll tax		7,158	7,257	7,158	7,257
Workers' compensation		519	527	519	527
Other		6,371	6,619	6,371	6,619
Total academic		145,809	138,946	145,809	138,946
Non-academic					
Salaries		107,119	93,987	104,548	93,625
Superannuation – funded		14,130	12,583	14,012	12,560
Annual leave provision		529	953	404	929
Long service leave provision		331	2,409	331	2,409
Employment on-costs					
Payroll tax		6,197	6,202	6,197	6,176
Workers' compensation		474	457	474	457
Other		2,208	2,957	2,032	2,954
Total non-academic		130,988	119,548	127,998	119,110
Total employee benefits and on costs		**276,797**	**258,494**	**273,807**	**258,056**
10. Student expenses					
Scholarships and studentships		20,550	17,300	20,550	17,300
Grants and prizes		2,271	2,320	2,275	2,320
Amenities and services expenses		1,466	1,380	1,466	1,380
Total student expenses		**24,287**	**21,000**	**24,291**	**21,000**
11. Materials and supplies					
Laboratory, workshop and medical supplies		10,548	9,173	10,551	9,035
General office expenses		7,257	6,347	7,183	6,347
Other general consumables and supplies		4,779	3,917	3,584	3,934
Total materials and supplies		**22,584**	**19,437**	**21,318**	**19,316**
12. Depreciation, amortisation and impairment					
Buildings		8,975	8,940	8,975	8,940
Computer hardware		3,204	2,596	3,204	2,584
Equipment		8,052	8,110	8,049	8,033
Motor vehicles		655	884	655	884
Library books		3,166	4,268	3,166	4,268
Intangible assets – amortisation		621	213	621	-
Impairments		-	294	-	294
Total depreciation, amortisation and impairment		**24,673**	**25,305**	**24,670**	**25,003**

		Consolidated		University	
		2005	2004	2005	2004
	Notes	$'000	$'000	$'000	$'000
13. Repairs and maintenance					
Building repairs and maintenance		8,017	9,195	8,011	9,163
Ground maintenance		1,621	1,729	1,620	1,729
General repairs and maintenance		2,550	1,154	2,487	1,154
Total repairs and maintenance		**12,188**	**12,078**	**12,118**	**12,046**
14. Grants distributed					
Medical-related research grants		11,394	12,406	11,394	12,406
Other affiliated activities		11,693	8,427	11,833	8,477
Total grants distributed		**23,087**	**20,833**	**23,227**	**20,883**
15. Travel					
International travel		6,841	6,440	6,817	6,384
Visitors		1,485	1,371	1,485	1,371
Other		6,430	6,464	6,430	6,448
Total travel		**14,756**	**14,275**	**14,732**	**14,203**
16. Professional fees					
Consulting fees		11,107	9,192	11,003	9,192
Audit and legal fees		2,124	1,132	2,120	1,110
Total professional fees		**13,231**	**10,324**	**13,123**	**10,302**
17. Other expenses					
Computing costs		4,421	2,884	4,421	2,884
Books and periodicals		1,036	1,299	1,030	1,299
Utilities and rates		8,059	7,889	8,056	7,889
Non-capital equipment purchases		10,174	7,003	10,174	7,003
Loss on sale of non-current assets disposed		321	525	321	525
Performance and production costs		5,099	4,782	5,099	4,782
Insurance		1,812	3,088	1,820	3,088
Advertising, marketing and promotional expenses		3,998	3,701	3,783	3,701
Conference and course fees		2,141	2,211	2,197	2,226
Rental, hire and leasing fees		2,001	2,036	2,006	1,932
Cleaning and waste disposal		2,402	2,332	2,267	2,328
Bad and doubtful debts		86	327	86	395
Royalties and commissions		2,457	2,815	2,457	2,815
Exhibitions and conference costs		1,054	1,238	946	1,238
Vehicle costs		1,093	902	1,084	902
Other miscellaneous expenses		10,042	20,897	10,186	19,929
Total other expenses		**56,196**	**63,929**	**55,933**	**62,936**

	Consolidated		University	
	2005 $'000	2004 $'000	2005 $'000	2004 $'000

18. Remuneration of University's Senate members and senior officers

All Senate members serve in an honorary capacity. Remuneration of Senate members quoted only reflects remuneration (including salaries and other benefits) paid by the University to the Vice-Chancellor and the five elected staff members.

The total fees, salaries, superannuation and other benefits received or due and receivable by members of the Senate, the Governing Body, for the financial year.	915	1,318	915	1,318
The total fees, salaries, superannuation and other benefits received or due and receivable by senior officers of the University for the financial year.	3,442	3,117	3,442	3,117

The number of Senate members and executive officers whose total fees, salaries, superannuation and other benefits (includes leave entitlement payout) received or due and receivable for the financial year, falls within the following bands:

	Senate members		*Senior officers of the University*	
	2005	2004	2005	2004
$0,000–$9,999	-	-	-	1
$10,000–$19,999	1	-	-	1
$20,000–$29,999	2	-	-	-
$30,000–$39,999	1	1	-	-
$70,000–$79,999	1	-	-	-
$90,000–$99,999	-	-	-	1
$100,000–$109,999	-	2	-	-
$110,000–$119,999	-	-	-	1
$120,000–$129,999	1	-	-	-
$130,000–$139,999	-	-	2	1
$140,000–$149,999	1	1	-	-
$150,000–$159,999	-	1	-	-
$160,000–$169,999	-	-	-	1
$180,000–$189,999	-	-	2	3
$190,000–$199,999	-	-	2	-
$200,000–$209,999	-	-	2	2
$210,000–$219,999	-	-	-	1
$220,000–$229,999	-	-	-	1
$240,000–$249,999	-	-	-	1
$250,000–$259,999	-	-	-	1
$260,000–$269,999	-	-	2	1
$270,000–$279,999	-	-	2	-
$290,000–$299,999	-	-	1	1
$300,000–$309,999	-	-	1	-
$320,000–$329,999	-	1	-	-
$330,000–$339,999	-	-	1	-
$450,000–$459,999	-	1	-	-
$480,000–$489,999	1	-	-	-

19. Remuneration of auditors

Office of the Auditor General				
Audit fees – auditing the financial statements and performance indicators, and research grant certifications	140	135	140	135
Total audit fees	**140**	**135**	**140**	**135**

20. Explanatory statement on significant variations for University funds

This statement provides details of any significant variations between the University's budget and the actual results for 2005 and between the actual results for 2005 and 2004. Significant variations are considered to be those greater than 10 per cent.

a) Significant variations between budget and actual results for the financial year

The University Senate approves the budget and allocations for the operations of the University. Currently the University's budget procedure results in the expenditure budget figures being based on the current year revenue allocations. This can result in substantial variations in expenditure patterns. Therefore, to increase comparability and provide a more meaningful analysis, the expenditure budgets have been adjusted for capitalised expenditure on plant and equipment and accrual items.

REVENUE	Budget $'000	Actual $'000	Variance		Explanation
			$'000	%	
Australian Government grants	237,044	226,659	(10,385)	(4.4)	-
HECS-HELP	54,220	56,213	1,993	3.7	-
FEE-HELP	4,476	4,195	(281)	(6.3)	-
Western Australian and Local Government financial assistance	34,540	27,606	(6,934)	(20.1)	Budget prepared under different basis of revenue recognition and does not incorporate IFRS adjustments
Other research grants and contracts	19,230	21,989	2,759	14.3	Obtained additional or increased grant funding
Investment income	33,230	55,944	22,714	68.4	Strong market performance has resulted in higher returns than anticipated. In addition, disposals of commercial rental properties occurred earlier than planned
Fees and charges	51,699	57,062	5,363	10.4	Additional fees for short courses
Salary and other recoveries	13,227	18,358	5,131	38.8	Other recoveries not included in budget
Other revenue	33,701	37,157	3,456	10.3	Donations received for specific projects
Total revenue	481,367	505,183	23,816	4.9	-

EXPENDITURE	Budget $'000	Actual $'000	Variance		Explanation
			$'000	%	
Teaching and research	360,561	333,608	(26,953)	(7.5)	-
Libraries	13,549	14,174	625	4.6	-
Student services, public services, building and grounds, and administration and general institutional services	88,044	115,437	27,393	31.1	Additional non-capital equipment purchases and a number of strategic projects approved subsequent to the budget
Total expenditure	462,154	463,219	1,065	0.2	-

20. Explanatory statement on significant variations for University funds *(continued)*

b) Significant variations between actual revenues and expenditure for the financial year and the immediately preceding year

REVENUE	2005 $'000	2004 $'000	Variance		Explanation
			$'000	%	
Australian Government grants	226,659	204,232	22,427	11.0	Changes in CGS funding basis and additional ARC funding
HECS-HELP	56,213	48,114	8,099	16.8	Additional student contribution levels for students commencing in 2005
FEE-HELP	4,195	3,721	474	12.7	Additional loans in 2005
Western Australian and Local Government financial assistance	27,606	31,605	(3,999)	(12.7)	Number of project completions in 2004
Other research grants and contracts	23,804	18,859	4,945	26.2	Number of new projects commencing in 2005
Investment income	55,944	65,259	(9,315)	(14.3)	Lower market returns in 2005
Fees and charges	57,062	53,520	3,542	6.6	-
Salary and other recoveries	18,358	16,263	2,095	12.9	Increase in salary costs and some renegotiation of recovery basis
Other revenue	35,342	27,833	7,509	27.0	Increase in donations received for specific projects
Total revenue	505,183	469,406	35,777	7.6	-

EXPENDITURE	2005 $'000	2004 $'000	Variance		Explanation
			$'000	%	
Employee benefits and on-costs	273,807	258,056	15,751	6.1	-
Student expenses	24,291	21,000	3,291	15.7	Increase in scholarships provided
Material and supplies	21,318	19,316	2,002	10.4	Additional laboratory costs associated with new research projects
Depreciation, amortisation and impairment expenses	24,669	25,003	(334)	(1.3)	-
Repairs and maintenance	12,118	12,046	72	0.6	-
Grants distributed	23,227	20,883	2,344	11.2	Increased support for major research initiatives
Travel expenses	14,732	14,203	529	3.7	-
Professional fees	13,123	10,302	2,821	27.4	Increased legal costs and higher consulting fees associated with numerous projects
Other expenses	55,934	62,936	(7,002)	(11.1)	Increased expense in 2004 due to recognition of provision for revenue sharing agreement
Total expenditure	463,219	443,745	19,474	4.4	-

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		Consolidated		University	
		2005	2004	2005	2004
	Notes	$'000	$'000	$'000	$'000
21. Cash and cash equivalents					
Cash at bank		24,065	20,746	23,426	20,539
Cash held in imprests		89	65	83	65
Short-term money market		1,775	7,967	1,775	7,967
Short-term bills		10,040	2,576	10,040	2,576
Total cash and cash equivalents		35,969	31,354	35,324	31,147
22. Receivables					
Current					
Receivables		20,973	18,320	20,539	18,164
Less: Provision for doubtful receivables		(725)	(824)	(725)	(824)
		20,248	17,496	19,814	17,340
Accrued income		8,248	11,553	8,248	11,553
Prepayments		9,831	8,665	9,827	8,665
Total current receivables		38,327	37,714	37,889	37,558
Non-current					
Receivables		631	557	631	557
Total non-current receivables		631	557	631	557
Total receivables		38,958	38,271	38,520	38,115
23. Inventories					
Raw materials and stores – at cost		596	548	481	548
Work in progress – at cost		73	79	73	79
Total inventories		669	627	554	627
24. Non-current assets classified as held for sale – restricted					
Land and buildings	30	-	10,000	-	10,000
Total non-current assets classified as held for sale – restricted		-	10,000	-	10,000

The University was previously required under the University Endowment Act to invest the University Endowment in direct property assets. On repeal of this legislation, the University resolved to undertake a managed disposal of selected investment properties over an extended period under normal commercial terms and conditions. This programme was completed in 2005.

	Notes	Consolidated 2005 $'000	Consolidated 2004 $'000	University 2005 $'000	University 2004 $'000
25. Investment properties – restricted					
At fair value					
Opening balance		33,322	51,130	33,322	51,130
Capitalised subsequent expenditure		563	1,093	563	1,093
Classified as held for sale or disposals		(16,510)	(20,250)	(16,510)	(20,250)
Net gain from fair value adjustment		65	1,347	65	1,347
Closing balance		17,440	33,320	17,440	33,320
Total investment properties – restricted	30	17,440	33,320	17,440	33,320
(a) Amounts recognised in profit and loss for investment properties					
Rental income		1,602	2,107	1,602	2,107
Direct operating expenses from property that generated rental income		(468)	(984)	(468)	(984)
Direct operating expenses from property that did not generate rental income		(59)	-	(59)	-
		1,075	1,123	1,075	1,123

Properties that generated rental income were sold during the year.

(b) Valuation basis

Investment properties are stated at fair value, being the amounts for which properties could be exchanged between willing parties in an arm's length transaction, based on comparable market transactions. The valuation adjustments are based on independent assessments by a Certified Practising Valuer.

26. Other financial assets					
Managed investment portfolios		423,515	399,675	423,515	399,675
Other shares and units		5,306	4,840	5,306	4,840
Shares in associates		-	-	8,928	8,957
Unsecured loan advances		3,798	3,235	4,160	3,235
Total other financial assets		432,619	407,750	441,909	416,707
Restricted	30	327,696	285,195	327,696	285,195
Unrestricted		104,923	122,555	114,213	131,512
Total other financial assets		432,619	407,750	441,909	416,707
27. Investments accounted for using the equity method					
Shares in associates		4,491	3,913	-	-
Total investments accounted for using the equity method		4,491	3,913	-	-

Shares in associates

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost by the University (see note 26).

THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2005

28 Property, plant and equipment

	Freehold land	Leasehold land	Buidlings	Buildings work in progress	Computer hardware	Equipment	Motor vehicles	Artworks	Library books	Special collections	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Year ended 31 December 2005											
Consolidated											
At 1 January 2005											
Cost	154,018	80,000	447,578	84,780	16,208	86,158	5,377	21,286	22,192	37,673	955,270
Accumulated depreciation	-	-	(8,940)	-	(10,083)	(50,669)	(1,289)	-	(9,376)	-	(80,357)
Accumulated impairment	-	-	(294)	-	-	-	-	-	-	-	(294)
Net book value	154,018	80,000	438,344	84,780	6,125	35,489	4,088	21,286	12,816	37,673	874,619
Additions	9,818	-	9,424	25,775	5,015	7,318	2,176	4	6,397	61	65,988
Disposals	-	-	-	-	(84)	(315)	(1,490)	-	-	-	(1,889)
Depreciation	-	-	(8,975)	-	(3,204)	(8,052)	(655)	-	(3,166)	-	(24,052)
Impairment	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	87,680	(87,680)	28	(28)	-	-	-	-	-
	9,818	-	88,129	(61,905)	1,755	(1,077)	31	4	3,231	61	40,047
At 31 December 2005											
Cost	163,836	80,000	544,380	22,876	19,313	91,005	5,636	21,290	28,588	37,734	1,014,658
Accumulated depreciation	-	-	(17,908)	-	(11,433)	(56,593)	(1,517)	-	(12,541)	-	(99,992)
Accumulated impairment	-	-	-	-	-	-	-	-	-	-	-
Net book value	163,836	80,000	526,472	22,876	7,880	34,412	4,119	21,290	16,047	37,734	914,666

Restricted property, plant and equipment (see note 30)	188,453
Unrestricted property, plant and equipment	726,213
	914,666

28 Property, plant and equipment *(continued)*

	Freehold land	Leasehold land	Buidlings	Buildings work in progress	Computer hardware	Equipment	Motor vehicles	Artworks	Library books	Special collections	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Year ended 31 December 2005											
University											
At 1 January 2005											
Cost	154,018	80,000	447,578	84,780	16,208	86,158	5,377	21,286	22,192	37,673	955,270
Accumulated depreciation	-	-	(8,940)	-	(10,083)	(50,669)	(1,289)	-	(9,376)	-	(80,357)
Accumulated impairment	-	-	(294)	-	-	-	-	-	-	-	(294)
Net book value	154,018	80,000	438,344	84,780	6,125	35,489	4,088	21,286	12,816	37,673	874,619
Additions	9,818	-	9,424	25,775	5,010	7,310	2,176	4	6,397	61	65,975
Disposals	-	-	-	-	(84)	(315)	(1,490)	-	-	-	(1,889)
Depreciation	-	-	(8,975)	-	(3,204)	(8,049)	(655)	-	(3,166)	-	(24,049)
Impairment	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	87,680	(87,680)	28	(28)	-	-	-	-	-
	9,818	-	88,129	(61,905)	1,750	(1,082)	31	4	3,231	61	40,037
At 31 December 2005											
Cost	163,836	80,000	544,380	22,876	19,308	90,997	5,636	21,290	28,588	37,734	1,014,645
Accumulated depreciation	-	-	(17,908)	-	(11,433)	(56,590)	(1,517)	-	(12,541)	-	(99,989)
Accumulated impairment	-	-	-	-	-	-	-	-	-	-	-
Net book value	163,836	80,000	526,472	22,876	7,875	34,407	4,119	21,290	16,047	37,734	914,656

Restricted property, plant and equipment (see note 30)	188,453
Unrestricted property, plant and equipment	726,203
	914,656

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28 Property, plant and equipment *(continued)*

	Freehold land	Leasehold land	Buidlings	Buildings work in progress	Computer hardware	Equipment	Motor vehicles	Artworks	Library books	Special collections	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Year ended 31 December 2004											
Consolidated											
At 1 January 2004											
Cost	152,829	80,000	443,441	28,704	16,216	82,541	5,240	21,118	16,631	37,504	884,224
Accumulated depreciation	-	-	-	-	(10,154)	(43,919)	(752)	-	(5,108)	-	(59,933)
Net book value	152,829	80,000	443,441	28,704	6,062	38,622	4,488	21,118	11,523	37,504	824,291
Additions	969	-	1,835	58,598	2,737	5,771	2,513	168	5,561	169	78,321
Disposals	-	-	-	-	(54)	(386)	(1,997)	-	-	-	(2,437)
Depreciation	-	-	(8,940)	-	(2,596)	(8,110)	(884)	-	(4,268)	-	(24,798)
Impairment	-	-	(294)	-	-	-	-	-	-	-	(294)
Transfer	220	-	2,302	(2,522)	-	-	-	-	-	-	-
Adjustment on dilution of holdings in subsidiaries	-	-	-	-	(24)	(408)	(32)	-	-	-	(464)
	1,189	-	(5,097)	56,076	63	(3,133)	(400)	168	1,293	169	50,328
At 31 December 2004											
Cost	154,018	80,000	447,578	84,780	16,208	86,158	5,377	21,286	22,192	37,673	955,270
Accumulated depreciation	-	-	(8,940)	-	(10,083)	(50,669)	(1,289)	-	(9,376)	-	(80,357)
Accumulated impairment	-	-	(294)	-	-	-	-	-	-	-	(294)
Net book value	154,018	80,000	438,344	84,780	6,125	35,489	4,088	21,286	12,816	37,673	874,619

Restricted property, plant and equipment (see note 30)	171,599
Unrestricted property, plant and equipment	703,020
	874,619

28 Property, plant and equipment *(continued)*

	Freehold land	Leasehold land	Buidlings	Buildings work in progress	Computer hardware	Equipment	Motor vehicles	Artworks	Library books	Special collections	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Year ended 31 December 2004											
University											
At 1 January 2004											
Cost	152,829	80,000	443,441	28,704	16,154	81,974	5,183	21,118	16,631	37,504	883,538
Accumulated depreciation	-	-	-	-	(10,128)	(43,836)	(727)	-	(5,108)	-	(59,799)
Net book value	152,829	80,000	443,441	28,704	6,026	38,138	4,456	21,118	11,523	37,504	823,739
Additions	969	-	1,835	58,598	2,737	5,770	2,513	168	5,561	169	78,320
Disposals	-	-	-	-	(54)	(386)	(1,997)	-	-	-	(2,437)
Depreciation	-	-	(8,940)	-	(2,584)	(8,033)	(884)	-	(4,268)	-	(24,709)
Impairment	-	-	(294)	-	-	-	-	-	-	-	(294)
Transfer	220	-	2,302	(2,522)		-	-	-	-	-	-
	1,189	-	(5,097)	56,076	99	(2,649)	(368)	168	1,293	169	50,880
At 31 December 2004											
Cost	154,018	80,000	447,578	84,780	16,208	86,158	5,377	21,286	22,192	37,673	955,270
Accumulated depreciation	-	-	(8,940)	-	(10,083)	(50,669)	(1,289)	-	(9,376)	-	(80,357)
Accumulated impairment	-	-	(294)	-	-	-	-	-	-	-	(294)
Net book value	154,018	80,000	438,344	84,780	6,125	35,489	4,088	21,286	12,816	37,673	874,619

Restricted property, plant and equipment (see note 30)	171,599
Unrestricted property, plant and equipment	703,020
	874,619

	Notes	Consolidated 2005 $'000	Consolidated 2004 $'000	University 2005 $'000	University 2004 $'000
29. Intangible assets					
Software		9,703	7,306	9,703	7,306
Total intangible assets		9,703	7,306	9,703	7,306

During the year, research expenditure of $104,586,000 (2004: $97,749,000) has been recorded in the income statements.

Year ended 31 December 2005
Consolidated and University

		Software $'000	Total $'000
At 1 January 2005			
Cost		7,306	7,306
Accumulated amortisation and impairment		-	-
Net book value		7,306	7,306
Additions		3,018	3,018
Amortisation	12	(621)	(621)
		2,397	2,397
At 31 December 2005			
Cost		10,324	10,324
Accumulated amortisation and impairment		(621)	(621)
Net book value		**9,703**	**9,703**

Year ended 31 December 2004
Consolidated

	Licence, patents and other rights $'000	Intellectual property $'000	Goodwill $'000	Software $'000	Total $'000
At 1 January 2004					
Cost	872	5,475	1,402	2,627	10,376
Accumulated amortisation and impairment	(48)	(1,204)	(1,402)	-	(2,654)
Net book value	824	4,271	-	2,627	7,722
Additions	-	-	-	5,024	5,024
Amortisation	(45)	(168)	-	-	(213)
Disposal of controlled entity	(779)	(4,103)	-	(345)	(5,227)
	(824)	(4,271)	-	4,679	(416)
At 31 December 2004					
Cost	-	-	-	7,306	7,306
Accumulated amortisation and impairment	-	-	-	-	-
Net book value	**-**	**-**	**-**	**7,306**	**7,306**

University

	Software $'000	Total $'000
At 1 January 2004		
Cost	2,282	2,282
Accumulated amortisation and impairment	-	-
Net book value	2,282	2,282
Year ended 31 December 2004		
Additions	5,024	5,024
At 31 December 2004		
Cost	7,306	7,306
Accumulated amortisation and impairment	-	-
Net book value	**7,306**	**7,306**

During the year, there was no disposal of intangible assets (2004: $5,227,000).

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	Notes	Consolidated 2005 $'000	Consolidated 2004 $'000	University 2005 $'000	University 2004 $'000
30. Restricted assets					
Bequests		145,403	128,778	145,403	128,778
Staff benefit funds		16,040	15,529	16,040	15,529
Outside funds		9,528	8,667	9,528	8,667
Endowment portfolio		121,426	109,399	121,426	109,399
Research funds		34,666	22,293	34,666	22,293
Other funds		633	529	633	529
Endowment and bequest land and buildings		205,893	214,919	205,893	214,919
Total restricted assets		533,589	500,114	533,589	500,114
Assets classified as held for sale	24	-	10,000	-	10,000
Investment properties	25	17,440	33,320	17,440	33,320
Other financial assets	26	327,696	285,195	327,696	285,195
Property, plant and equipment	28	188,453	171,599	188,453	171,599
Total restricted assets		533,589	500,114	533,589	500,114

A proportion of the University's assets is restricted in nature, in that the funds and/or assets are for a specific use or benefit.

31. Payables				
Current				
Trade payables	4,125	2,977	3,873	2,889
Other payables	13,775	15,550	13,547	15,550
Total payables	17,900	18,527	17,420	18,439
32. Other financial liabilities				
Advances	54	57	54	57
Funds held for outside parties	10,568	9,680	10,568	9,680
Total other financial liabilities	10,622	9,737	10,622	9,737
33. Provisions				
Current				
Annual, long service and other leave	29,233	28,635	29,134	28,623
Employment on-costs provision	1,481	1,713	1,481	1,713
Revenue sharing provision	4,305	4,553	4,305	4,553
Legal claim provision	-	2,069	-	2,069
	35,019	36,970	34,920	36,958
Non-current				
Superannuation	12,372	13,984	12,372	13,984
Long service leave	16,397	14,973	16,387	14,973
Employment on-costs provision	910	896	910	896
	29,679	29,853	29,669	29,853
Total provisions	64,698	66,823	64,589	66,811

(a) Revenue sharing
This provision relates to amounts set aside for distribution to beneficial owners of certain investments arising from a revenue sharing arrangement.

(b) Legal claim
A provision was created in 2004 for a legal claim brought against the University. This claim was settled in February 2005.

	Notes	Consolidated 2005 $'000	Consolidated 2004 $'000	University 2005 $'000	University 2004 $'000

33. Provisions (continued)

(c) Movements in provisions
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

Employment on-costs provision				
Carrying amount at start of year	2,609	2,240	2,609	2,240
Additional provisions recognised	-	369	-	369
Amounts reversed	(218)	-	(218)	-
Carrying amount at end of year	2,391	2,609	2,391	2,609
Revenue sharing provision				
Carrying amount at start of year	4,553	-	4,553	-
Additional provisions recognised	-	4,553	-	4,553
Amounts reversed	(248)	-	(248)	-
Carrying amount at end of year	4,305	4,553	4,305	4,553
Legal claim provision				
Carrying amount at start of year	2,069	-	2,069	-
Additional provisions recognised	-	2,069	-	2,069
Amounts used	(2,069)	-	(2,069)	-
Carrying amount at end of year	-	2,069	-	2,069

(d) Superannuation

Defined benefit section

(i) Plan information
A group of employees are entitled, on retirement, death or disablement, to defined benefits under The University Supplementary Pension Scheme or Supplementary Benefit Scheme. The Schemes provide pension and lump sum benefits respectively. The Schemes are not regulated superannuation plans. The University meets the benefits directly as they fall due.

(ii) Balance sheet amounts
The amounts recognised in the balance sheet are determined as follows:

Present value of defined benefits obligations at end of the year	12,372	13,984	12,372	13,984
Fair value of plan assets at end of year	-	-	-	-
	12,372	13,984	12,372	13,984
Unrecognised actuarial gain/(loss)	-	-	-	-
Unrecognised past service cost	-	-	-	-
Net liability in the balance sheet	12,372	13,984	12,372	13,984

The University has no legal obligation to settle this liability with an immediate contribution or additional one-off contributions. The University intends to continue to meet the cost of the defined benefits as they fall due.

(iii) Categories of plan assets
There are no plan assets outside those already included in the financial statements of the University.

(iv) Reconciliations
Reconciliation of the present value of the defined benefit obligation:

Balance at the beginning of the year	13,984	13,747	13,984	13,747
Current service cost	69	114	69	114
Interest cost	688	738	688	738
Actuarial (gains)/losses	(700)	813	(700)	813
Benefit paid	(1,669)	(1,428)	(1,669)	(1,428)
Past service cost	-	-	-	-
Acquired in business combinations	-	-	-	-
Curtailments	-	-	-	-
Present value of the defined benefit obligations at end of year	12,372	13,984	12,372	13,984

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		Consolidated		University	
		2005	2004	2005	2004
	Notes	$'000	$'000	$'000	$'000
33. Provisions (continued)					
(v) Amounts recognised in income statements					
Current service cost		69	114	69	114
Interest cost		688	738	688	738
Expected return on plan assets		-	-	-	-
Actuarial (gains)/losses		(700)	813	(700)	813
Past service cost		-	-	-	-
Losses (gains) on curtailments and settlements		-	-	-	-
Total included in employee benefits expenses		57	1,665	57	1,665
(vi) Principal actuarial assumptions					
The principal actuarial assumptions used (expressed as weighted averages) were as follows:					
Discount rate		5.5%	5.2%	5.5%	5.2%
Expected return on plan assets		-	-	-	-
Future salary increases		4.0%	4.0%	4.0%	4.0%
Future inflation		3.0%	3.0%	3.0%	3.0%
Future pension increases		4.0%	4.0%	4.0%	4.0%
(vii) Employer contribution					
Employer contributions are made to meet the cost of the defined benefits as they fall due.					
(viii) Net financial position of the plan					
The plan is not a regulated superannuation fund.					
(ix) Historic summary					
Present value of defined benefit obligation		12,372	13,984	12,372	13,984
Fair value of plan assets		-	-	-	-
(Surplus)/Deficit in plan		12,372	13,984	12,372	13,984
Experience adjustment – plan liabilities		(559)	501	(559)	501
Experience adjustment – plan assets		-	-	-	-

33. Provisions (continued)

Defined contribution section

The University contributes to superannuation schemes managed by Unisuper Ltd, and uses the defined contribution reporting approach available under the multi-employer fund provisions of AASB 119 for preparation of financial statements.

The multi-employer provisions allow employers with defined benefit obligations to report on a defined contribution basis. Additional information required under the multi-employer reporting provisions for UniSuper as at 30 June 2005 are as follows:

The UniSuper Defined Benefit Plan (DBP) is a defined benefit plan.

Sufficient information is not available to account for the defined benefits provided by the DBP as a defined benefit plan. As set out under Paragraph 32(b) of AASB 119, the DBP exposes the participating employers to actuarial risks associated with the current and former employees of other participating employers, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to participating employers.

