



THE UNIVERSITY OF
NEWCASTLE
AUSTRALIA

ANNUAL REPORT

2016

Report objectives

This Annual Report summarises the University of Newcastle's (UON's) achievements in 2016 and outlines our financial position as at 31 December 2016. The Report reviews activity against our strategic objectives and highlights key milestones reached and immediate priorities for 2017.

Letter of submission

28 April 2017

On behalf of UON, we have the honour of submitting our Annual Report to you for presentation to Parliament, following a resolution of the Council on 31 March 2017. The Annual Report and the Audited Financial Statements have been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984*.

	
Mr P.E. (Paul) Jeans Chancellor	Professor Caroline McMillen Vice-Chancellor and President

Cover image

Walking for Water (detail) 2011 by Nicole Chaffey. Nicole is a descendent of the Gadigal and Biripai peoples of Eastern NSW. She has been living on Awabakal land for the last fifteen years.



Cover image: *Walking for Water* (detail) 2011, oil and beeswax on canvas, Private Collection

Part 1

Report of operations

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Chancellor's message



UON continued to consolidate its position as a world-class teaching, learning and research institution, and as a leader in equity, Indigenous education and regional transformation.

We maintained our commitment to excellence in teaching and learning, producing work-ready graduates, innovators and entrepreneurs. UON was destination-of-choice for 30,226 domestic and 6,955 international students from 115 countries. In 2016 we saw 6,929 students graduate from our campuses. The diversity of this student body is particularly encouraging as are our recruitment and retention rates, including those for low-socio economic students (SES) with many drawn from communities where they may be 'first in household' to attend university. Regardless of background, our goal is to provide all students with an enjoyable, safe, successful and ongoing association with UON.

The University continues to distinguish itself as a high-impact, research-driven institution. We invested in projects to attract and retain the best students and staff; supported world-class research and formed partnerships with like-minded companies that support the aims of the university. UON ranked as the top university in the Innovations Connections Ranking for industry collaboration; was positioned 8th in Australia for research ranked 'well above world standard' in the Excellence in Research for Australia (ERA) 2015 assessment and was recognised for innovation in leadership, joining an elite group of 31 global universities in the Leadership Circle of the Global Consortium of Entrepreneurship Centres (GCEC).

We continue to build on our solid foundation, encouraging an operating culture that is curious, collaborative and courageous. Our *NeW Futures Strategic Plan 2016-2025* supports us as we continue to grow and pursue excellence to reach our stated goals.

It has been a great source of pride to see some of our most passionate and talented staff recognised for their outstanding work again this year and to see so many of our students showcased through award wins, scholarships and research bursaries.

While the higher-education sector in Australia currently faces a degree of uncertainty, around funding and other issues; our financial position allows us to continue to invest to ensure our teaching, learning and research objectives are met.

We remain indebted to those donors, partners and alumni who continue to generously support UON.

I thank my colleagues on the University Council for their significant contribution. I also thank our Vice-Chancellor and President, Professor Caroline McMillen, her senior management team and staff, alumni and other friends of the University for their commitment and support throughout the year. I remain confident that under the strategic direction of NeW Futures, UON will continue to thrive as a sustainable, accountable and equitable, world-class institution.



Mr PE. (Paul) Jeans
Chancellor

Vice-Chancellor's message



After the excitement of our C50 celebrations in 2015, UON saw 2016 in with energy and focus as we launched our NeW Futures Strategic Plan 2016-2025. This plan is built on our vision that UON stands as a global leader distinguished by our commitment to equity and excellence, and to creating a better future for our regions through innovation and impact.

On the world stage, we were recognised for the first time among the top 250 universities in both the Times Higher Education and QS World University Rankings reflecting UON's performance and growing international reputation and impact.

We celebrated the historic 10th anniversary of our UON Singapore Campus and we were delighted to be accredited by the USA-based Association to Advance Collegiate Schools of Business, an honour earned by fewer than five per cent of the world's business programs. The focus on being a 'global partner of choice' resulted in a 45% increase in international undergraduate students commencing at UON in 2016. We also continued our work to provide next-generation teaching and learning through stackable and accessible courses using online and blended educational approaches including launching (with online provider edX) the world's first Massive Open Online Course (MOOC) in Natural History Illustration which attracted over 13,000 enrolments from across the world.

We maintained our strong focus on equity and social justice and in 2016, our enrolments of indigenous students increased above 1000 – which was an Australian first and our largest ever indigenous student cohort. We are proud

that our indigenous student cohort represents 3.5% of total enrolments and that these enrolments are represented across all five of our Faculties.

We were also proud to open the UON-led Centre International de Formation des Autorités et Leaders (CIFAL) focussing on Disaster Preparedness and Risk Reduction as part of the United Nations Institute for Training and Research. The 2016 Universities Conference, hosted in the always impressive HMRI facility, brought together international university leaders to engage with academic, community and business leaders on the role of universities in regional transformation.

Across our regions, we started 2016 with a great graduation ceremony at UON Port Macquarie, including celebrating our first two doctoral graduates at UON Port Macquarie. Our UON Centre for Rural and Remote Mental Health in Orange and the Rural Adversity Mental Health Program were awarded \$19 million from the NSW Government, and the Federal Government awarded \$1.5 million to our innovative UON Gomeroi gaaynggal Centre in Tamworth. A new \$72.5m Central Coast Medical School and associated Health and Medical Research Institute in Gosford, supported by \$32.5m from the Federal Government and \$20m from the NSW Government, will provide cutting-edge education and research facilities for the Central Coast community. This project is the result of strong collaboration and partnership between UON Central Coast, Gosford City Council and the Central Coast Local Health District.

UON's educational precinct in the Newcastle CBD, including the landmark \$95m NeW Space facility which 'topped out' in 2016, was enhanced by the NSW Government's \$9.8 million investment toward the \$18 million city-based Hunter Innovation Project. This Project, which includes the creation of a new Innovation Hub in the centre of Newcastle, represents a partnership between UON, the Newcastle City Council, Hunter DiGit and Newcastle Now. This announcement followed the launch of the University's Integrated Innovation Network, supported with \$1m from the NSW Government, which saw innovation hubs open in Newcastle, Lake Macquarie, Williamtown and Muswellbrook.

Our researchers broke new ground across all fields and all Faculties – whether it was developing world-first microscopic technology innovations, discovering a new species of frog or challenging the established view on the authorship of Shakespeare's plays, UON continued to disrupt orthodoxies held in 'global academies.' We continued to perform strongly in highly competitive programs with \$25m awarded for ARC and NHMRC funded research and we built a strong portfolio of industry funded research, ranking 3rd in NSW and 9th in Australia on this measure. Recent data released by AusIndustries placed UON as the top University in the country for business and industry engagement in their Industry Connection metric. This signals we are on track to deliver our NeW Futures goal to deliver global and regional impact as a result of contributions to business improvement, entrepreneurship, the creation of start-ups and new businesses, and the supply of industry ready graduates.

Our UON Academy initiative, created to support the professional development of our sessional staff, was awarded the ATEM Best Practice Award, and we were delighted that the University was recognised with a national Women's Gender Equality Agency citation as an Employer of Choice for Gender Equality. As an institution we also worked together in workshops across UON to consider how we can build on our momentum to develop a curious, collaborative and courageous culture.

I would wish to thank all of our staff, students, partners, alumni and generous benefactors and friends for a notable first year in delivering on the vision of NeW Futures. We have much to do – but I am confident we have built the momentum and agility that will help us navigate some of the choppy waters of global and national higher education reforms, not to mention Brexit and other geopolitical seismic events.

Professor Caroline McMillen
Vice-Chancellor and President

OVERVIEW

At the heart of UON

UON stands as a global leader committed to equity and excellence and to creating a better future for our regions through our focus on innovation and impact.

DRIVING GLOBAL AND REGIONAL IMPACT

Exploiting new knowledge to support communities and business across our regions.



ENGAGING ACROSS THE GLOBE

Collaborating with partners to deliver world-class teaching and research outcomes.



A SHARED FUTURE WITH OUR COMMUNITIES

Supporting the economic, social and cultural transformation of the regions we serve.



**COMMITTED
TO EQUITABLE
OUTCOMES**

Providing opportunity for
our students and staff to
participate and succeed.



**GRADUATES
WHO MAKE A
DIFFERENCE**

Transforming talented
students into work-ready,
global leaders.



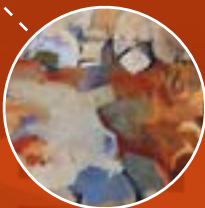
**A PASSION FOR
EXCELLENCE AND
DISCOVERY**

Consistently ranking among
the top global universities
for research, discovery and
student experience.



**STAFF WHO MAKE
THEIR MARK**

The University of Choice
for leading academics and
professionals.



**BUILDING A
SUSTAINABLE
FUTURE**

Responsibly managing
our teaching, research
and resources for the
next generation



Who we are and what we do

UON stands as a global leader distinguished by a commitment to equity and excellence and to creating a better future for its regions through a focus on innovation and impact.

For more than 50 years, UON has demonstrated that equity of access to higher education and excellence of education and research programs are the foundations of a world-class university. UON has been clear that a first-rate education should be available to any individual with the talent and commitment to succeed, independent of their social, cultural or financial background. This commitment to equity and social justice is a core UON value and is a part of our 'institutional DNA.'

Across our five faculties - Business and Law, Education and Arts, Engineering and Built Environment, Health and Medicine and Science and Information Technology - UON offers 213 undergraduate and postgraduate coursework programs and 173 research masters and PhD programs. We prepare graduates to be global citizens, leaders and entrepreneurs who are eager for life's challenges.

We attract students from more than 115 countries and collaborate with global partners to deliver leading education and research. We have been a leader in Indigenous education in Australia for more

than 30 years, through the work of our Indigenous leaders and the support of our Indigenous communities and Elders. The Wollotuka Institute stands proudly at the centre of UON's commitment to Indigenous education and research, ensuring that cultural integrity is at the forefront of our endeavours. In 2015* we had the highest number of Indigenous students of any university in Australia with a participation rate of 3.2 per cent compared with the national participation rate of 1.6 per cent.

UON offers students an engaged approach to learning through programs that integrate study with work experience, internships, paid employment and research experience. More than 90 per cent of undergraduate programs provide work placements and our career-ready graduates have some of the highest starting salaries in Australia. Just over 90 per cent of UON graduates are in fulltime or part-time employment within four months of completing their degree.

UON is a research-intensive university focused on tackling major national and global challenges. UON was ranked in the top eight universities in Australia for research that is 'well above world standard.**' We work closely with our partners to translate our research excellence into world-class innovation, through the work of

our flagship research institutes - Newcastle Institute for Energy and Resources and Hunter Medical Research Institute and our Priority Research Centres and leading groups across UON.

Throughout our history, UON has built strong relationships with our alumni and donors, our business partners and sponsors, and with leaders and friends in our communities in our primary regions of Newcastle, the Central Coast, across New South Wales and in Sydney and Singapore. We work together with our partners to strengthen regional communities and to support their economic, social and cultural transformation.

*At the time of publishing, data from 2015 is the most recent for national Indigenous participation
** Excellence in Research Australia 2015

Our values

Equity and social justice

We provide opportunities for people with ability, regardless of their background and experiences. We lead in providing education for Indigenous Australians.

Excellence

We deliver the highest quality in everything we do and benchmark ourselves against the world's best.

Engagement

Our staff, students and alumni are a resource for our whole community. We are partners and collaborators in world-class research, teaching and learning, and our skilled graduates contribute to our regions, Australia and the world.

Innovation

We challenge standard practice and received wisdom. We are world leaders in generating new knowledge and translating innovative ideas into real benefits for society.

Integrity

We are open, ethical, rigorous and committed to the highest standards in academic enquiry. We are champions of academic freedom and professional responsibility.

Sustainability

We are leaders in environmental sustainability. We make a significant contribution to the economic, social and environmental capacity of our communities.

Delivering on our strategic plan

Our Vision

UON aspires to be a global leader in each of its focus areas. Through engagement with partners, UON will deliver world-class

innovation to support the development of strong regional communities.

NeW Futures Strategic Plan 2016-2025

In the NeW Futures Strategic Plan 2016-2025, UON has defined a clear set of goals and strategies to build our national and global performance and reputation in education and in research and innovation.

Our 10-year roadmap, supported by eight themes, underpins our financial sustainability and the development of our future workforce, our campuses and our physical and virtual infrastructure.

In this Annual Report we highlight and celebrate our NeW Futures year one achievements.

An enduring commitment to equity and social justice

We ensure students from under-represented backgrounds can enter university, graduate and succeed. We collaborate with partners to provide global leadership in the field of equity in higher education through pioneering research and practice. We break new ground and work tirelessly to challenge persistent inequalities in higher education.

Graduates who make a difference

Our outstanding staff inspire and support students. The UON student experience prepares our graduates to be global citizens, leaders and entrepreneurs who are eager for life's challenges and will change their world for the better.

A passion for excellence and discovery

Our areas of excellence in education and research have scale and span discipline, regional and national boundaries. We recognise that research, discovery and access to new knowledge are at the heart of world-class education. We are resolute in our commitment to excellence in Indigenous education and research and to the importance of Indigenous culture and knowledges.

Driving global and regional impact

We work with partners across the world to build equitable prosperity, social cohesion and healthy communities. We engage with business, industry and government to deliver innovation and impact. We exploit new knowledge to create start-ups, new businesses and new jobs across our regions.

NeW Futures 2016-2025

Engaging across the globe

UON stands in the world as distinctive in its commitment to excellence and equity. We collaborate with respected global partners to deliver unique opportunities for students through world-class education, work integrated learning and internship experiences. We engage with our research partners to deliver outcomes which improve the future for the next generation. Our staff have a world view and are connected globally.

A shared future with our communities

UON has strong relationships with our alumni and donors, our business partners and sponsors, and with leaders and friends in the communities in each of our regions. Through reciprocity and commitment we work together with our partners to support the economic, social and cultural transformation of strong regional communities.

Staff who make their mark

UON attracts, fosters and retains remarkable academic and professional staff who actively contribute to our reputation for innovative and engaged teaching and research. UON staff are distinguished by their willingness to change the status quo when required, take on new challenges and provide inspirational leadership. Our staff engage cooperatively to deliver agile solutions and the best outcomes possible for our students, partners and communities.

Building a sustainable future

UON responds nimbly to changes in our external environment, targets investment to align with our vision and strategic goals and effectively manages our resources and campuses. Investment in our workforce and our physical and digital environments ensures we are equipped to meet future challenges. Responsible management of our unique campus environments ensures we take account of the needs of the next generation.