As at 30 June 2005 there is no funding surplus or deficit which currently affects, or is expected to affect, the amount of future contributions payable by participating employers to the DBP.

Historically, surplus in the DBP has been used to improve members' benefit and has not affected the amount of participating employers' contributions.

As at 30 June 2005 the assets of the DBP in aggregate were estimated to be $230 million in excess of vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of CPI indexed pensions being provided by the DBP.

As at 30 June 2005 the assets of the DBP in aggregate were estimated to be $1,543 million in excess of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and CPI indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary Russell Employee Benefits using the actuarial demographic assumptions outlined in their report dated 16 May 2003 on the actuarial investigation of the DBP as at 31 December 2002. The financial assumptions used were:

	Vested Benefits	Accrued Benefits
Gross of tax investment return	7.0% p.a.	9.1% p.a.
Net of tax investment return	6.5% p.a.	8.6% p.a.
Consumer Price Index	2.5% p.a.	2.5% p.a.
Inflationary salary increases	3.5% p.a.	3.5% p.a.

(additional promotional salary increases are assumed to apply based on past experience)

Assets have been included at their net market value, i.e. allowing for realisation costs

Clause 34 of the UniSuper Trust Deed outlines the process UniSuper must undertake (including employer notifications and notice periods) in order to request additional contributions from employers if the UniSuper assets are considered by the Trustee to be insufficient to provide benefits payable under the Deed. At least four years notice that such a request may be made is required. If such a request was agreed to by employers then members must also contribute additional contributions equal to one-half of the rate at which their employer is prepared to contribute. If the employers do not agree to increase contributions the Trustee must reduce benefits on a fair and equitable basis. The Trustee notified employers during 2003 that such a request may be made in the future but it considered this was unlikely at that time.

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	Notes	Consolidated 2005 $'000	Consolidated 2004 $'000	University 2005 $'000	University 2004 $'000
34. Deferred revenue					
Australian Government financial assistance		24,918	26,396	24,918	26,396
Student fees		4,565	3,490	4,565	3,490
Research income		22,931	17,343	22,931	17,343
Other		5,907	4,387	5,737	4,299
Total deferred revenue		58,321	51,616	58,151	51,528
35. Reserves					
Capital reserve		39,677	40,652	39,677	40,652
Short-term pool investment reserve		28,331	28,625	28,331	28,625
Total reserves		68,008	69,277	68,008	69,277
(a) Movements					
Capital reserve					
Balance 1 January		40,652	30,419	40,652	30,419
Transfer from/(to) accumulated funds		(975)	10,233	(975)	10,233
Balance 31 December		39,677	40,652	39,677	40,652
Short-term pool investment reserve					
Balance 1 January		28,625	19,499	28,625	19,499
Transfer from/(to) accumulated funds		(294)	9,126	(294)	9,126
Balance 31 December		28,331	28,625	28,331	28,625
Total reserves		68,008	69,277	68,008	69,277

(b) Nature and purpose of reserve

The capital reserve has been created to fund programmes identified as priority initiatives and other programmes which cannot be funded from recurrent sources.

The short-term pool investment reserve has been created to provide a degree of smoothing of investment income from year to year and provide increased predictability for planning and budgeting purposes. The University policy for the short-term investment pool is to distribute the income at a budgeted rate and to credit any excess or debit any shortfall to this investment fluctuation reserve.

36. Retained profits				
Opening balance	1,191,180	1,183,969	1,196,049	1,189,747
Net profit/(loss) from ordinary activities	41,034	26,570	41,964	25,661
Net adjustment from adoption of AASB 132/139	34	-	34	-
Gain on dilution of holdings in associates	1,449	-	-	-
Transfer from/(to) reserves	1,269	(19,359)	1,269	(19,359)
Total retained profits	1,234,966	1,191,180	1,239,316	1,196,049

37. Commitments

(a) Expenditure commitments

Outstanding commitments for general expenditure:

	Consolidated		University	
	2005 $ '000	2004 $ '000	2005 $ '000	2004 $ '000
No later than one year	5,126	4,388	5,126	4,388
Later than one year but no later than five years	-	-	-	-
Later than five years	-	-	-	-
	5,126	4,388	5,126	4,388

(b) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	Consolidated		University	
	2005 $ '000	2004 $ '000	2005 $ '000	2004 $ '000
Land and buildings				
Payables:				
No later than one year	44,056	19,609	44,056	19,609
Later than one year but no later than five years	52,227	18,188	52,227	18,188
Later than five years	-	-	-	-
	96,283	37,797	96,283	37,797
Other plant and equipment				
Payables:				
No later than one year	2,674	1,243	2,673	1,243
Later than one year but no later than five years	-	-	-	-
Later than five years	-	-	-	-
	2,674	1,243	2,673	1,243

(c) Lease commitments

Commitments in relation to non-cancellable operating leases are payable as follows:

	Consolidated		University	
	2005 $ '000	2004 $ '000	2005 $ '000	2004 $ '000
No later than one year	638	403	508	403
Later than one year but no later than five years	758	426	362	426
Later than five years	27	-	-	-
	1,423	829	870	829

38. Contingent liabilities and assets

(a) Contingent liabilities

As at 31 December 2005 or at the date of this report, there are no known contingent liabilities which are likely to materially affect the University's financial position.

(b) Contingent assets

A contingent asset exists in relation to funds bequeathed to the University by way of a Will. The timing of any future inflows of economic benefit cannot be reasonably determined.

As at 31 December 2005 or at the date of this report, there are no other known contingent assets which are likely to materially affect the University's financial position.

39. Supplementary financial information

(a) Write-offs

Bad debts and other write-offs, written off by the Senate during the financial year:

	Consolidated		University	
	2005 $ '000	2004 $ '000	2005 $ '000	2004 $ '000
Receivables	136	383	136	383
Assets	296	-	296	-
	432	383	432	383

(b) Losses through theft, default and other causes

	University	
	2005 $ '000	2004 $ '000
Losses through theft and default	51	101
Insurance recovery	(39)	(90)
	12	11

40. Related party transactions

(a) Subsidiaries

Interests in subsidiaries are set out in note 41.

(b) Transactions with related parties

The following transaction occurred with related parties:

	Consolidated		University	
	2005 $ '000	2004 $ '000	2005 $ '000	2004 $ '000
Sales of goods and services				
Subsidiaries	-	-	76	12
Associates	48	86	48	86
Purchase of goods and services				
Subsidiaries	-	-	646	25
Loan to subsidiaries	-	-	433	-
Grants to subsidiaries	-	-	140	50

(c) Outstanding balances

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

	Consolidated		University	
	2005 $ '000	2004 $ '000	2005 $ '000	2004 $ '000
Current receivables (sales of goods and services)				
Subsidiaries	-	-	95	1
Associates	1	11	1	11
Non-current receivables (loans)				
Subsidiaries	-	-	433	-
Current payables (purchases of goods)				
Subsidiaries	-	-	73	-

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts from related parties.

(d) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Outstanding balances are unsecured and are repayable in cash.

41. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(c).

Name of entity	Country of incorporation	Class of shares	Ownership interest		Principal activity
			2005 %	2004 %	
Integral Leadership Centre Ltd	Australia	Ordinary	100	100	Provision of executive management programmes
The University Club of Western Australia Pty Ltd	Australia	Ordinary	100	100	Events and function centre

All subsidiaries are formed in Western Australia.

42. Investments in associates

(a) Carrying amounts

Information relating to associates is set out below.

Name of company	Principal activity	Ownership interest		Consolidated		University	
		2005 %	2004 %	2005 $'000	2004 $'000	2005 $'000	2004 $'000
Listed							
Advanced Nanotechnology Limited	Production of nanomaterials	28.8	40.1	4,491	3,913	8,928	8,928
Unlisted							
Vitrostone Ltd	Development of powder technologies	29.4	29.4	-	-	-	30
Media Farm Pty Ltd	Development of multimedia technology	38.0	38.0	-	-	-	-
				-	-	-	30
				4,491	3,913	8,928	8,958

Each of the above associates is incorporated in Australia.

Advanced Nanotechnology Limited was listed in the Australian Stock Exchange on 24 February 2005.

Vitrostone Ltd and Media Farm Pty Ltd will be deregistered in 2006.

The University's share of losses in Vitrostone Ltd has exceeded its interest in the company. The carrying amount has been reduced to nil in 2004, and subsequent losses will not be recognised as the University has no constructive or legal obligation to make payments on behalf of Vitrostone Ltd. Total losses not recognised amounted to $339,000.

42. Investments in associates (*continued*)

(b) Movements in carrying amounts

	Consolidated	
	2005 $ '000	2004 $ '000
Carrying amount at the beginning of the financial year	3,913	-
Investment prior to change in status to associates	-	5,930
Adjustment to reflect change in status to associates	-	(2,047)
Share of profits/(loss) before income tax	(872)	30
Gain on dilution of holdings	1,449	-
Carrying amount at the end of the financial year	4,491	3,913

(c) Fair value of listed investments in associates

Advanced Nanotechnology Limited	7,239	-

(d) Share of associates' profits or losses

Profit/(loss) before income tax	(872)	30
Income tax expense	-	-
Profit/(loss) after income tax	(872)	30

(e) Summarised financial information of associates

	Group share of:			
	Assets $ '000	Liabilities $ '000	Revenues $ '000	Profit/(loss) $ '000
2005				
Advanced Nanotechnology Limited	4,834	343	795	(872)
2004				
Advanced Nanotechnology Limited	4,209	296	334	30

(f) Share of associates' expenditure commitments, other than for the supply of inventories

	Consolidated	
	2005 $ '000	2004 $ '000
Capital commitments	1	-
Lease commitments	509	-

(g) Contingent liabilities of associates

Share of incurred jointly with other investors	-	-
For which the company is severally liable	-	-

43. Events occurring after the balance sheet date

As at 31 December 2005 or at the date of this report, there are no known events occurring after the balance sheet date which are likely to materially affect the University's financial position.

44. Segment information

The University operates within one industry segment, being education, and revenue is predominantly earned within Australia. Therefore, no segment information has been reported.

	Consolidated		University	
	2005 $'000	2004 $'000	2005 $'000	2004 $'000
45. Reconciliation of net operating result to net cash inflow from operating activities				
Net operating result	41,034	26,146	41,965	25,661
Adjustments: Non-cash items				
Depreciation, amortisation and impairment	24,673	25,305	24,670	25,003
Investment adjustments	(48,626)	(51,625)	(48,561)	(51,786)
Unrealised foreign exchange gain	(80)	(110)	(80)	(110)
(Profit)/Loss on sale of assets	581	(899)	581	(899)
Donation of artworks and equipment	(1,381)	(136)	(1,381)	(136)
Share of net result of associates	872	(30)	-	-
Loss on change in interests in subsidiaries	-	482	-	1,939
Other	201	95	201	95
Changes in assets and liabilities				
(Increase)/decrease in receivables	(126)	(7,246)	157	(7,449)
(Increase)/decrease in inventories	(125)	(334)	(10)	(232)
Increase/(decrease) in payables	2,532	3,599	2,269	3,563
Increase/(decrease) in grants and fees in advance	5,280	(1,536)	5,112	(1,536)
Increase/(decrease) in provisions	(2,389)	13,376	(2,496)	13,350
Net cash inflow from operating activities	**22,446**	**7,087**	**22,427**	**7,463**

46. Financial instruments

(a) Financial risk management

The University's principal financial instruments comprised cash, deposits, bonds, bank bills, shares and unit trusts which are predominantly managed through the University's investment portfolios.

The University's governing body, the Senate, is responsible for the management of key risks and, through the Strategic Resources Committee, reviews and approves financial policies. The Investment Policy Statement sets out investing guidelines such as performance objectives; investment restrictions; performance benchmarks and monitoring; and the strategic benchmark for each pool. The Investment Policy Statement is independently reviewed and updated by an external consultant on a regular basis to ensure it is appropriate for the overall investment objectives of the University.

The activities of the University result in exposure to market risk, interest rate risk and credit risk.

Market risk

Price risk

The University's investment pools are exposed to fluctuations in the prices of equity securities. The University's investment policy provides strategies for the minimisation of price risk with the diversification of that risk through a number of investment managers and ongoing monitoring to ensure there is no concentration of risk exposure in any one area.

Foreign exchange risk

Foreign exchange risk arises due to overseas sources of income from the University's international offshore teaching programmes, foreign donors, foreign customers and foreign sourced supplies. The University's main exposure is to the US and Singapore dollars, and the UK pound. Currently the level of exposure is not significant.

The University requires that, where possible, offshore transactions be contracted in Australian dollars and if this is not possible, that forward currency contracts be considered to manage the currency exposure. The University will only enter into a forward contract when there is an underlying actual exposure.

Interest rate risk

The interest rate risk arises from interest-bearing assets. The University's investment policy provides strategies for minimising the impact from interest rate risk including the use of investment fluctuation reserves to spread the impact of fluctuations on the University's cash flow.

The University has no significant interest bearing liabilities.

Credit risk

The University's Credit Control Policy is designed to ensure that credit facilities are only provided to customers with an appropriate credit history.

The University's investment and cash transactions are restricted to high credit quality institutions.

(b) Interest rate risk exposures

The following table details the University's exposure to interest rate risk.

2005 Consolidated		Floating	Fixed interest maturing/repricing in						Non -	
		interest	1 year	1 to 2	2 to 3	3 to 4	4 to 5	more than	interest	2005
	Notes	rate **$'000**	or less **$'000**	years **$'000**	years **$'000**	years **$'000**	years **$'000**	5 years **$'000**	bearing **$'000**	Total **$'000**
Financial assets										
Cash and cash equivalents	21	25,840	10,040	-	-	-	-	-	89	35,969
Receivables	22	-	-	-	-	-	-	-	38,959	38,959
Other shares and units	26	-	-	-	-	-	-	-	5,306	5,306
Unsecured loan advances	26	-	456	461	399	308	308	-	1,866	3,798
Managed investment porfolios	26	45,316	1,360	3,339	2,756	2,278	2,887	2,260	363,319	423,515
Total financial assets		71,156	11,856	3,800	3,155	2,586	3,195	2,260	409,539	507,547
Weighted average interest rate		*5.09%*	*5.60%*	*8.17%*	*7.41%*	*6.31%*	*4.67%*	*6.12%*		

46. Financial instruments (*continued*)

2005 Consolidated		Floating	Fixed interest maturing/repricing in						Non -	
		interest	1 year	1 to 2	2 to 3	3 to 4	4 to 5	more than	interest	2005
		rate	or less	years	years	years	years	5 years	bearing	Total
	Notes	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial liabilities										
Payables	31	-	-	-	-	-	-	-	17,894	17,894
Advances	32	-	-	-	-	-	-	-	54	54
Funds held for outside parties	32		3,427	-	-	-	-	7,141	-	10,568
Total financial liabilities		-	3,427	-	-	-	-	7,141	17,948	28,516
Weighted average interest rate		-	*7.10%*	-	-	-	-	*18.04%*		
Net financial assets		71,156	8,429	3,800	3,155	2,586	3,195	(4,881)	391,591	479,031

2004 Consolidated		Floating	Fixed interest maturing/repricing in			Non -	
		interest	1 year	over 1 year	more than	interest	2004
		rate	or less	to 5 years	5 years	bearing	Total
		$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets							
Cash and cash equivalents	21	28,713	2,576	-	-	65	31,354
Receivables	22	-	-	-	-	38,271	38,271
Other shares and units	26	203	-	-	-	4,637	4,840
Unsecured loan advances	26	-	138	1,097	-	2,000	3,235
Managed investment portfolios	26	44,801	3,855	7,804	4,515	338,700	399,675
Total financial assets		73,717	6,569	8,901	4,515	383,673	477,375
Weighted average interest rate		*5.29%*	*6.05%*	*6.99%*	*5.10%*		
Financial liabilities							
Payables	31	-	-	-	-	18,527	18,527
Advances	32	-	-	-	-	57	57
Funds held for outside parties	32	-	5,689	-	3,991	-	9,680
Total financial liabilities		-	5,689	-	3,991	18,584	28,264
Weighted average interest rate		-	*4.00%*	-	*17.40%*		
Net financial assets		73,717	880	8,901	524	365,089	449,111

(c) Net fair value of financial assets and liabilities

The net fair value of financial assets and liabilities disclosed in the balance sheets are not materially different to the carrying value of the financial assets and liabilities.