Key statistics 2016

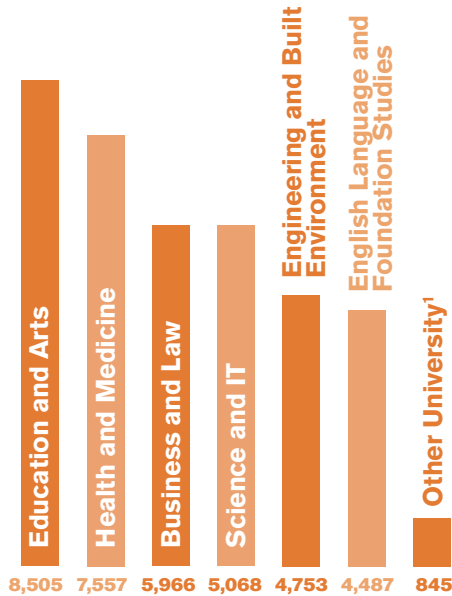
Student enrolments

Enrolments at the University continue to reflect UON's reputation and appeal regionally and globally. The strength of our program offerings reflect UON's strategic focus on the student lifecycle, which includes pathways into higher education, engagement with industry and professional experience, and success beyond university.

Notes for graphs on pages 8 and 9:
1. Other University includes the Wollotuka Institute, non-award studies, exchange and study abroad
2. Equivalent Full-time Student Load
3. The 2016 Higher Education Research Data Collection (HERDC) Research Income return is due for submission to the Commonwealth by 30 June 2017. Data for 2016 was not available at the time of publishing this report.

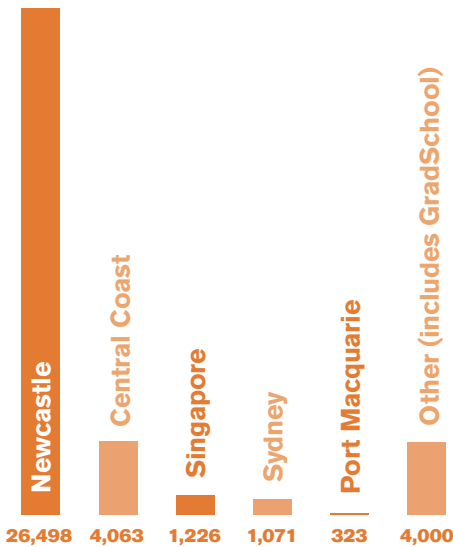
Rounding errors may apply

Student enrolments by faculty and area



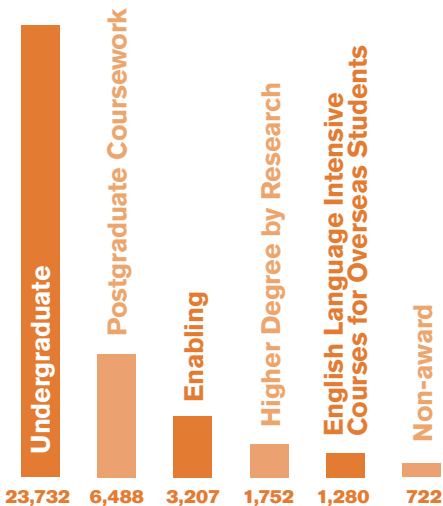
Source MIS 31 January 2017

Student enrolments by campus



Source MIS 31 January 2017

Student enrolments by program level



Source MIS 31 January 2017

Student load and enrolments

Source MIS 31 January 2017

37,181
student enrolments

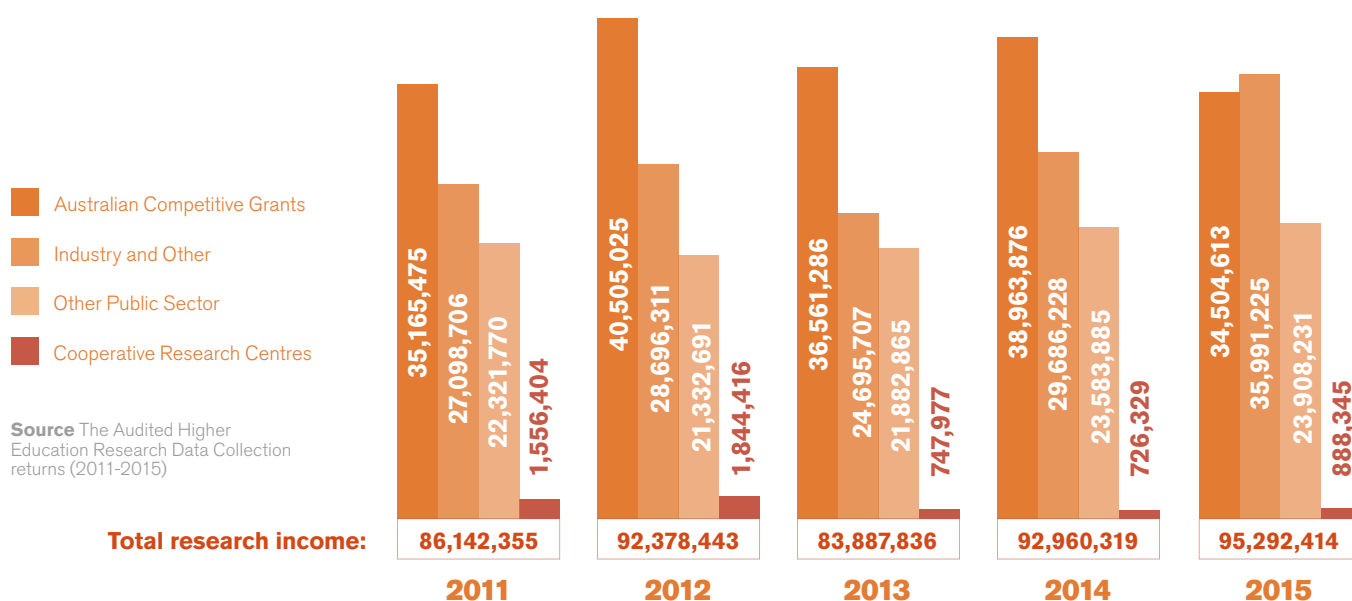
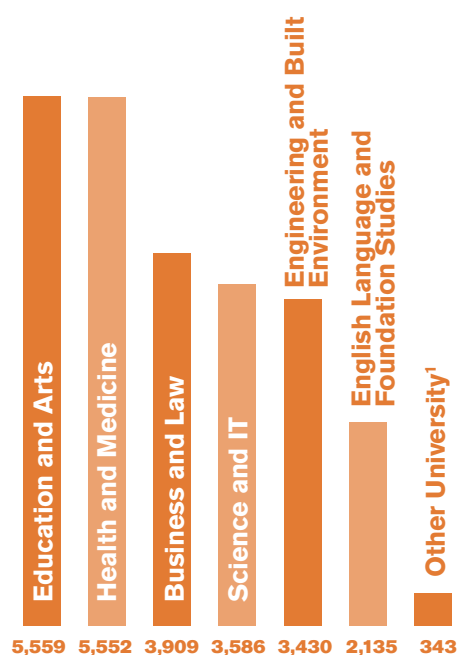
6,955
international enrolments

24,514
student load (EFTSL)²

4,292
international load (EFTSL)²

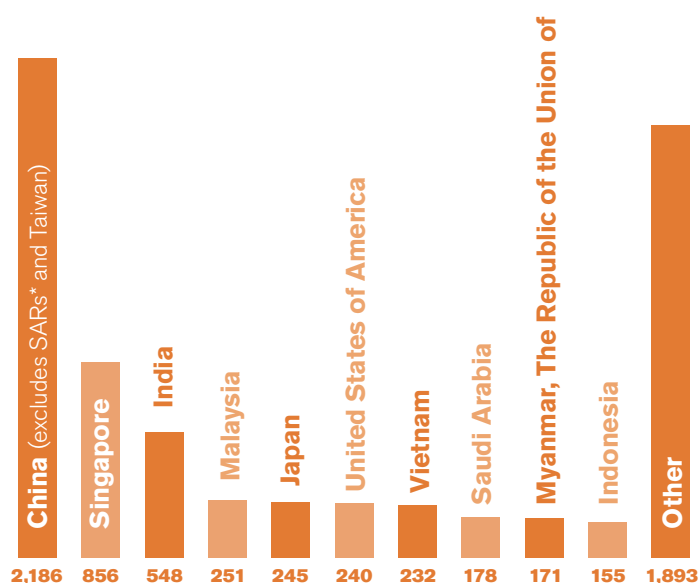
16,091
commencing enrolments

9,930
commencing load (EFTSL)²

Research income by source 2011-2015³Student load (EFTSL)² by faculty and area

Source MIS 31 January 2017

Top 10 international enrolments by country



Source MIS 31 January 2017

Note * Special Administrative Regions

Fixed term and ongoing staff FTE

As at 31 March 2016
Rounding errors may apply

Source Department of Education and Training Higher Education Staff Statistics as at 31 March 2016