47. Explanation of transition to Australian equivalents to International Financial Reporting Standards

(1) Reconciliation of equity reported under previous Australian Generally Accepted Accounting Principles (AGAAP) to equity under Australian equivalents to International Financial Reporting Standards (AIFRS)

(a) At the date of transition: 1 January 2004

		Consolidated			University		
	Notes	Previous AGAAP $'000	Adjustments for AIFRS $'000	Restated for AIFRS $'000	Previous AGAAP $'000	Adjustments for AIFRS $'000	Restated for AIFRS $'000
Current assets							
Cash and cash equivalents	H	53,930	190	54,120	53,406	190	53,596
Receivables	G	24,437	4,010	28,447	24,039	4,010	28,049
Inventories		518	-	518	461	-	461
Non-current assets classified as held for sale – restricted	A	-	24,700	24,700	-	24,700	24,700
Total current assets		78,885	28,900	107,785	77,906	28,900	106,806
Non-current assets							
Receivables		404	-	404	404	-	404
Investment properties – restricted	B	156,221	(105,061)	51,160	156,221	(105,061)	51,160
Other financial assets – restricted		233,823	-	233,823	233,823	-	233,823
Other financial assets – unrestricted	H	141,353	(190)	141,163	149,687	(190)	149,497
Investments accounted for using the equity method		-	-	-	-	-	-
Property, plant and equipment – restricted	C	-	170,917	170,917	-	170,917	170,917
Property, plant and equipment – unrestricted	C	631,658	21,718	653,376	631,106	21,718	652,824
Intangible assets		8,072	-	8,072	2,282	-	2,282
Total non-current assets		1,171,531	87,384	1,258,915	1,173,523	87,384	1,260,907
Total assets		1,250,416	116,284	1,366,700	1,251,429	116,284	1,367,713
Current liabilities							
Payables		13,710	-	13,710	13,278	-	13,278
Other financial liabilities	F	7,285	1,913	9,198	7,196	1,913	9,109
Provisions		25,834	-	25,834	25,804	-	25,804
Deferred revenue	G	23,433	28,641	52,074	23,342	28,641	51,983
Total current liabilities		70,262	30,554	100,816	69,620	30,554	100,174
Non-current liabilities							
Financial liabilities		2,076	-	2,076	9	-	9
Provisions	D	27,884	(67)	27,817	27,884	(67)	27,817
Total non-current liabilities		29,960	(67)	29,893	27,893	(67)	27,826
Total liabilities		100,222	30,487	130,709	97,513	30,487	128,000
Net assets		1,150,194	85,797	1,235,991	1,153,916	85,797	1,239,713
Equity							
Reserves	I	80,982	(31,064)	49,918	80,982	(31,064)	49,918
Retained profits	J	1,067,154	116,861	1,184,015	1,072,934	116,861	1,189,795
Minority interest		2,058	-	2,058	-	-	-
Total equity		1,150,194	85,797	1,235,991	1,153,916	85,797	1,239,713

47. Explanation of transition to Australian equivalents to International Financial Reporting Standards *(continued)*

(b) At the end of the last reporting period under previous AGAAP: 31 December 2004

		Consolidated			University		
	Notes	Previous AGAAP $'000	Adjustments for AIFRS $'000	Restated for AIFRS $'000	Previous AGAAP $'000	Adjustments for AIFRS $'000	Restated for AIFRS $'000
Current assets							
Cash and cash equivalents	H	31,154	200	31,354	30,947	200	31,147
Receivables	G	31,701	6,013	37,714	31,545	6,013	37,558
Inventories		627	-	627	627	-	627
Non-current assets classified as held for sale – restricted	A	-	10,000	10,000	-	10,000	10,000
Total current assets		63,482	16,213	79,695	63,119	16,213	79,332
Non-current assets							
Receivables		557	-	557	557	-	557
Investment properties – restricted	B	131,704	(98,384)	33,320	131,704	(98,384)	33,320
Other financial assets – restricted		285,195	-	285,195	285,195	-	285,195
Other financial assets – unrestricted	H	122,755	(200)	122,555	131,712	(200)	131,512
Investments accounted for using the equity method		3,913	-	3,913	-	-	-
Property, plant and equipment – restricted	C	-	171,599	171,599	-	171,599	171,599
Property, plant and equipment – unrestricted	C	702,955	65	703,020	702,955	65	703,020
Intangible assets		7,306	-	7,306	7,306	-	7,306
Total non-current assets		1,254,385	73,080	1,327,465	1,259,429	73,080	1,332,509
Total assets		1,317,867	89,293	1,407,160	1,322,548	89,293	1,411,841
Current liabilities							
Payables	D	18,444	83	18,527	18,356	83	18,439
Other financial liabilities		9,737	-	9,737	9,737	-	9,737
Provisions	D	32,500	4,470	36,970	32,488	4,470	36,958
Deferred revenue	G	18,724	32,892	51,616	18,636	32,892	51,528
Total current liabilities		79,405	37,445	116,850	79,217	37,445	116,662
Non-current liabilities							
Provisions	D	29,654	199	29,853	29,654	199	29,853
Total non-current liabilities		29,654	199	29,853	29,654	199	29,853
Total liabilities		109,059	37,644	146,703	108,871	37,644	146,515
Net assets		1,208,808	51,649	1,260,457	1,213,677	51,649	1,265,326
Equity							
Reserves	I	121,700	(52,423)	69,277	121,700	(52,423)	69,277
Retained profits	J	1,087,108	104,072	1,191,180	1,091,977	104,072	1,196,049
Total equity		1,208,808	51,649	1,260,457	1,213,677	51,649	1,265,326

47. Explanation of transition to Australian equivalents to International Financial Reporting Standards *(continued)*

(2) Reconciliation of profit for the year ended 31 December 2004

		Consolidated			University		
	Notes	Previous AGAAP $'000	Adjustments for AIFRS $'000	Restated for AIFRS $'000	Previous AGAAP $'000	Adjustments for AIFRS $'000	Restated for AIFRS $'000
Revenue from continuing operations							
Australian Government financial assistance							
Australian Government grants		206,868	(2,686)	204,182	206,868	(2,686)	204,182
HECS-HELP Australian Government payments		38,161	-	38,161	38,161	-	38,161
FEE-HELP		3,721	-	3,721	3,721	-	3,721
Western Australian and Local Government financial assistance		29,317	2,288	31,605	29,317	2,288	31,605
HECS-HELP student payments		9,953	-	9,953	9,953	-	9,953
Other research grants and contracts		20,749	(1,854)	18,895	20,713	(1,854)	18,859
Investment income		69,415	(2,552)	66,863	67,811	(2,552)	65,259
Fees and charges		53,520	-	53,520	53,520	-	53,520
Salary and other recoveries		16,253	-	16,253	16,263	-	16,263
Other revenue		26,618	1,970	28,588	25,863	1,970	27,833
Share of net results of associates accounted for using the equity method		30	-	30	-	-	-
Total revenue from continuing operations		474,605	(2,834)	471,771	472,190	(2,834)	469,356
Expenses from continuing operations							
Employee benefits and on-costs		258,301	193	258,494	257,863	193	258,056
Student expenses		21,000	-	21,000	21,000	-	21,000
Materials and supplies		19,434	3	19,437	19,313	3	19,316
Depreciation, amortisation and impairment		24,116	1,189	25,305	23,814	1,189	25,003
Repairs and maintenance		11,247	831	12,078	11,215	831	12,046
Grants distributed		20,833	-	20,833	20,883	-	20,883
Travel		14,275	-	14,275	14,203	-	14,203
Professional fees		8,474	1,850	10,324	8,452	1,850	10,302
Other expenses		58,036	5,893	63,929	57,043	5,893	62,936
Total expenses from continuing operations		435,716	9,959	445,675	433,786	9,959	443,745
Net operating result from continuing operations		38,889	(12,793)	26,096	38,404	(12,793)	25,611
Net operating result attributable to minority interest		424	-	424	-	-	-
Net operating result	K	39,313	(12,793)	26,520	38,404	(12,793)	25,611

(3) Reconciliation of cash flow statement for the year ended 31 December 2004

The adoption of AIFRS has not resulted in any material adjustments to the cash flow statements.

(4) Notes to the reconciliations

A Non-current assets classified as held-for-sale

The University had plans in place to dispose of a number of endowment properties. These properties were classified as investments, however under AIFRS are required to be re-classified and disclosed separately as held-for-sale.

	$'000
(i) At 1 January 2004	
One property reclassified (B)	24,700
(ii) At 31 December 2004	
One property reclassified (B)	10,000
(iii) For the year ended 31 December 2004	
Update profit on disposal of property recorded a fair value on transition	(7,080)

47. Explanation of transition to Australian equivalents to International Financial Reporting Standards *(continued)*

B Investment properties

Due to the more restrictive definition of an investment property under AIFRS a number of the University's properties previously classified as investments have been re-classified as property, plant and equipment. The University also elected to implement an accounting policy to record investment property at fair value having previously been at cost. At each transition date an adjustment has been made for the initial recording of the properties at fair value and subsequent movement in valuation.

	$'000
(i) At 1 January 2004	
The following adjustments were made:	
Transfer property to held-for-sale (A)	(24,700)
Transfer property to property, plant and equipment (C)	(87,457)
Recorded investment properties at fair value	7,096
	(105,061)
(ii) At 31 December 2004	
The following adjustments were made:	
Transfer property to held-for-sale (A)	(10,000)
Transfer property to property, plant and equipment (C)	(88,987)
Recorded investment properties at fair value	603
	(98,384)
(iii) For the year ended 31 December 2004	
Record movements in fair value of investment property	1,347
Update profit on disposal of property recorded a fair value on transition	(760)
	587

C Property, plant and equipment

The University has elected to apply the provision in AASB 1 *First Time Adoption of Australian Equivalents to International Financial Reporting Standards* to use the fair value of land and buildings as deemed cost on transition.

	$'000
(i) At 1 January 2004	
The following adjustments were made:	
Transfer investment property to property, plant and equipment (B)	87,457
Record land and buildings at deemed cost	105,178
	192,635
(ii) At 31 December 2004	
The following adjustments were made:	
Transfer investment property to property, plant and equipment (B)	88,987
Record land and buildings at deemed cost	83,819
Adjustment to capitalised cost	47
Update depreciation on former investment properties	(895)
Impairment recorded (E)	(294)
	171,664
(iii) For the year ended 31 December 2004	
Update depreciation on former investment properties	(895)
Impairment recorded (E)	(294)
	(1,189)

D Provisions

Updated valuations of the Defined Benefit Pension Schemes under the requirements of AIFRS have resulted in adjustments to the provision recorded. There has also been a review of all provisions recorded resulting in changes to the amounts recognised as detailed below.

	$'000
(i) At 1 January 2004	
Adjustment to Pension Scheme Provision	(67)
(ii) At 31 December 2004	
Adjustment to Pension Scheme Provision	199
Recording of provision for revenue sharing agreement	4,553
Reallocation to payables	(83)
	4,669
(iii) For the year ended 31 December 2004	
Adjustment to Pension Scheme Provision	(266)
Recording of provision for revenue sharing agreement	(4,553)
	(4,819)

47. Explanation of transition to Australian equivalents to International Financial Reporting Standards *(continued)*

E Impairment

The University has impaired a building which was planned to be demolished in 2005.

	$'000
(i) At 1 January 2004	
No adjustment as recorded at fair value	-
(ii) At 31 December 2004	
Impairment	(294)
(iii) For the year ended 31 December 2004	
Impairment	(294)

F Retrospective application of prior period adjustments

The University identified in 2004 funding that had been provided to the University had been recorded as income rather than held in trust. This adjustment was reflected in the 2004 financial statements.

	$'000
(i) At 1 January 2004	
Recording of fund held in trust	1,913
(ii) At 31 December 2004	
No adjustment	-
(iii) For the year ended 31 December 2004	
Reversal of reduction in donation income	1,913

G Revenue recognition

The University is required to classify revenue received as reciprocal or non-reciprocal. Reciprocal income is required to be recognised on a stage-of-completion basis which has resulted in an adjustment to the recognition of research income.

	$'000
(i) At 1 January 2004	
Deferred revenue	28,641
Accrued revenue	4,010
Net adjustment	24,631
(ii) At 31 December 2004	
Deferred revenue	32,892
Accrued revenue	6,013
Net adjustment	26,879
(iii) For the year ended 31 December 2004	
Adjustment to Commonwealth Government Financial Assistance	(2,686)
Adjustment to Other research grants and contracts	(1,854)
Adjustment to Western Australian and Local Government Financial Assistance	2,288
	(2,252)

H Classification of short term deposits

A short term deposit previously recorded in investments has been reclassified to cash under the definition of cash equivalents in AASB 107.

	$'000
(i) At 1 January 2004	
Short-term deposit	190
(ii) At 31 December 2004	
Short-term deposit	200

I Transfer of revaluation reserve

The University has elected to utilise deemed cost on transition to AIFRS (as discussed above). The previous revaluation reserve has been transferred to retained profits.

	$'000
(i) At 1 January 2004	
Transfer to retained profits	(31,064)
(ii) At 31 December 2004	
Transfer to retained profits	(52,423)

47. Explanation of transition to Australian equivalents to International Financial Reporting Standards ***(continued)***

J Reconciliation of retained profits

	Notes	**$'000**
(i) At 1 January 2004		
Recorded investment properties at fair value	B	7,096
Record land and buildings at deemed cost	C	105,178
Recording of fund held in trust	F	(1,913)
Revenue adjustment	G	(24,631)
Adjustment to Pension Scheme Provision	D	67
Transfer revaluation reserve to retained profits	I	31,064
		116,861
(ii) At 31 December 2004		
Recorded investment properties at fair value	B	603
Record land and buildings at deemed cost	C	83,866
Update depreciation on former investment properties	C	(895)
Impairment recorded	E	(294)
Deferred revenue	G	(26,879)
Adjustment to pension scheme provision	D	(199)
Recording of provision for revenue sharing agreement	D	(4,553)
Transfer revaluation reserve to retained profits	I	52,423
		104,072

K Reconciliation of profit

For the year ended 31 December 2004		
Update profit on disposal of property recorded a fair value on transition	A	(7,080)
Record movements in fair value of investment property	B	1,347
Update profit on disposal of property recorded a fair value on transition	B	(760)
Update depreciation on former investment properties	C	(895)
Adjustment to capitalised costs	C	47
Impairment recorded	E	(294)
Reversal of reduction in donation income	F	1,913
Deferred revenue	G	(2,252)
Recording of provision for revenue sharing agreement	D	(4,553)
Adjustment to pension scheme provision	D	(266)
		(12,793)

47. Explanation of transition to Australian equivalents to International Financial Reporting Standards ***(continued)***

(3) Adjustments on transition to AASB 132 ***Financial Instruments: Disclosure and Presentation*** **and AASB 139** ***Financial Instruments: Recognition and Measurement:*** **1 January 2005**

		Consolidated			University		
	Notes	31 December 2004 $'000	Adjustments $'000	1 January 2005 $'000	31 December 2004 $'000	Adjustments $'000	1 January 2005 $'000
Current assets							
Cash and cash equivalents		31,354	-	31,354	31,147	-	31,147
Receivables		37,714	-	37,714	37,558	-	37,558
Inventories		627	-	627	627	-	627
Non-current assets classified as held-for-sale – restricted		10,000	-	10,000	10,000	-	10,000
Total current assets		79,695	-	79,695	79,332	-	79,332
Non-current assets							
Receivables		557	-	557	557	-	557
Investment properties – restricted		33,320	-	33,320	33,320	-	33,320
Other financial assets – restricted		285,195	-	285,195	285,195	-	285,195
Other financial assets – unrestricted		122,555	34,463	157,018	131,512	34,463	165,975
Investments accounted for using the equity method		3,913	-	3,913	-	-	-
Property, plant and equipment – restricted		171,599	-	171,599	171,599	-	171,599
Property, plant and equipment – unrestricted		703,020	-	703,020	703,020	-	703,020
Intangible assets		7,306	-	7,306	7,306	-	7,306
Total non-current assets		1,327,465	34,463	1,361,928	1,332,509	34,463	1,366,972
Total assets		1,407,160	34,463	1,441,623	1,411,841	34,463	1,446,304
Current liabilities							
Payables		18,527	-	18,527	18,439	-	18,439
Other financial liabilities		9,737	-	9,737	9,737	-	9,737
Provisions		36,970	-	36,970	36,958	-	36,958
Deferred revenue		51,620	-	51,620	51,530	-	51,530
Total current liabilities		116,854	-	116,854	116,664	-	116,664
Non-current liabilities							
Provisions		29,853	-	29,853	29,853	-	29,853
Total non-current liabilities		29,853	-	29,853	29,853	-	29,853
Total liabilities		146,707	-	146,707	146,517	-	146,517
Net assets		1,260,453	34,463	1,294,916	1,265,324	34,463	1,299,787
Equity							
Reserves		69,277	-	69,277	69,277	-	69,277
Retained profits		1,191,176	34,463	1,225,639	1,196,047	34,463	1,230,510
Total equity		1,260,453	34,463	1,294,916	1,265,324	34,463	1,299,787

Refer to note 1(j) for further information on the transition to AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement* on 1 January 2005.

48. Acquittal of Australian Government financial assistance

48.1 DEST—teaching and learning

	Notes	Commonwealth Grant Scheme		Equity Programmes	
		University		University	
		2005 $'000	2004 $'000	2005 $'000	2004 $'000
Financial assistance received in cash during the reporting period		72,273	61,052	234	143
Net accrual adjustments		5,000	(287)	130	-
Revenue for the period	2(a)	77,273	60,765	364	143
Surplus/(deficit) from the previous year		112	178	-	-
Total funds including accrued revenue		77,385	60,943	364	143
Less expenses including accrued expenses		(77,301)	(60,831)	(364)	(143)
Surplus/(deficit) for the reporting period		84	112	-	-

		Workplace Reform Programme		Capital Development Pool	
		University		University	
		2005 $'000	2004 $'000	2005 $'000	2004 $'000
Financial assistance received in cash during the reporting period		1,128	2,266	1,570	1,049
Net accrual adjustments		-	-	-	-
Revenue for the period	2(a)	1,128	2,266	1,570	1,049
Surplus/(deficit) from the previous year		-	-	505	-
Total funds including accrued revenue		1,128	2,266	2,075	1,049
Less expenses including accrued expenses		(1,128)	(2,266)	(2,075)	(544)
Surplus/(deficit) for the reporting period		-	-	-	505

		Indigenous Support Fund		Total	
		University		University	
		2005 $'000	2004 $'000	2005 $'000	2004 $'000
Financial assistance received in cash during the reporting period		507	-	75,712	64,510
Net accrual adjustments		-	-	5,130	(287)
Revenue for the period	2(a)	507	-	80,842	64,223
Surplus/(deficit) from the previous year		-	-	617	178
Total funds including accrued revenue		507	-	81,459	64,401
Less expenses including accrued expenses		(507)	-	(81,375)	(63,784)
Surplus/(deficit) for the reporting period		-	-	84	617

48.2 Higher Education Loan Programmes

		HECS-HELP (Commonwealth Payments)		FEE-HELP	
		University		University	
		2005 $'000	2004 $'000	2005 $'000	2004 $'000
Financial assistance received in cash during the reporting period		42,441	35,108	5,858	3,721
Net accrual adjustments		-	3,053	(1,663)	-
Revenue for the period	2(b)	42,441	38,161	4,195	3,721
Surplus/(deficit) from the previous year		-	-	11	(97)
Total funds including accrued revenue		42,441	38,161	4,206	3,624
Less expenses including accrued expenses		(42,441)	(38,161)	(4,366)	(3,613)
Surplus/(deficit) for the reporting period		-	-	(160)	11

48.2 Higher Education Loan Programmes *(continued)*

	Notes	Total University 2005 $'000	Total University 2004 $'000
Financial assistance received in cash during the reporting period		48,299	38,829
Net accrual adjustments		(1,663)	3,053
Revenue for the period	2(b)	46,636	41,882
Surplus/(deficit) from the previous year		11	(97)
Total funds including accrued revenue		46,647	41,785
Less expenses including accrued expenses		(46,807)	(41,774)
Surplus/(deficit) for the reporting period		(160)	11

48.3 Scholarships

		Australian Postgraduate Awards University 2005 $'000	Australian Postgraduate Awards University 2004 $'000	International Postgraduate Research Scholarships University 2005 $'000	International Postgraduate Research Scholarships University 2004 $'000
Financial assistance received in cash during the reporting period		4,739	4,645	1,465	850
Net accrual adjustments		(34)	35	51	392
Revenue for the period	2(c)	4,705	4,680	1,516	1,242
Surplus/(deficit) from the previous year		(16)	48	(338)	(410)
Total funds including accrued revenue		4,689	4,728	1,178	832
Less expenses including accrued expenses		(4,656)	(4,744)	(1,178)	(1,170)
Surplus/(deficit) for the reporting period		33	(16)	-	(338)

Scholarships

		Commonwealth Education Costs Scholarships University 2005 $'000	Commonwealth Education Costs Scholarships University 2004 $'000	Commonwealth Accommodation Scholarships University 2005 $'000	Commonwealth Accommodation Scholarships University 2004 $'000
Financial assistance received in cash during the reporting period		292	98	555	256
Net accrual adjustments		-	-	-	-
Revenue for the period	2(c)	292	98	555	256
Surplus/(deficit) from the previous year		5	-	10	-
Total funds including accrued revenue		297	98	565	256
Less expenses including accrued expenses		(282)	(93)	(504)	(246)
Surplus/(deficit) for the reporting period		15	5	61	10

Scholarships

		Total University 2005 $'000	Total University 2004 $'000
Financial assistance received in cash during the reporting period		7,051	5,849
Net accrual adjustments		17	427
Revenue for the period	2(c)	7,068	6,276
Surplus/(deficit) from the previous year		(339)	(362)
Total funds including accrued revenue		6,729	5,914
Less expenses including accrued expenses		(6,620)	(6,253)
Surplus/(deficit) for the reporting period		109	(339)

48.4 DEST Research

	Notes	Institutional Grants Scheme		Research Training Scheme	
		University		University	
		2005 $'000	2004 $'000	2005 $'000	2004 $'000
Financial assistance received in cash during the reporting period		16,254	14,692	28,904	26,139
Net accrual adjustments		-	1,277	-	2,273
Revenue for the period	2(d)	16,254	15,969	28,904	28,412
Surplus/(deficit) from the previous year		-	-	-	-
Total funds including accrued revenue		16,254	15,969	28,904	28,412
Less expenses including accrued expenses		(16,254)	(15,969)	(28,904)	(28,412)
Surplus/(deficit) for the reporting period		-	-	-	-

DEST Research

		Systemic Infrastructure Initiatives		Research Infrastructure Block Grants	
		University		University	
		2005 $'000	2004 $'000	2005 $'000	2004 $'000
Financial assistance received in cash during the reporting period		-	1,914	13,903	11,427
Net accrual adjustments		-	166	-	993
Revenue for the period	2(d)	-	2,080	13,903	12,420
Surplus/(deficit) from the previous year		(32)	(443)	-	-
Total funds including accrued revenue		(32)	1,637	13,903	12,420
Less expenses including accrued expenses		-	(1,669)	(13,903)	(12,420)
Surplus/(deficit) for the reporting period		(32)	(32)	-	-

DEST Research

		Total	
		University	
		2005 $'000	2004 $'000
Financial assistance received in cash during the reporting period		59,061	54,172
Net accrual adjustments		-	4,709
Revenue for the period	2(d)	59,061	58,881
Surplus/(deficit) from the previous year		(32)	(443)
Total funds including accrued revenue		59,029	58,438
Less expenses including accrued expenses		(59,061)	(58,470)
Surplus/(deficit) for the reporting period		(32)	(32)

48.5 Australian Research Council Grants
(a) Discovery

		Projects		Fellowships	
		University		University	
		2005 $'000	2004 $'000	2005 $'000	2004 $'000
Financial assistance received in cash during the reporting period		11,785	10,066	843	875
Net accrual adjustments		(777)	(799)	124	(145)
Revenue for the period	2(e)	11,008	9,267	967	730
Surplus/(deficit) from the previous year		(292)	(36)	(141)	(38)
Total funds including accrued revenue		10,716	9,231	826	692
Less expenses including accrued expenses		(11,368)	(9,523)	(878)	(833)
Surplus/(deficit) for the reporting period		(652)	(292)	(52)	(141)

48.5 Australian Research Council Grants *(continued)*
(a) Discovery

	Notes	Total University 2005 $'000	Total University 2004 $'000
Financial assistance received in cash during the reporting period		12,628	10,941
Net accrual adjustments		(653)	(944)
Revenue for the period	2(e)	11,975	9,997
Surplus/(deficit) from the previous year		(433)	(74)
Total funds including accrued revenue		11,542	9,923
Less expenses including accrued expenses		(12,246)	(10,356)
Surplus/(deficit) for the reporting period		(704)	(433)

Australian Research Council Grants
(b) Linkages

		Infrastructure University 2005 $'000	Infrastructure University 2004 $'000	International University 2005 $'000	International University 2004 $'000
Financial assistance received in cash during the reporting period		2,825	1,512	301	158
Net accrual adjustments		(58)	(14)	59	(82)
Revenue for the period	2(e)	2,767	1,498	360	76
Surplus/(deficit) from the previous year		-	-	(63)	-
Total funds including accrued revenue		2,767	1,498	297	76
Less expenses including accrued expenses		(2,797)	(1,498)	(320)	(139)
Surplus/(deficit) for the reporting period		(30)	-	(23)	(63)

Australian Research Council Grants
(b) Linkages

		Projects University 2005 $'000	Projects University 2004 $'000	Special Research Initiatives University 2005 $'000	Special Research Initiatives University 2004 $'000
Financial assistance received in cash during the reporting period		4,892	4,211	51	50
Net accrual adjustments		24	(605)	(19)	(3)
Revenue for the period	2(e)	4,916	3,606	32	47
Surplus/(deficit) from the previous year		(75)	(42)	-	-
Total funds including accrued revenue		4,841	3,564	32	47
Less expenses including accrued expenses		(5,070)	(3,639)	(32)	(47)
Surplus/(deficit) for the reporting period		(229)	(75)	-	-

Australian Research Council Grants
(b) Linkages

		Total University 2005 $'000	Total University 2004 $'000
Financial assistance received in cash during the reporting period		8,069	5,931
Net accrual adjustments		6	(704)
Revenue for the period	2(e)	8,075	5,227
Surplus/(deficit) from the previous year		(138)	(42)
Total funds including accrued revenue		7,937	5,185
Less expenses including accrued expenses		(8,219)	(5,323)
Surplus/(deficit) for the reporting period		(282)	(138)

48.5 Australian Research Council Grants *(continued)*
(c) Networks and Centres

	Notes	Research Networks University 2005 $'000	Research Networks University 2004 $'000	Centres University 2005 $'000	Centres University 2004 $'000
Financial assistance received in cash during the reporting period		684	335	2,823	1,658
Net accrual adjustments		109	(335)	(1,270)	148
Revenue for the period	2(e)	793	-	1,553	1,806
Surplus/(deficit) from the previous year		-	-	-	-
Total funds including accrued revenue		793	-	1,553	1,806
Less expenses including accrued expenses		(793)	-	(1,555)	(1,806)
Surplus/(deficit) for the reporting period		-	-	(2)	-

Australian Research Council Grants
(c) Networks and Centres

		Total University 2005 $'000	Total University 2004 $'000
Financial assistance received in cash during the reporting period		3,507	1,993
Net accrual adjustments		(1,161)	(187)
Revenue for the period	2(e)	2,346	1,806
Surplus/(deficit) from the previous year		-	-
Total funds including accrued revenue		2,346	1,806
Less expenses including accrued expenses		(2,348)	(1,806)
Surplus/(deficit) for the reporting period		(2)	-

Performance Indicators

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SUMMARY OF KEY PERFORMANCE INDICATORS