1,068
Academic



1,573
Professional



32
Teacher



2,672
Total staff FTE
(excludes casuals)

Rankings



Top 250

UNIVERSITIES
IN THE WORLD¹



**14 in TOP
200**

14 UON DISCIPLINES
RANKED IN TOP 200
IN THE WORLD²



Top 200

MOST INTERNATIONAL
UNIVERSITIES³



No.1

IN INNOVATION
CONNECTIONS⁴



Top 8

IN AUSTRALIA FOR RESEARCH
'WELL ABOVE WORLD STANDARD'⁵



5 Stars

GOOD UNIVERSITIES
GUIDE⁶



Top 50

IN THE WORLD FOR
ARCHITECTURE⁷



**RANKED
5th**

IN AUSTRALIA FOR
GENERIC SKILLS⁸



**RANKED
32nd**

IN THE WORLD FOR
ENERGY SCIENCE AND
ENGINEERING⁹

Sources

1. Times Higher Education World University Rankings 2016 and QS World University Rankings 2016
2. QS World University Rankings by Subject 2016
3. Times Higher Education Most International Universities 2016
4. League table 2016, Innovation Connections program, AusIndustry
5. Excellence in Research Australia 2015
6. 2016 Good Universities Guide
7. QS World University Rankings by Subject 2016
8. Quality Indicators for Learning and Teaching 2016 (qilt.edu.au)
9. Academic Rankings of World Universities (ARWU) by Subject 2016

Karlie Noon, a Kamilaroi woman from Tamworth, was the first Indigenous graduate in New South Wales to obtain a double degree in science and mathematics.



Awards and achievements

UON takes pride in celebrating the achievements of our outstanding students and staff. Their contribution to the global research agenda, and to learning and teaching excellence, was recognised at an international, national and local level.

Students Who Made a Difference



Li Kheng Chai

Li Kheng Chai, an Accredited Practising Dietitian (APD) and PhD candidate, won the 2016 Emerging Researcher Award from The Dietitians Association of Australia (DAA) for her research into the dietary intake of young children and the nutritional recommendations in the Australian Guide to Healthy Eating (AGHE).



Stephanie Holm

Stephanie Holm, PhD student, received the prestigious Children's Literature Fellowship from the State Library of Victoria which includes funding to develop a graphic novel exploring representations of Australian fauna and flora in early Australian children's book publishing, workspace and special access to the library's collections for 3 months.



Olsen Garland

Olsen Garland became the first Menzies Scholar in Engineering from UON winning The Sir Robert Menzies Memorial Scholarship for Engineering. Olsen is working to bring cheaper, more efficient, zero-emission electricity to market by combining his electrical engineering and commercial skills.



Breanne Hobden

Breanne Hobden, a PhD student of Behavioural Science, was the recipient of the 2016 Adam J Berry Memorial Fund from the Academy of Science and the Foundation of the National Institute of Health in the USA. Breanne travelled to the USA to undertake research at the National Institute of Alcohol Abuse and Alcoholism (NIAAA). Breanne is one of only two UON students to receive this award since its inception in 2005.

Students Who Made a Difference



Lauren North

Lauren North, a Chemical Engineer, secured a three-year PhD scholarship under the Australian black coal industry's research program (ACARP).



Dan Smith

Dan Smith, a Bachelor of Visual Communication Design student, was hand-picked from over 900 international entrants, to produce his animated film Blair and the Sea Pancake, for children's television network Nickelodeon.



Catherine Richards

Engineering Graduate, Catherine Richards, received a John Monash Scholarship, valued at \$200,000, to support her postgraduate research into sustainable energy, water and land management at Cambridge University in the UK.

Staff Who Have Made Their Mark

INTERNATIONAL



Laureate Professor John Aitken

Laureate Professor John Aitken received the prestigious Carl G. Hartman Award 2016, recognising his career and scholarly activity in the field of reproductive biology.



Professor Shin-Chan Han

NASA appointed Professor Shin-Chan Han to an elite research group measuring climate change from space. Joining NASA's GRACE and GRACE FO (follow on) missions, Professor Han will help increase scientific understanding of widespread floods/droughts, climate changes, earthquakes and ice loss in Greenland, Western Antarctica and Eastern Antarctica.



Professor Robert Melchers

Professor Robert Melchers with a team of national and international researchers and water utility companies, received an International Water Association award for innovation by solving a major water-supply problem: failure in critical pipes to deliver fresh water. UON led one of three core activities in the winning project: estimating how to assess current corrosion and deterioration of buried pipes to accurately predict likely future deterioration.



Professor John Forbes AM

Professor John Forbes AM, Director of the Australia and New Zealand Breast Cancer Trials Group, was named one of 'The World's Most Influential Scientific Minds' by Thomson Reuters for the second year running.



Laureate Professor Graeme Jameson AO

Laureate Professor Graeme Jameson AO was honoured with a Lifetime Achievement Award at the International Mineral Processing Congress.



Professor Ravi Naidu

Professor Ravi Naidu received a Doctor of Science from Massey University, New Zealand, for his world-class research into environmental contamination and his original contribution to knowledge in his field.

Staff Who Have Made Their Mark NATIONAL



Associate Professor Mark Baker

The National Health and Medical Research Council (NHMRC) awarded a Research Fellowship to Associate Professor Mark Baker, an international leader in sperm-cell proteomics. Dr Baker is well-recognised in the field of male infertility research.



Dr Emma Beckett

The National Health and Medical Research Council (NHMRC) awarded a Fellowship to Dr Emma Beckett for research into the complex interactions that exist in the way we taste food; genetic variations and the interplay with our internal gut bacteria.

NHMRC fellowships were also awarded to:

Dr Chantal Donovan

on the potential of a new target (IL-33), and therapy (anti-IL-33) which may lead to a new treatment to reverse and/or prevent lung disease.

Dr Andrew Gardner,

a research clinician, for his study into how sports concussion, acts as a risk factor for accelerated ageing and dementia.

Mr Hopin Lee

working to translate evidence into practice to produce more efficient health services with a clinical focus on obesity, smoking and musculoskeletal pain.

Dr Jessie Sutherland

for medical research and education in the field of reproductive biology and infertility and the crucial role of early ovary development in determining a woman's future fertility.

Associate Professor Luke Wolfenden

for his work to address impediments to the translation of chronic disease prevention research.



Dr Kristen Cohen

Dr Kristen Cohen from the Priority Research Centre for Physical Activity and Nutrition, received the Ray Debus Award for Doctoral Research in Education from the Australian Association for Research in Education.



Associate Professor Seamus Fagan

Associate Professor Seamus Fagan, Director of the English Language and Foundation Studies Centre, received a Lifetime Achievement Award from Chair of English Australia, the sector's peak body for English courses.

Staff Who Have Made their Mark NATIONAL



Dr Gillian Gould

Dr Gillian Gould, received the Alan Chancellor Award, the GP's highest accolade, for her NSW-based research into smoking cessation in Aboriginal tobacco smokers of reproductive age.