Indicator	2003	2004	2005
1. Teaching and Learning			
1.1 Proportion of Top WA School Leavers Applying for Admission to UWA (by admission year)			
(i) Proportion of the top 5 per cent of WA school leavers who applied for admission to UWA	79.7%	80.6%	83.2%
(ii) Proportion of the top 10 per cent of WA school leavers who applied for admission to UWA	73.5%	74.4%	78.4%
(iii) UWA enrolments as a proportion of the top 5 per cent of school leavers who enrolled in WA universities	83.9%	83.8%	83.8%
(iv) UWA enrolments as a proportion of the top 10 per cent of school leavers who enrolled in WA universities	73.9%	76.0.%	81.2%
1.2 Proportion of Student Load Passed (excluding Higher Degree by Research)	91.5%	91.9%	92.2%
1.3 Overall Course Satisfaction (percentage of graduates in broad agreement with the overall course satisfaction item on the CEQ)	91.2%	90.2%	91.3%
1.4 Graduate Destinations (of local students who completed bachelor's degrees in the previous year)			
(i) Proportion of graduates available for full-time employment who were employed full-time	80.4%	81.9%	86.4%
State figure	74.4%	76.3%	n/a
National figure	80.1%	79.7%	80.9%
(ii) Proportion of graduates in full-time study	44.7%	46.6%	38.5%
State figure	25.5%	25.5%	n/a
National figure	22.8%	23.4%	22.5%
1.5 Expenditure Ratios (indexed to 2005 dollar values)			
(i) Expenditure/EFTSL	$21,484	$21,168	$25,847
(ii) Expenditure/Weighted Student Unit	$18,885	$18,554	$22,779
(iii) Expenditure/Course Completion	$62,163	$68,180	n/a
(iv) Expenditure/Weighted Completion	$51,303	$56,488	n/a
Indicator	**2003**	**2004**	**2005**
2. Research and Scholarship			
2.1 Higher Degree by Research (HDR) International and Interstate Enrolments			
(i) International commencing HDR enrolments as a percentage of all commencing HDR enrolments	18%	19%	20%
(ii) Interstate commencing HDR enrolments as a percentage of all commencing HDR enrolments	10%	9%	6%
2.2 Higher Degree by Research Completions per 10 Academic Staff FTE	3.90	4.3	n/a
National Rank	6th	4th	n/a
2.3 Weighted Publications per FTE Academic Staff (lecturer level B and above)	1.76	1.75	n/a
National Average	1.35	1.50	n/a
National Rank	4th	6th	n/a
2.4 Research Funding			
(i) Australian Competitive Grant Funds per FTE Academic Staff (lecturer level B and above)	$57,785	$58,408	n/a
National Average	$24,980	$27,286	n/a
National Rank	2nd	3rd	n/a
(ii) Total Research Funds per FTE Academic Staff (lecturer level B and above)	$103,603	$112,920	n/a
National Average	$57,007	$59,671	n/a
National Rank	4th	3rd	n/a

THE UNIVERSITY OF WESTERN AUSTRALIA

CERTIFICATIONS

FOR THE YEAR ENDED 31 DECEMBER 2005

CERTIFICATION OF PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the performance of The University of Western Australia, and fairly represent the performance of The University of Western Australia for the year ended 31 December 2005.

Michael Chaney
Chancellor

Alan Robson
Vice-Chancellor

27 February 2006

KEY PERFORMANCE INDICATORS 2005

The key performance indicators that are presented in this section are broadly based on the Mission and Vision Statements of the University together with the more specific statements of goals and objectives in the University's Strategic Plan. The Planning section of this Annual Report provides details of these strategic and other key planning documents.

1. Teaching and Learning

Desired Outcomes

In broad terms, the desired outcome (broad goal) in teaching and learning is 'to provide courses of study and a learning environment at the highest possible quality to meet individual, local (state) and national needs and internationally recognised standards; and to foster the relationship between teaching and the conduct of research across the range of its disciplines in a way that sustains the quality of the institution's teaching and learning activities and distinguishes it from other institutions in the State and many others in the Unified National System'. [Primary goal in Teaching and Learning, UWA Strategic Plan]

Indicator 1.1 Proportion of Top School Leavers Applying for Admission

Operationally, the priority objective that relates to the desired outcome is 'to attract, develop and graduate the highest quality students' as specified in the 1999 update of the University's Strategic Plan.

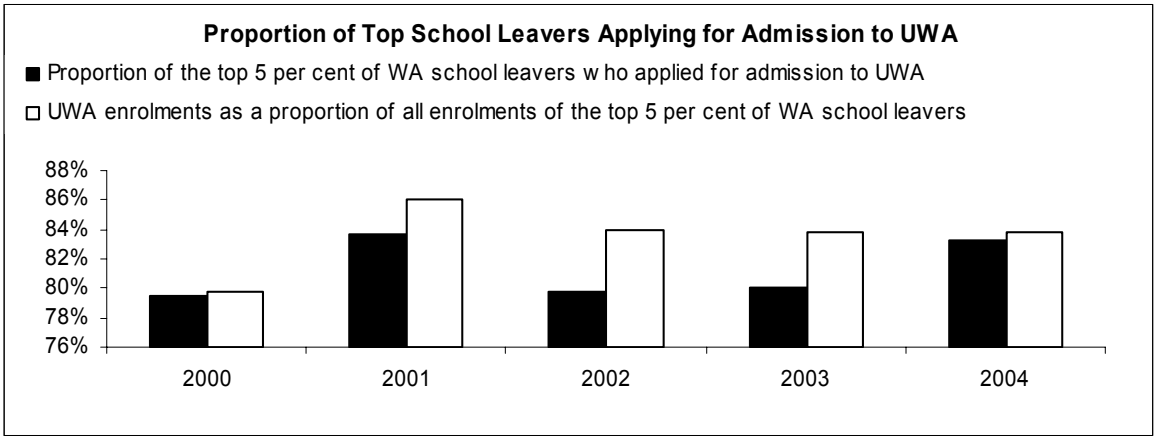
The principal performance indicator that relates to attracting the highest quality students is the proportion of the State's high-achieving school leavers who apply for admission to the University's undergraduate courses. The performance indicators presented in the following table are based on the first preferences of the top five per cent and top ten per cent of students who applied for admission or were admitted through the Tertiary Institutions Service Centre (TISC). The tertiary entrance ranks of applicants have been used to determine the top five per cent and ten per cent of applicants, while students without a tertiary entrance rank have been excluded from the population used. It should be noted that many students may have identical tertiary entrance ranks and where such a tertiary entrance rank coincides with the cut-off for the top five per cent or ten per cent, the numbers of preferences for the cut-off group have been reduced proportionately so that the total numbers of preferences used in the calculations equal exactly five per cent or ten per cent respectively of the overall population.

The table shows that a significant majority of the highest ranking Western Australian school leavers who were seeking admission to WA universities applied for admission to this University, and a significant majority of those who subsequently enrolled in WA universities enrolled at this University.

Proportions of Top School Leavers [(a)] Applying for Admission to UWA, 2000 to 2004 [(b)]

	2000	2001	2002	2003	2004
Proportion of the top 5 per cent of WA school leavers who applied for admission to UWA [(c)]	79.5%	83.7%	79.7%	80.6%	83.2%
Proportion of the top 10 per cent of WA school leavers who applied for admission to UWA [(c)]	69.2%	73.3%	73.5%	74.4%	78.4%
UWA enrolments as a proportion of all enrolments of the top 5 per cent of WA school leavers (by application year) [(d)]	79.7%	86.0%	83.9%	83.8%	83.8%
UWA enrolments as a proportion of all enrolments of the top 10 per cent of WA school leavers (by application year) [(d)]	71.1%	73.0%	73.9%	76.0%	81.9%

[(a)] School leavers are those matriculating with a Tertiary Entrance Rank in the previous two years.
[(b)] By application year; e.g. 2004 refers to those who applied in 2004 to be admitted for the following year.
[(c)] Based on the first preferences of applicants with Tertiary Entrance Ranks who applied for admission through TISC.
[(d)] Based on offers accepted through TISC by applicants with Tertiary Entrance Ranks.



Indicator 1.2 Proportion of Student Load Passed

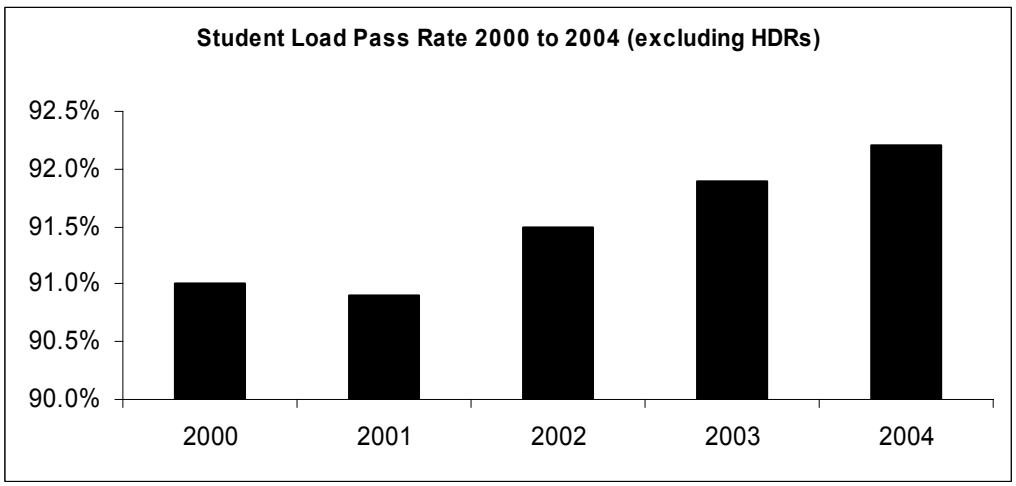
The proportion of student load passed gives an indication of the quality of the University's students and their development.

The following table shows that the University has maintained a high pass rate of approximately 91 per cent over the 2000 to 2004 period. Note that the branch of learning classification was superseded in 2001 by field of education codes, so pre-2001 pass rates have been re-calculated using the new codes.

Student Load Pass Rate [(a)] by Broad Field of Education, 2000 to 2004
(excluding Higher Degrees by Research)

Broad Field of Education		2000	2001	2002	2003	2004
01	Natural and Physical Sciences	87.6%	88.6%	89.2%	89.1%	89.9%
02	Information Technology	88.3%	87.1%	88.0%	88.2%	88.3%
03	Engineering and Related Technologies	92.1%	93.0%	93.2%	92.3%	91.5%
04	Architecture and Building	89.6%	89.6%	88.1%	90.7%	92.2%
05	Agriculture, Environmental Studies	91.6%	93.5%	93.6%	95.8%	95.8%
06	Health	97.3%	96.3%	96.9%	96.6%	97.0%
07	Education	94.3%	94.7%	95.7%	96.0%	96.6%
08	Management and Commerce	92.9%	92.5%	93.1%	93.6%	93.6%
09	Society and Culture	90.4%	90.5%	91.1%	91.5%	91.7%
10	Creative Arts	91.4%	88.1%	90.8%	90.7%	92.6%
Total		**91.0%**	**90.9%**	**91.5%**	**91.9%**	**92.2%**

[(a)] The student load pass rate has been calculated as a proportion of the total enrolled load excluding units with incomplete results.



Indicator 1.3 Course Experience Questionnaire

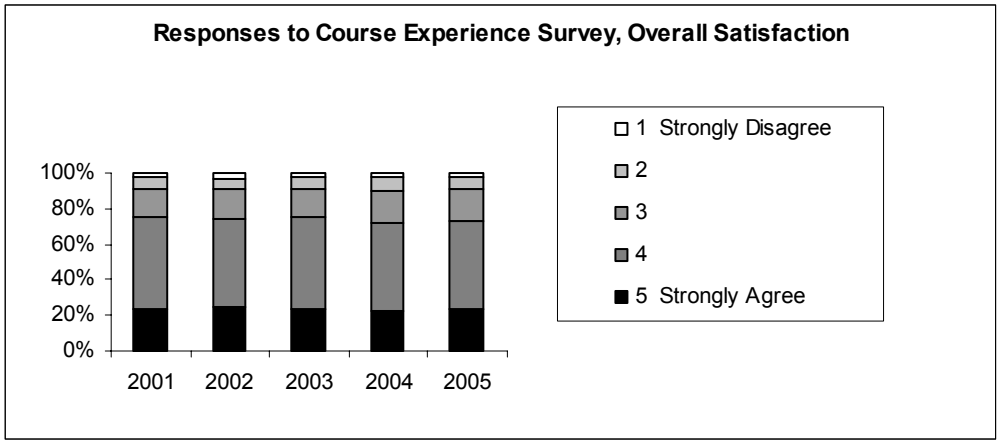
The quality of the University's courses can be judged in part from graduates' responses to the Course Experience Questionnaire (CEQ) and Postgraduate Research Experience Questionnaire (PREQ) which are conducted in conjunction with the annual Graduate Destinations Survey of the students who completed courses in the previous year.

Respondents to the CEQ and PREQ are asked to record their responses to 24 statements about various aspects of the courses completed. A five-point scale ranging from 1 labelled 'strongly disagree' to 5 labelled 'strongly agree' is used for this purpose (2, 3 and 4 are not labelled and it is assumed that 4 indicates agreement with the statement). Item 24 ('Overall, I was satisfied with the quality of the course') obtained students' overall impressions of their courses. Each year approximately one half of the students who completed courses in the previous year at this University responds to this item. Their responses are summarised in the following table, and show an increase in the proportion of graduates with a positive response (responses 4 and 5 on the response scale) from 74 per cent of respondents in 2001 to 76 per cent in 2003, followed by a drop to 73 per cent in 2005.

Student Responses to the Course Experience Questionnaire Item 24:
'Overall, I was satisfied with the quality of the course.'

Course Type	Course Completions	Number of Respondents	Percentage of Respondents				
			Strongly Disagree 1	2	3	4	Strongly Agree 5
2005 Responses							
Doctorate by Research	231	140	4%	1%	6%	48%	42%
Master's Research	71	34	3%	3%	9%	47%	38%
Master's Coursework	474	281	2%	5%	14%	54%	24%
Other Postgraduate [(a)]	473	193	1%	8%	22%	45%	25%
Bachelor's Graduate Entry	126	74	3%	8%	24%	46%	19%
Bachelor's Honours	721	287	2%	8%	11%	46%	33%
Bachelor's Pass	1,940	1,912	3%	7%	21%	49%	21%
Undergraduate Diploma	23	17	0%	6%	12%	65%	18%
2005 Total	**4,059**	**2,938**	**2%**	**6%**	**19%**	**49%**	**24%**
2004 Total	4,157	2,082	2%	7%	18%	50%	22%
2003 Total	3,935	1,658	2%	7%	16%	52%	24%
2002 Total	3,698	1,774	3%	6%	16%	49%	25%
2001 Total	3,490	2,000	2%	7%	17%	51%	23%

[(a)] Comprises graduate diplomas, graduate certificates and postgraduate qualifying/preliminary courses from 2005.



Indicator 1.4 Graduate Destinations

Graduate destinations in the first year following completion of their course gives an indication of how well the University meets individual, local (state) and national needs.

Figures in the following tables are based on the responses of approximately two-thirds of the non-overseas graduates who responded to the Graduate Careers Australia Graduate Destinations Surveys conducted in 2002 to 2005. They show that 87.0 per cent of bachelor's degree graduates from this University who were seeking employment had obtained their preferred mode of employment (i.e. full-time or part-time). This is 5 per cent higher than the national figure of 82.0 per cent. The figures also show that the proportion of graduates who pursued further full-time study was significantly higher than the national average (38.5 percent as compared with 22.5% per cent).

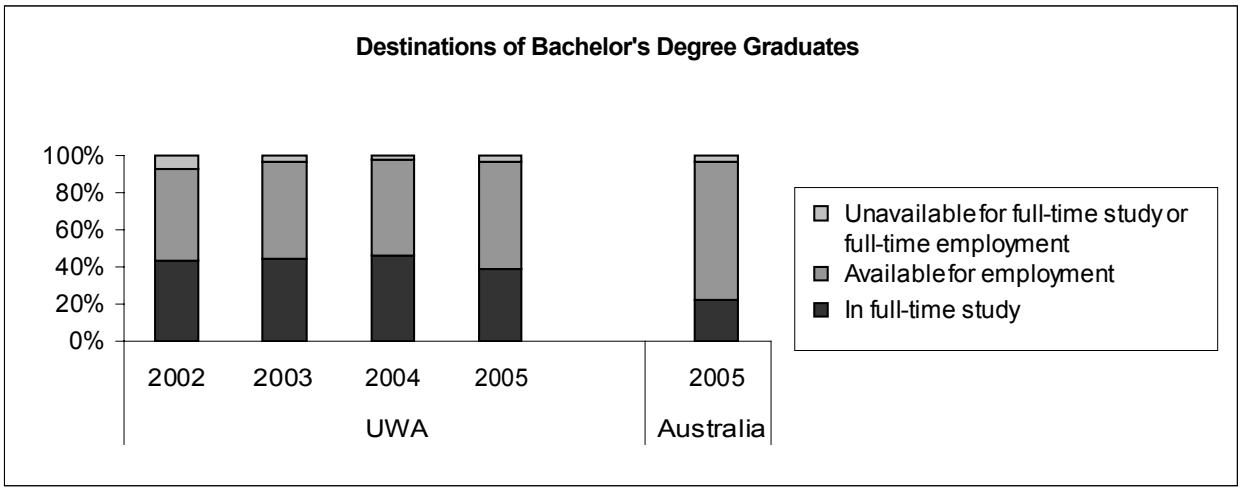
Destinations of Bachelor's Degree Graduates [(a)], UWA 2002 to 2005 and Australia 2005

	The University of Western Australia				Australia
	2002	2003	2004	2005	2005
In full-time study	43.4%	44.7%	46.6%	38.5%	22.5%
Available for employment	49.4%	52.0%	51.1%	58.7%	74.4%
Unavailable for full-time study or full-time employment	7.2%	3.3%	2.3%	2.8%	3.1%
Total percentage [(b)]	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Total respondents	**1,373**	**1,315**	**1,286**	**1,495**	**65,738**
Response rate [(c)]	**59%**	**55%**	**53%**	**64%**	**62%**

[(a)] Destinations (as of 30 April) of students who completed bachelor's degrees (including bachelor's graduate entry degrees) in the previous year excluding overseas residents.

[(b)] Discrepancies between the sums of component items and the totals are due to rounding.

[(c)] Number of respondents as a percentage of those surveyed.



Destinations of Bachelor's Degree Graduates who were Seeking Employment [(a)], UWA 2002 to 2005 and Australia 2005

	The University of Western Australia				Australia
	2002	2003	2004	2005	2005
In desired mode of employment	78.2%	81.1%	82.0%	87.0%	82.0%
In full-time employment	71.2%	71.5%	75.6%	78.1%	73.3%
In part-time or casual employment, not seeking full-time employment	6.9%	9.6%	6.4%	8.9%	8.6%
Seeking full-time employment, working part-time or casual	10.5%	9.8%	9.7%	7.3%	11.1%
Seeking full-time employment, not working	10.3%	7.6%	7.0%	5.0%	6.2%
Not working, seeking part-time or casual employment only	1.0%	1.5%	1.2%	0.7%	0.8%
Total percentage [(b)]	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Total respondents	**678**	**684**	**657**	**877**	**48,949**

[(a)] Destinations (as of 30 April) of students who completed bachelor's degrees (including bachelor's graduate entry degrees) in the previous year excluding overseas residents who were seeking employment.

[(b)] Discrepancies between the sums of component items and the totals are due to rounding.

Indicator 1.5 Expenditure Ratios

Efficiency indicators are intended to show the relationship between the resources used and the outputs produced. In the higher education sector, one measure of the resources is the expenditure attributed to teaching, while the outputs may be defined in terms of the number of graduates or equivalent full-time students.

The major source of funds used for teaching is the Commonwealth operating grant that is primarily determined on the basis of a negotiated student load mix. Essentially the same rate of funding applies to each course type/discipline category in the load target negotiated by each institution in the Unified National System. As a consequence, figures on expenditure per equivalent full-time student load (EFTSL) reflect the student load mix.

The fees for overseas students are set in a competitive environment and therefore reflect the perception of the University's courses; a premium is earned for courses with high demand and is usually used for teaching purposes. Thus high expenditure figures may reflect the perceived quality of courses.

The following table presents ratios of the total expenditure (excluding research only expenditure) to the equivalent full-time loads and weighted student units of all students at the University. It shows a 41.0 per cent increase in the expenditure per EFTSL and a 41.0 per cent increase in expenditure per weighted student unit at this University over the 2001 to 2005 period. Expenditure per course completion increased by 12.1 per cent from 2001 to 2004 while expenditure per weighted course completion increased by 11.7 per cent over the same period.

Expenditure Ratios, 2001 to 2005

	2001	2002	2003	2004	2005
Expenditure [a] / EFTSL	18,337	19,113	21,484	21,168	25,847
Expenditure [a] / Weighted Student Units [b]	16,154	16,835	18,885	18,554	22,779
Expenditure [c] / Course Completion	60,837	59,539	62,163	68,180	– [e]
Expenditure [c] / Weighted Completion [d]	50,558	49,544	51,303	56,488	– [e]

[a] Total expenditure, excluding research-only expenditure and Perth International Arts Festival expenditure, indexed to 2005 dollar values. Note that expenditure figures from 2005 are calculated in accordance with AIFRS and hence are not strictly comparable with previous years' figures.

[b] Weighted student units are calculated by multiplying student load in higher degree research by 2.0, other postgraduate and honours load by 1.3 and bachelor's (including graduate entry) load by 1.0.

[c] Total expenditure (in 2005 dollar values) excluding research-only expenditure averaged over last three years.

[d] Weighted by multiplying the number of completions in higher degree research by 2.0, other postgraduate and honours completions by 1.3 and bachelor's (including graduate entry) completions by 1.0.

[e] The number of completions for 2005 is not available until May 2006.

2. Research and Scholarship

Desired Outcome

The desired outcome in Research and Scholarship is to enhance the University's 'standing as one of Australia's leading research universities and the premier research institution in Western Australia. There are two dimensions to this goal: firstly, the University is committed to the achievement of high quality research and scholarship, by international standards, across the whole spectrum of its disciplines; and additionally, to the development of special research concentrations, of the very highest international standards, in selected areas of particular strength, importance and opportunity'. [Primary goal in Research and Scholarship, UWA Strategic Plan]

Indicator 2.1 Higher Degree by Research International and Interstate Enrolments

This University's success in attracting higher degree by research students is a reflection of its reputation for excellence in research as measured by the proportion of higher degree research students whose undergraduate qualification is from an overseas or an interstate institution. The following table of commencing higher degree research enrolments by undergraduate institution of origin shows that in 2005, 59 per cent of the University's commencing research students came from outside UWA, with 20 per cent from overseas institutions and 6 per cent from interstate.

Commencing Higher Degree by Research Enrolments by Undergraduate Institution Location, 2001 to 2005

	Overseas	Interstate	Other WA	None[a]	Sub Total [b]	UWA	Total[b]
2005 Enrolments by Faculty							
Architecture, Landscape and Visual Arts	33%	0%	33%	0%	67%	33%	100%
Arts, Humanities and Social Sciences	21%	12%	9%	0%	42%	58%	100%
Economics and Commerce	38%	31%	8%	0%	77%	23%	100%
Education	40%	2%	25%	0%	67%	33%	100%
Engineering, Computing and Mathematics	34%	6%	11%	3%	54%	46%	100%
Law	33%	22%	22%	0%	78%	22%	100%
Life and Physical Sciences	19%	1%	14%	0%	34%	66%	100%
Medicine and Dentistry	13%	9%	31%	0%	54%	46%	100%
Natural and Agricultural Sciences	18%	16%	16%	5%	55%	45%	100%
2005 Total	**24%**	**8%**	**18%**	**1%**	**51%**	**49%**	**100%**
2004 Total	19%	9%	14%	5%	46%	54%	100%
2003 Total	18%	10%	15%	1%	44%	56%	100%
2002 Total	20%	10%	15%	1%	46%	54%	100%
2001 Total	25%	10%	16%	5%	56%	44%	100%

[a] No undergraduate studies undertaken, or prior institution not recorded.

[b] Discrepancies between the sums of component items and the totals are due to rounding.

With regard to fee-paying overseas doctoral students, a breakdown of their regional origin shows that over a five-year period, from 2001 to 2005, the University attracted 253 doctoral students from all regions of the world—Europe, Africa, Asia and the Middle East, the Americas and the Pacific Region.

Indicator 2.2 Higher Degree by Research Completions per Staff FTE

The numbers of higher degrees by research completed per staff member is a measure of the teaching-and-research staff productivity in research and scholarship. It should be noted that the University uses external examiners with international reputation to ensure that the degrees conferred are of the highest international standard.

The number of higher degree by research completions per 10 full-time equivalent (FTE) teaching-and-research staff members at lecturer or above status (excluding casual staff appointments) has increased from 3.64 in 2000 to 4.30 in 2004. It should be noted that the staffing level used for this ratio was the average staff FTE for the previous three years of teaching-and-research staff with a level B or above appointment, and excluded casual staff.

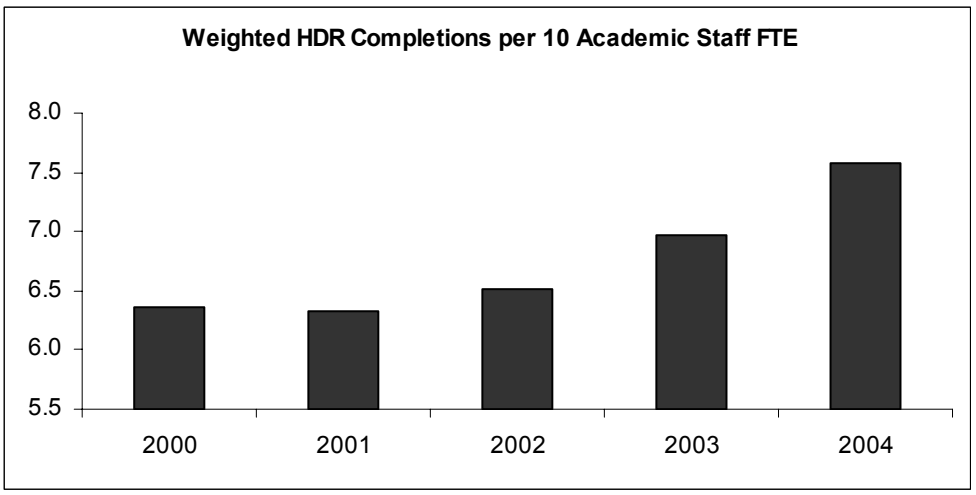
Weighted [a] Higher Degree by Research Completions [b] per 10 Academic Staff FTE [c]
2000 to 2004

	2000	2001	2002	2003	2004
Doctorate by Research	2.72	2.54	2.75	3.08	3.29
Master's by Research	0.92	1.25	1.01	0.83	1.01
Total	3.64	3.79	3.76	3.91	4.30
Weighted Total	**6.36**	**6.33**	**6.51**	**6.99**	**7.59**

[a] Doctorates are weighted as 2 and master's degrees by research as 1.

[b] Excluding higher doctorate completions.

[c] Average of past three years' staff FTE for academic staff in academic organisational units with a teaching-and-research or teaching-only appointment at level B or above (excluding casual staff FTE). Note that staff FTE from 2003 onwards is taken from DEST while earlier figures were taken from UWA reports. The value of the 2003 indicator has been revised with this change.



Relative to other Universities, the University recorded the fourth highest number nationally (4.30) of higher degree by research completions per 10 academic staff FTE in 2004 (as shown in the following table). This figure is significantly higher than the national average of 2.95.

Higher Degree by Research Completions [(a)] per 10 Academic Staff FTE [(b)], Selected Universities [(c)], 2002 to 2004

	2002			2003			2004		
Institution	**Total**	**Total/ 10 FTE**	**Rank**	**Total**	**Total/ 10 FTE**	**Rank**	**Total**	**Total/ 10 FTE**	**Rank**
ANU	236	5.88	1	253	5.92	1	260	5.81	1
Melbourne	663	5.04	2	694	5.18	2	724	5.27	2
Queensland	484	4.50	3	548	5.04	3	514	4.67	3
Western Australia	**253**	**3.76**	**5**	**268**	**3.91**	**6**	**302**	**4.30**	**4**
Sydney	517	3.68	7	550	3.95	5	597	4.26	5
New South Wales	381	3.23	10	319	2.44	18	513	4.01	6
Adelaide	226	3.71	6	242	4.01	4	220	3.66	7
Monash	454	3.53	8	445	3.45	9	445	3.39	8
Southern Cross	75	4.04	4	71	3.79	7	62	3.27	9
RMIT	225	3.03	11	241	3.20	10	253	3.27	10
Tasmania	134	3.22	9	152	3.68	8	127	3.11	11
Murdoch	92	2.74	13	95	2.77	15	104	3.02	12
Curtin	129	1.85	24	217	2.98	12	204	2.75	14
Edith Cowan	73	1.62	29	80	1.78	27	84	1.89	27
AUSTRALIA	**5822**	**2.73**		**6314**	**2.93**		**6468**	**2.95**	

[(a)] Excluding higher doctorate completions.

[(b)] Average of past three years' staff FTE for academic staff in academic organisational units with a teaching-and-research or teaching only appointment at level B or above (excluding casual staff FTE).

[(c)] The 12 highest ranked universities in 2004 plus WA institutions.