Dr Kim van Netten

Engineering researcher, Dr Kim van Netten, won the inaugural Australian Falling Walls Lab competition for innovation across research projects for her breakthrough treatment of the toxic waste and contaminated water sent to tailing dams as by-products of mining.



Dr Jesper Gulddal, Dr Bonnie McBain, Mr Sean Sadler and Ms Gail Tillman

Four academic staff, Dr Jesper Gulddal, Dr Bonnie McBain, Mr Sean Sadler and Ms Gail Tillman were recognised for Outstanding Contributions to Student Learning at The Australian Awards for University Teaching (AAUT).



Laureate Professor Rob Sanson-Fisher AO

Laureate Professor Rob Sanson-Fisher AO was inducted as a new Fellow into the Australian Academy of Health and Medical Sciences (AAHMS) for his work combining behavioural and public health approaches to health promotion, health service evaluation and cancer control.



Associate Professor Sarah Wright

Associate Professor Sarah Wright was awarded an ARC Future Fellowship worth \$930,000, for her research into the relationship between weather, people and place and our cultural responses to environmental change.

Staff Who Have Made their Mark

STATE



Laureate Professor Kevin Galvin

Laureate Professor Kevin Galvin was awarded the NSW Premier's Prize for Energy Innovation in NSW. As Director of the Centre for Advanced Particle Processing and Transport and Director of the ARC Research Hub for Advanced Technologies for Australian Iron Ore, he is internationally-recognised for his minerals processing research and for inventing the Reflux Classifier and related technologies.



Professor John Wiggers

Population health trailblazer Professor John Wiggers, was named the Hunter's top researcher for 2016 at the annual HMRI Awards for his work to reduce the chronic disease risks imposed by smoking, poor nutrition, alcohol consumption and inadequate physical activity.



Dr Gillian Gould and Dr Flora Tzelepis

Dr Gillian Gould and Dr Flora Tzelepis received Early Career Fellowships totalling \$450,000 and \$592,000 from the NSW Government, to support ground-breaking cancer projects.

Major research funding

In a challenging funding environment, UON saw a 20% growth in the number of external grants awarded. Impressively, the growth in dollar value of external grants awarded was 38 per cent.

UON attracted over \$25 million in new NHMRC and ARC major grants funding including six ARC DECRA's and five NHMRC Early Career Fellowships for innovative research including:



20%

increase in external grants awarded to UON



38%

increase in dollar value of external grants

Laureate Professor John Aitken, Dr Zamira Gibb, Associate Professor Mark Baker, Dr Christopher Grupen, Dr Dickson Varner, Dr Lee Morris, Dr Jennifer Clulow, Mr Ross Harricks, Dr Parviz Gharagozloo, Dr Derek Ford and Mr Andrew Kelly

\$560,000

Research enhancing fertility in thoroughbred and standard bred horses.
(ARC Linkage Projects)

Associate Professor Mark Baker

\$631,370

A five-year NHMRC Research Fellowship to explore biomarkers for male infertility.

Dr Emma Beckett

\$318,768

To investigate interactions between diet, microbiome, genetics and epigenetics in determining risk for adenomatous polyps.
(NHMRC Early Career Fellowships)

\$2,259,016

Professor Billie Bonevski, Dr Gillian Gould, Associate Professor Alan Clough, Professor Joerg Mattes, Ms Kristin Carson, Professor Christopher Doran, Associate Professor Peter O'Mara, Dr Christopher Oldmeadow, Laureate Professor Roger Smith and Professor Katherine Boydell

An evidence-based smoking cessation program for Aboriginal and Torres Strait Islanders.
(NHMRC International Collaborations – Global Alliance for Chronic Diseases (GACD) - Prevention and Management of Chronic Lung Disease)

Professor Bonevski, Associate Professor Neil Spratt, Associate Professor Michael Pollack, Professor Amanda Baker, Conjoint Professor Parker Magin, Dr Alyna Turner, Dr Christopher Oldmeadow, Professor Clare Collins and Professor Robin Callister

\$590,958

To investigate stroke survivor health behaviours.
(NHMRC Project Grants)

Associate Professor Mariko Carey, Laureate Professor Rob Sanson-Fisher, Professor Nicholas Zwar, Associate Professor Danielle Mazza, Professor Graham Meadows, Dr Amy Waller, Professor Leon Piterman, Professor Brian Kelly and Associate Professor Frans Henskens

\$803,554

A project to improve outcomes for people with depression.
(NHMRC Project Grants)

Professor Clare Collins, Professor Helen Truby, Professor John Attia, Dr Melinda Hutchesson, Dr Tracy Burrows, Professor Robin Callister, Dr Leanne Hides, Professor Billie Bonevski and Conjoint Professor Christopher Doran

\$592,756

To look at the efficacy and cost-effectiveness of delivering personalised feedback via technology, to young people to improve their diet.
(NHMRC Targeted Calls for Research – Preventing Obesity in 18-24 year-olds)

Professor Paul Dastoor

\$379,500

For his phono based condensed matter imaging project.
(ARC Discovery Projects)

Associate Professor Christopher Dayas, Associate Professor Brett Graham, Professor Gavan McNally, and Dr Jaideep Bains

\$499,666

To examine hypothalamic control of motivated behaviour.
(NHMRC Project Grants)

Dr Chantal Donovan

\$318,768

For her project Targeting IL-33 in chronic obstructive pulmonary disease (COPD), chronic asthma and idiopathic pulmonary fibrosis (IPF).

NHMRC Early Career Fellowships (Australia) – Peter Doherty Biomedical ECF)

Laureate Professor Paul Foster and Dr Hock Tay

\$738,768

To investigate the pro-inflammatory role of IL-36/IL-36R in pathogen-induced exacerbations of asthma and COPD.
(NHMRC Project Grants)

Laureate Professor Paul Foster and Dr Max Plank

\$870,476

To examine the role of Th22 cells in regulating respiratory immune responses in health and disease.
(NHMRC Project Grants)

Laureate Professor Paul Foster, Dr Ming Yang and Dr Nathan Bartlett

\$815,476

Research into shared innate immune mechanisms that underpin steroid-resistant pathogen-induced asthma exacerbations.
(NHMRC Project Grants)



Professor Phil Hansbro
Professor, NHMRC Fellow
and Brawn Fellow

School of Biomedical
Sciences and Pharmacy
(Immunology and
Microbiology)

Dr Megan Freund

\$177,197

To research the effectiveness of systems-based intervention in increasing health assessments in Aboriginal Community Controlled Health Services.
(NHMRC TRIP Fellowships)

Professor Kevin Galvin

\$216,875

To research 3D flotation of fine particles.
(ARC Linkage Projects)

Dr Andrew Gardner

\$318,768

For his project investigating the potential association between sports concussion and neurodegenerative disease in collision sports athletes.
(NHMRC Early Career Fellowships)

Dr Anna Giacomini,
Professor Stephen Fityus,
Professor Scott Sloan,
Associate Professor Riccardo Roncella
and Mr Shaun Booth

\$274,972

To develop a new framework for a cost-effective geohazard assessment.
(ARC Linkage Projects)

Conjoint Professor Peter Greer, Professor Rick Middleton, Conjoint Associate Professor Jarad Martin, Dr Jeremy Booth, Dr Boyd McCurdy, Dr Dale Lovelock and Dr Andrew Kneebone

\$593,742

For work to improve patient safety in radiation therapy.
(NHMRC Project Grants)

\$961,929

Professor Phil Hansbro,
Conjoint Professor Peter Gibson,
Professor Matthew Cooper and
Professor Luke O'Neill

To investigate therapeutic interventions for severe steroid-resistant asthma.
(NHMRC Project Grants)

Dr Guy Hawkins

\$365,000

To examine cognitive models of mental architectures in consumer preference.
(ARC DECRA)

Dr Mariano Heyden

\$379,000

DECRA funds to conduct a global analysis of the effectiveness of diversity quotas on corporate boards.
(ARC DECRA)

Associate Professor Frini Karayanidis,
Professor Dr Birte Forstmann,
Professor Mark Steyvers,
Dr Sharna Jamadar, Dr Guy Hawkins,
Professor Dr Rhoshel Lenroot, and
Emeritus Professor Patricia Michie

\$492,500

Modelling trajectories of cognitive control in adolescents and young adults.
(ARC Discovery Projects)

Dr Simon Keely,
Professor Mark Morrison (UQ),
Dr Pariac O Cuiv (UQ),
Associate Professor Martin Veysey and Dr Susan Hua

\$833,648

For work looking at epithelial metabolism as a mediator of host-microbiome interactions in inflammatory bowel disease.
(NHMRC Project Grants)

Professor George Kuczera,
Associate Patrick Lane,
Dr Shane Haydon and Dr Arko Lucieer

\$450,000

To research remotely sensed forest water use in space and time.
(ARC Linkage Projects)



Professor
Billie Bonevski

‘Traditionally, drug and alcohol services in Australia will address every other drug type... but they won’t address tobacco smoking.’

– **Professor
Billie Bonevski**

Mr Hopin Lee

\$408,768

NHMRC Early Career Fellowship (Overseas) for using process evaluations of treatment mechanisms to inform evidence-based healthcare.

(NHMRC Early Career Fellowships (Overseas) – Neil Hamilton Fairley Clinical ECF)

\$979,270

**Professor Chris Levi,
Dr Andrew Bivard, Professor John Attia,
Professor Christopher Bladin,
Professor Stephen Davis,
Professor Geoffrey Donnan,
Professor Craig Anderson,
Associate Professor Bruce Campbell,
Professor Mark Parsons and
Dr Rohan Grimley**

To implement a telehealth program across 20 regional sites to provide increased thrombolysis and triage access with multimodal CT.
(NHMRC Partnerships)

Professor David Lubans, Dr Narelle Eather, Dr Charles Hillman (Illinois), Associate Professor Chris Lonsdale (ACU), Professor Philip Morgan, Professor Michael Nilsson, Professor Ron Plotnikoff and Dr Jordan Smith

\$636,912

To investigate ways to increase vigorous physical activity among older adolescents.
(NHMRC Project Grants)

**Professor Rob Melchers,
Professor Chongmin Song,
Damian McGuckin, Dr Stuart Cannon, and
Professor Martin Renilson**

\$550,000

To research structural integrity deterioration of ageing ships and marine platforms in collaboration with Pacific Engineering Systems International and the DST Group
(ARC Linkage Projects)

**Professor Robert Melchers,
Dr Igor Chaves, and Associate Professor
Bobby Kannan Mathan**

\$423,000

To look at microbiological and abiotic marine corrosion of steel in particulate matter.
(ARC Discovery Projects)

**Professor Behdad Moghtaderi,
Dr Kalpit Shah, Dr Jianglong Yu and
Clive Stephens**

\$309,000

To research a novel mineral looping tar removal process for biomass gasification.
(ARC Linkage Projects)

**Professor Graeme Murch,
Professor Irina Belova,
Associate Professor Thomas Fiedler,
Dr Elena Levchenko,
Professor Yongho Sohn, and
Professor Zi-Kui Liu**

\$309,000

To investigate mass transport in high entropy alloys.
(ARC Discovery Projects)

Dr Nicole Nathan

\$177,197

To research the implementation of a mandatory primary school physical activity policy.
(NHMRC TRIP Fellowships)

Dr Amir Salehipour

\$360,000

To research exact and hybrid algorithms for aircraft landing problems.
(ARC DECRA)

Dr Kalpit Shah

\$375,000

DECRA funds to investigate a novel, chemical-looping process for carbon fibre production from plastics.
(ARC DECRA)

**Laureate Professor Roger Smith,
Professor Istvan Toth,
Professor Jonathan Morris,
Conjoint Professor Tamas Zakar and
Dr Sonika Tyagi**

\$808,447

To conduct research to better understand the myometrial transition at term and preterm labour to guide tocolysis.
(NHMRC Project Grants)

**Associate Professor Rosalind Smith,
Dr Sarah Ross, and
Professor Michelle O’Callaghan**

\$116,000

To examine early modern women and the poetry of complaint between 1540 and 1660.
(ARC Discovery Projects)

Dr Malcolm Starkey

\$372,000

To understand how innate lymphoid cells regulate mammalian lung development.
(ARC DECRA)

‘These days, the troubling and most prevalent diseases are social problems - not medical ones.’

– Laureate Professor Roger Smith



Laureate Professor Roger Smith

Dr Jessie Sutherland

\$318,768

For work on primordial follicle activation in premature ovarian failure.
(NHMRC Early Career Fellowships (Australia) – Peter Doherty Biomedical ECF)

Dr Flora Tzelepis, Associate Professor Christine Paul, Professor John Wiggers, Professor Kypros Kypri, Professor Philip Morgan, Associate Professor Marita Lynagh, Dr Libby Campbell, and Ms Kathryn Chapman

\$634,076

To investigate support mechanisms for TAFE students with multiple health risk behaviours.
(NHMRC Project Grants)

Professor Paulette van Vliet, Professor Leeanne Carey, Professor Kwakkel Gert, Dr Patrick McElduff, and Dr Allie Turton

\$832,597

For a project to improve arm function after stroke.
(NHMRC Project Grants)

Professor Erica Wanless, Associate Professor Grant Webber, Dr Peter Ireland and Associate Professor Syuji Fujii

\$235,000

Investigating electrostatic formation of liquid marbles.
(ARC Discovery Projects)

Associate Professor Christopher Wensrich, Professor Erich Kisi, Associate Professor Michael Meylan, Dr Anton Tremsin, Dr Vladimir Luzin, and Professor Oliver Kirstein

\$381,000

To research at Bragg-Edge Neutron Transmission Strain Tomography.
(ARC Discovery Projects)

Associate Professor Luke Wolfenden, Professor John Wiggers, Professor Adrian Bauman, Professor Chris Rissel and Dr Nicole Nathan

\$586,396

Strategies to maximise the uptake and implementation of school physical activity policies to ensure that they can improve student health.
(NHMRC Partnerships)

Associate Professor Luke Wolfenden

\$474,512

To generate new knowledge to address impediments to the translation of chronic disease prevention research.
(NHMRC Practitioner Fellowships)

Associate Professor Wolfenden, Professor John Wiggers, Professor Kylie Ball, Professor Karen Campbell, Professor Chris Rissel, and Dr Rebecca Wyse

\$725,373

To conduct a randomised controlled trial of an online intervention to improve healthy food purchases from primary school canteens.
(NHMRC Project Grants)

\$930,000

Associate Professor Sarah Wright

To investigate ways to enhance adaptive capacity to environmental change.
(ARC Future Fellowships)

Associate Professor Sarah Wright and Dr Paul Hodge

\$380,957

To investigate geographies of co-existence in Urban and Rural Areas.
(ARC Linkage Projects)

Dr Yuen Yong

\$296,000

Novel microcantilevers for multifrequency atomic force microscopy.
(ARC Discovery Projects)

Dr Sze Lin Yoong

\$330,000

To research theory-based implementation of nutrition guidelines in childcare settings.
(ARC DECRA)

Dr Jianglong Yu, Professor Behdad Moghtaderi, and Professor Qingbo Meng

\$230,000

To research innovation integrated combustion flue gas dry cleaning technology.
(ARC Linkage Projects)

**Funding for
Disaster Resilience**

Researchers secured \$77,000 funding in the Australia-ASEAN Council grant program for their project 'Disaster Resilience Education Capacity Building in South-East Asia' drawing on UON's position as a centre for resilience education excellence.