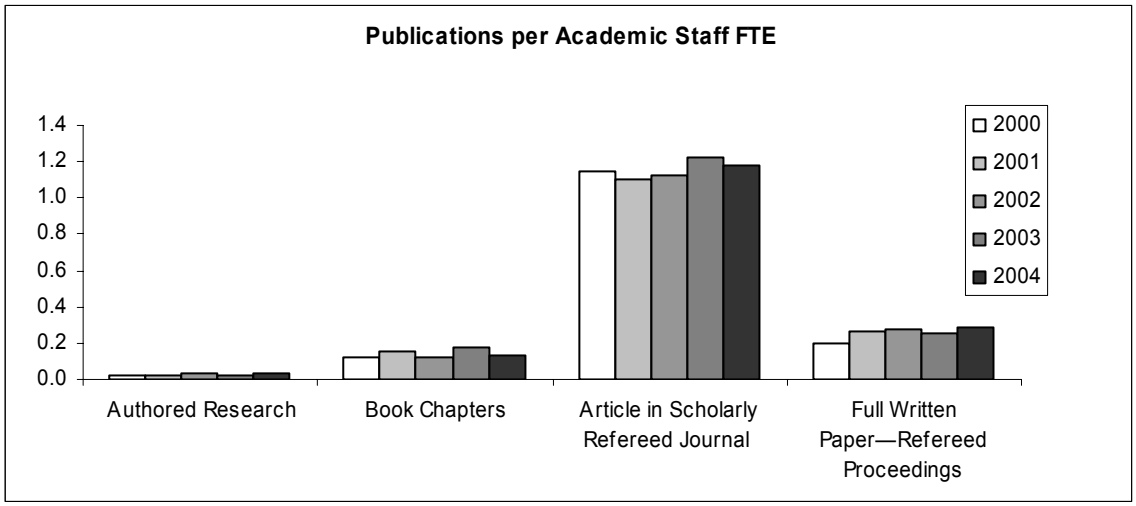
Indicator 2.3 Publication Rates

The numbers of refereed publications in reputable journals and other publications may be considered to be a reflection of the research output of a university and the numbers of weighted publications per academic staff FTE give an indication of research productivity. The figures in the following table show that the average number of weighted publications per staff FTE at this University has increased by 10.7% from 1.58 in 2000 to 1.75 in 2004, which is considerably higher than the national average of 1.50 that has been recorded for 2004. However, it should be noted that the figures relate to the publications reported on the 2000 to 2004 DEST Higher Education Research Data Collections and do not purport to cover the complete range of publications produced by the University's staff during that period.

Selected Research Publications [(a)] by Type of Publication per Academic Staff FTE [(b)], UWA, 2000 to 2004

Type of Publication	2000	2001	2002	2003	2004
Authored Research	0.022	0.024	0.030	0.020	0.030
Book Chapters	0.117	0.159	0.124	0.176	0.128
Article in Scholarly Refereed Journal	1.151	1.104	1.127	1.223	1.184
Full Written Paper—Refereed Proceedings	0.202	0.263	0.273	0.258	0.290
Total	**1.493**	**1.555**	**1.553**	**1.677**	**1.632**
UWA Weighted Total [(c)]	**1.582**	**1.654**	**1.671**	**1.758**	**1.752**
National Weighted Total [(c)]	***1.097***	***1.113***	***1.258***	***1.352***	***1.496***

[(a)] Research publications as reported on the 2001 to 2005 DEST Higher Education Research Data Collections.
[(b)] Full-time equivalence of academic staff at lecturer level B or above, excluding casual appointments.
[(c)] Applying the weights used by DEST to allocate the 2004 RIBG, RTS and IGS.



Indicator 2.4 Research Grants

The research funds allocated to an institution are an indication of its relative success in research, especially Australian Competitive Grant funds. Australian Competitive Grants are allocated on the basis of competitive bids for research funds under specified schemes by bodies including the Australian Research Council, the National Health and Medical Research Council, Primary Industry R&D Corporations, other Commonwealth departments and other non-Commonwealth schemes such as the Australian Kidney Foundation.

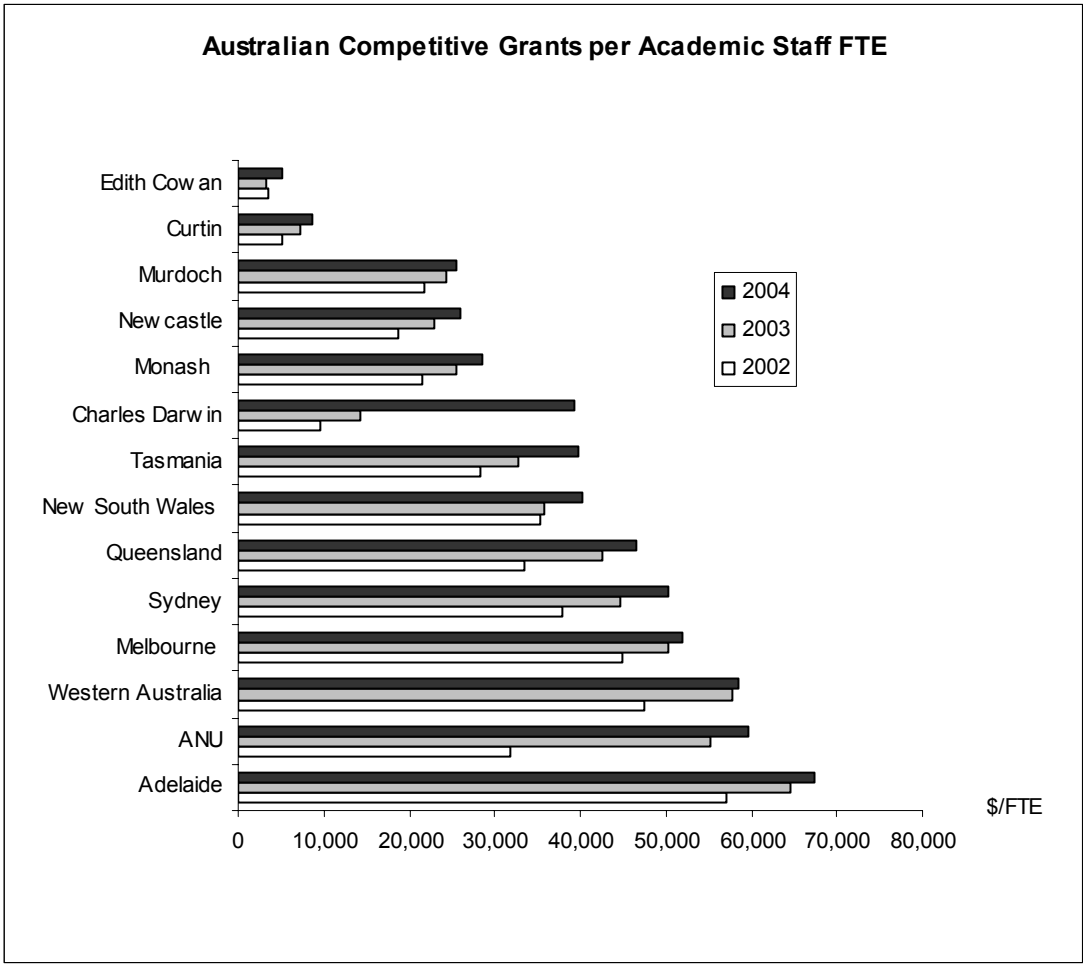
The University obtained 7.2 per cent of the Australian Competitive Grant funds allocated to Australian higher education institutions in 2004. This allocation was the nation's third highest on a per staff FTE basis, and was sixth overall. The following table shows Australian Competitive Grant research funds allocated to selected universities per full-time equivalent academic staff (of lecturer and above status, excluding casual staff) from 2002 to 2004. The table shows this University's leading position in per FTE allocations.

Overall, the University received 6.4 per cent of all research funding for 2004 (as reported on the 2005 DEST Higher Education Research Data Collection and presented on the table on the next page). This represents the seventh highest allocation of research funds overall.

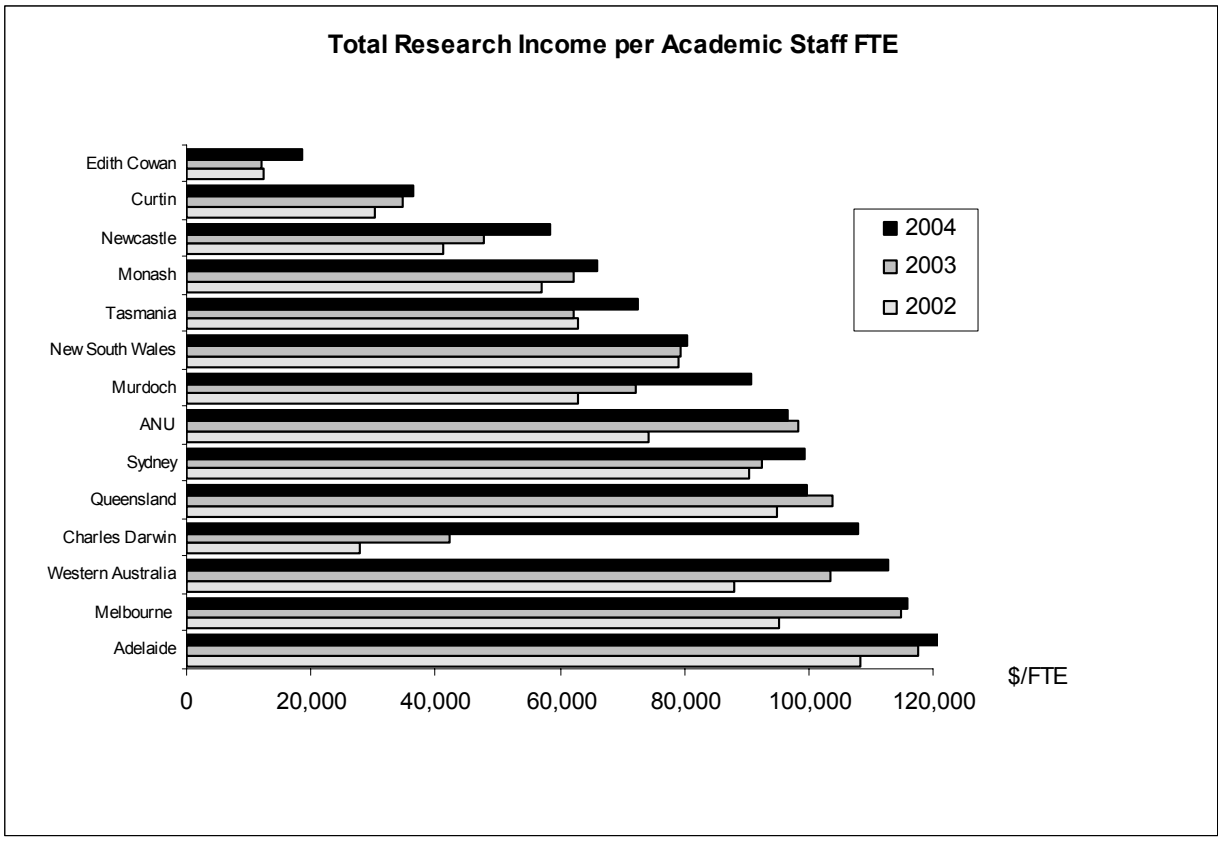
Australian Competitive Grant Funds [a] per Academic Staff FTE [b]
Allocated to Selected Universities [c], 2002 to 2004

	2002			2003			2004		
Institution	**Funds ($)**	**$/FTE**	**Rank**	**Funds ($)**	**$/FTE**	**Rank**	**Funds ($)**	**$/FTE**	**Rank**
Adelaide	41,333,296	57,011	1	47,763,157	64,632	1	50,919,803	67,265	1
ANU	30,276,953	31,770	7	55,635,215	55,139	3	63,832,472	59,657	2
Western Australia	**40,125,631**	**47,486**	**2**	**49,810,642**	**57,785**	**2**	**52,742,515**	**58,408**	**3**
Melbourne	74,801,422	44,818	3	87,167,861	50,357	4	93,264,300	51,900	4
Sydney	60,944,523	37,924	4	75,874,497	44,764	5	88,466,013	50,293	5
Queensland	48,309,308	33,502	6	63,456,179	42,588	6	73,057,643	46,563	6
New South Wales	49,171,405	35,324	5	54,852,782	35,781	7	63,086,642	40,311	7
Tasmania	14,400,791	28,292	8	17,389,302	32,810	8	20,925,956	39,708	8
Charles Darwin	1,285,175	9,663	19	1,733,545	14,209	16	5,485,500	39,182	9
Monash	36,297,750	21,415	10	45,893,967	25,568	9	52,352,899	28,593	10
Newcastle	12,801,019	18,825	12	16,153,599	23,011	11	19,030,231	25,962	11
Murdoch	8,611,133	21,745	9	9,841,987	24,361	10	10,081,922	25,459	12
Curtin	4,566,179	5,096	28	6,276,579	7,239	26	7,721,298	8,666	24
Edith Cowan	1,547,363	3,477	34	1,505,540	3,353	36	2,271,027	5,115	32
AUSTRALIA	**524,614,830**	**20,714**		**650,398,058**	**24,980**		**734,201,364**	**26,908**	

[a] Includes income of Co-operative Research Centres (from Commonwealth sources) and controlled entities.
[b] Full-time equivalence of academic staff at lecturer level B and above, excluding casual appointments.
[c] The 12 highest-ranked universities in 2004 plus WA institutions.



Total Research Income [a] per Academic Staff FTE [b]
Allocated to Selected Universities [c], 2002 to 2004

	2002			2003			2004		
Institution	**Funds ($)**	**$/FTE**	**Rank**	**Funds ($)**	**$/FTE**	**Rank**	**Funds ($)**	**$/FTE**	**Rank**
Adelaide	78,473,945	108,240	1	86,877,954	117,562	1	93,983,868	124,153	1
Melbourne	158,782,596	95,136	2	198,739,216	114,812	2	208,281,603	115,905	2
Western Australia	**74,462,191**	**88,121**	**5**	**89,305,843**	**103,603**	**4**	**101,967,135**	**112,920**	**3**
Charles Darwin	3,701,236	27,829	21	5,150,786	42,220	13	15,134,654	108,105	4
Queensland	136,730,565	94,820	3	154,664,898	103,802	3	156,660,739	99,848	5
Sydney	145,244,167	90,382	4	156,584,239	92,380	6	175,023,327	99,502	6
ANU	70,898,294	74,395	7	99,095,654	98,212	5	103,439,146	96,672	7
Murdoch	24,944,331	62,991	8	29,177,222	72,221	8	35,971,709	90,838	8
New South Wales	110,217,999	79,180	6	121,662,093	79,362	7	125,703,317	80,322	9
Tasmania	32,006,328	62,881	9	33,044,483	62,348	9	38,159,663	72,409	10
Monash	96,677,014	57,037	10	111,595,568	62,170	10	120,635,509	65,885	11
Newcastle	28,019,412	41,205	12	33,518,172	47,747	12	42,799,285	58,389	12
Curtin	27,155,133	30,307	17	30,027,502	34,634	19	32,472,645	36,445	19
Edith Cowan	5,484,299	12,324	34	5,399,223	12,025	35	8,273,856	18,635	31
AUSTRALIA	**1,280,723,275**	**50,570**		**1,175,867,610**	**57,007**		**1,605,743,487**	**59,671**	

[a] Includes income of controlled entities. Excludes CRC income from non-Commonwealth sources.
[b] Full-time equivalence of academic staff at lecturer level B and above, excluding casual appointments.
[c] The 12 highest-ranked universities in 2004 plus WA institutions.