**Improving access to
Higher Education**

UON secured five Higher Education Participation Programme (HEPP) National Priority Pool (NPP) grants totalling almost one million dollars, to help improve the tertiary education experience for students from diverse backgrounds.



JANUARY

FEBRUARY



**Law on the Beach
celebrated 13 years**

Student-run program, 'Law on the Beach,' provided free legal advice in a uniquely Novocastrian setting with the team focusing on younger members of the community during this year's five day event.



**Pre-schoolers get to
grips with STEM**

KU Kintaiba pre-schoolers at UON's Callaghan campus were the first in the region to get 'hands-on' discovering the science behind the elements of water and air in 'The Little Scientists Newcastle Network' initiative.

Architecture and Built Environment ranks top 50 in the world

Architecture and Built Environment ranked in the top 50 in the 2016 QS World University Rankings for the second consecutive year with three other subjects, geography, engineering (civil and structural) and nursing, joining the top 100 subject rankings.



China Representative Office opened in Beijing

UON co-located its China representative office with AustCham (Beijing), expanding our global footprint and offering direct access to the Chamber's influential government, industry and business network.



MARCH

APRIL



Stroke researchers share in \$13.7m grant

A National Health and Medical Research Centre (NHMRC) Program Grant was awarded to Professor Mark Parsons and Professor Chris Levi, along with colleagues in Melbourne, to provide five years' support to the research project: Saving Brain and Changing Practice in Stroke.



Visionary students' designs shine

Visual communication students from the School of Creative Industries, Katarina Gerritsen, Lauren Moulton, Genevieve Read and Emily Sneddon exhibited their work as winners of a New York Type Directors Club Award.

**Breakthrough
microscope unveiled**

After two decades of work, the world's first scanning helium microscope (SHeM) has been unveiled. The microscope was developed by a team led by Professor Paul Dastoor, in collaboration with researchers from the University of Cambridge.



**UN flag hoisted
over City Hall**

Newcastle became Australia's newest United Nations City and a training hub for the Asia-Pacific region, under the leadership of Associate Professor Graham Brewer, following a UN decision to locate an International Training Centre at UON.



MAY

JUNE



**PhD's feature film
premiered in Hollywood**

Filmmaker Stuart McBratney's comedy/drama Pop Up combined stories shot on location in both Newcastle and Transylvania and was selected as one of only sixteen features to be world premiered at the prestigious "Dances with Films" festival.



**Animations hit the
big screen**

Three animation students from UON were hand-selected to feature at the Melbourne International Animation Festival with Zoe Lawrence and Renee McIntosh's shorts screened in the Australian Panorama, while Andrew White's work was included in the competitive Student Showcase.

Milestones in Indigenous education

We reached 1,000 Indigenous enrolments (3.5% of the University's population) - the largest number of Indigenous students at any Australian university – and celebrated the Wollotuka Institute's accreditation by the World Indigenous Nations Higher Education Consortium, an Australian first.



Business programs ranked in top 5%

UON's Business School (NBS) programs received accreditation from USA-based Association to Advance Collegiate Schools of Business (AACSB) – an honour earned by fewer than five per cent of the world's business programs.



JULY

AUGUST



Watt Space gallery wins prestigious Architectural award

Our Watt Space gallery won the prestigious Blacket prize, which recognises the best architectural projects in regional NSW. The gallery also won an award in the small project architecture category and was officially shortlisted for the public architecture category at the 2016 Architecture Awards.



Partnering for educational gain

A partnership between Muswellbrook Shire Council and UON saw the establishment of a tertiary education and research precinct in the Muswellbrook CBD. The Council and the Newcastle Institute for Energy and Resources (NIER) established the Hunter Region Innovation Precinct to promote economic diversification across energy and environmental disciplines.

**UON in
top rankings**

UON received double recognition as one of the top 250 global universities in the prestigious 2016-17 Times Higher Education (THE) World University Rankings and appeared for the first time in the fiercely-contested QS World University Rankings as a top 250 player.



**Aboriginal health and
wellbeing funding boost**

A \$2.26 million national grant was awarded to UON public health researchers Professor Billie Bonevski and Dr Gillian Gould, for a culturally competent smoking cessation program focused on the health and wellbeing of pregnant Aboriginal women, developed in collaboration with Aboriginal Community Controlled Health Services.



SEPTEMBER

OCTOBER



Superfood discovered

Dr Vincent Candrawinata made a remarkable breakthrough in antioxidant extraction technology. The antioxidant targets inflammation – a factor in lung, colon, prostate and pancreatic cancer in particular.



**MOU signed with
HKU SPACE**

The Vice-Chancellor and Deputy Vice-Chancellor (International and Advancement), hosted a visit and a Memorandum of Understanding signing ceremony with Professor William Lee (Director) and Professor Liu Ning Rong Deputy Director (Business and China) of Hong Kong University School of Professional and Continuing Education (HKU SPACE).

Singapore campus marks 10-year milestone

UON's Singapore campus celebrated ten years of producing world-class graduates, contributing to the regional economy and strengthening Australia-Singapore relations.



WGEA Employer of Choice for third year running

UON was recognised as a leader in driving workplace equity, achieving a citation as an Employer of Choice for Gender Equality (EOCGE) from the Workplace Gender Equality Agency (WGEA) for the third consecutive year.



NOVEMBER

DECEMBER



International leaders converge on UON

Thought-leaders from around the globe gathered in Newcastle for the 2016 Univer-Cities Conference, hosted by UON, exploring how universities with strong medical credentials differ and the potential this presents for their cities and regions.



School of Education recognised for contribution

Professor Jenny Gore, Director of UON's Teachers and Teaching Research Centre, delivered the prestigious Radford Lecture at the Australian Association for Research in Education (AARE) conference, while she and co-authors, Rosie Barron, Professor Kathryn Holmes, and Professor Max Smith, won the Springer Award for best paper published in The Australian Educational Researcher.



NeW Futures Strategic Plan 2016-2025


2016 milestones reached

Our NeW Futures Strategic Plan (2016 – 2025) defines a clear set of strategies to support our global and national performance and reputation in education, research and innovation.

The Plan provides a road map for financial sustainability and for the

development of our future workforce, our campuses and our physical and virtual infrastructure with performance monitored and reported against quarterly KPIs.

Here we highlight a number of strategic milestones reached and provide a brief look-ahead.



**AN ENDURING
COMMITMENT
TO EQUITY AND
SOCIAL JUSTICE**



**GRADUATES
WHO
MAKE A
DIFFERENCE**



**ENGAGING
ACROSS THE
GLOBE**



**A SHARED
FUTURE WITH
OUR
COMMUNITIES**



**A PASSION
FOR
EXCELLENCE
AND
DISCOVERY**



**DRIVING
GLOBAL
AND REGIONAL
IMPACT**



**STAFF WHO
MAKE THEIR
MARK**



**BUILDING A
SUSTAINABLE
FUTURE**



**AN ENDURING
COMMITMENT
TO EQUITY AND
SOCIAL JUSTICE**



**GRADUATES
WHO
MAKE A
DIFFERENCE**



**1,000 Indigenous
enrolments**

We reached 1,000 Indigenous enrolments or 3.5% of the University's population - the largest number of Indigenous students at any Australian university.

**No.1
for HEPP grants**

UON was the highest-awarded institution (by award size and by number of supported projects) when the Higher Education Participation and Partnerships Programme (HEPP) National Priority Pool grants were announced. A total of \$846,725 has been allocated to support five projects targeting students from regional and remote backgrounds.



**Girls Choices
turns 10**

Celebrating 10 years of our Girls Choices summer school

Supporting students from under-represented backgrounds to succeed as we work to challenge inequities in higher education and prepare our graduates to be leaders, entrepreneurs and accomplished global citizens.

An Enduring Commitment to Equity and Social Justice

Your pathway to a UON Degree

- Three-hundred children (the largest cohort to graduate from any Australian Children's University) experienced what life is like on campus, with the group of 7-14 year-olds taking an active role in learning and capacity-building exercises.
- Students from a range of disciplines provided 944 hours of collaborative tutorial time to 480 students across eight partner schools on the Central Coast through the Advancement via Individual Determination (AVID) program. This evidence-based school improvement system aims to close opportunity gaps for diverse and disadvantaged students.
- Our pilot 'Live, Learn, Grow' initiative encouraged young people leaving the out-of-home care system to consider university. The Program, which included subsidised on-campus accommodation and mentoring for Year 11 and 12

students and their families, teachers and case workers, has been commended by the NSW Minister for Family and Community Services.

- iNeW offers students shorter, stackable study units and flexible credit and assessment options. Our new learning model will be further refined to include admissions, timetabling, online learning and course-mapping.
- Our 10th 'Girls Choices' Summer School provided high-school students from equity target groups with more information about what university can offer. One-hundred-and-eighty girls and boys took part in Girls Choices and our LIVE IT! Summer School for boys.

From access to success – tailored learning experiences that support successful outcomes

- As a result of our new 'all in policy' UON's lecture, tutorial and seminar recording volume increased by 49% with total views up by 19% year-on-year. User feedback has been positive with students who juggle family and work commitments and those who live a distance from campus finding it most valuable.



Professor Steve Larkin

**Pro Vice-Chancellor
Indigenous Education and Research Academic Division**

First Pro Vice-Chancellor for Indigenous Education and Research

Professor Steve Larkin, a member of the Kungarakana and Yanyula Nations and one of Australia's foremost Indigenous academic leaders was appointed to strengthen Indigenous education and research across the University and to manage UON's flagship Wollotuka Institute.



Professor Geoff Whitty, Global Innovation Chair for Equity in Higher Education and Co-Director, Centre of Excellence for Equity in Higher Education. (CEEHE)

Challenging inequity in higher education

UON pioneers research into equity in higher education. Here we profile Professor Geoff Whitty, a leading academic and policy advisor on equity in education and co-author of ‘Charting Equity in Higher Education: Drawing the Global Access Map.’

The report, which launched at the Times Higher Education World Academic Summit, draws on new and existing data to highlight the pervasiveness of inequity in higher education and suggests that traditional ways of increasing participation may not be entirely effective. The report’s Global Equity Data Charter supports how institutions and government can best address the issue.

Whitty, an internationally-recognised scholar in education equity, has been

working to improve access to education for marginalised groups since he volunteered to teach immigrant children in London in the 1960s. He has evaluated major interventions to tackle educational disadvantage, including a thirty-year plus longitudinal study of the educational and career trajectories of academically able children from differing educational and social backgrounds. According to Professor Whitty, providing the evidence base

on equal access to higher education is particularly important in the current political climate, as Australia enters ‘unchartered waters’ with proposals to remove the fee cap. “Newcastle is an unusual university in that it combines a very strong commitment to research excellence with a very strong commitment to social inclusion – and this is something we should be protecting,” concluded Whitty.


Expand access to higher education across the world

- UON has created 10 undergraduate scholarships for asylum seekers, working closely with local agencies to identify potential students to support with English language and study-skills. The initiative has been well-received by

the local community who have hosted students while they look for employment and long-term accommodation.

- A re-design of our Higher Degree Research (HDR) scholarships saw international student numbers increase to 40% of the total HDR body and to over 50% of the commencing cohort.

Our Jointly-Awarded Doctoral Degrees (JADD) and Dual-Award Doctoral Degrees (DADD), introduced this year, allow students to complete doctorates at UON and a partner institution. Initial JADD and DADD agreements have been signed and another 14 are in development.



**AN ENDURING
COMMITMENT
TO EQUITY AND
SOCIAL JUSTICE**



**GRADUATES
WHO
MAKE A
DIFFERENCE**

Graduates Who Make a Difference

Teaching of the future

iLEAD Plus

- Our International Leadership, Experience and Development (iLEAD) program transitioned to iLEAD Plus. In all, two-thousand students took part in local and international volunteering opportunities and benefited from sixty-one events; skill-builders; and workshops.

Program themes were aligned to map to UON's Graduate Identity and to entrepreneurship and social responsibility. High-calibre presentations from thought-leaders and entrepreneurs included Yassmin Abdel-Magied, founder of 'Youth Without Borders,' Anh Do, author, actor, comedian and artist; and Lee Lin Chin, presenter and journalist. Sixty-four students completed the program and were awarded certificates of completion and recognition on their AHEG statement.

The UON Entrepreneur

- Star 4000, an *Innovation Start-ups and Entrepreneurship Course* was launched offering both a 10-unit credit bearing and professional development course. The course was developed with Slingshot, a Newcastle-based accelerator company. The program combined an initial 4-day immersive boot-camp with a semester-long entrepreneurship and business creation lecture series. Students and

staff were taught by experienced national and international entrepreneurs, venture capitalists, futurists, business strategists, and corporate leaders including Ash Maurya, author of *Running Lean* and *Scaling Lean*, Tim Fung, Founder and CEO of Air Tasker, Jane Huxley, Managing Director, Pandora, and Adam Ferrier, a consumer psychologist.

- Enterprise and Innovation Week* saw 700 students participate across our Callaghan, Ourimbah, Port Macquarie and Sydney campuses with activity including panel discussions; master classes; speed mentoring; an expo that welcomed another 300 students; business pitch competition and a presentation from entrepreneurial speaker Nick Bowditch.

Kick-starting Enterprise and Innovation week were Alumni and Jafflechutes' founders Adam Grant, David McDonald and Huw Parkinson. The trio established the world's first pop-up, float down eatery, 'Jafflechutes' using mini-parachutes to float about 3,000 toasted sandwiches down to customers from high-rise buildings in Melbourne, New York and Montreal. Our students at Callaghan entered into the spirit of things and followed social media clues to identify drop-zones for 100 'Indomie instant noodles', 'halal snack pack' and cheese and tomato jaffles.

- Our Alumni speed mentoring program was also launched during the week with 13 alumni mentors and 94 current students participating. At a subsequent Open Day, 20 alumni drawn from science, engineering, creative industries, nursing, medicine and business disciplines participated in speed mentoring sessions with 70 prospective students. All mentees found the sessions effective with 92% finding the mentors very or extremely helpful.



Chloe Goldsmith

School of Environmental and Life Sciences

Students who made an impact

Two hundred and twenty-five HDR students submitted their thesis with four showcasing their research on a national stage. Chloe Goldsmith took part in the Three Minute Thesis; Sally Hall and Samantha Young highlighted their work at Fame Lab and Dr Emma Beckett attended the HOPE Meeting with Nobel Laureates.



Dr Bernadette Drabsch and
Dr Andrew Howells
School of Creative Arts

Niche course goes global

A world-first Massive Open Online Course (MOOC), delivered in partnership with edX, brought the natural history world to life for 13,300 budding illustrators and online

learners from 144 countries. In all 2,400 students completed the 'Drawing Nature, Science and Culture: Natural History Illustration' course with student feedback

highlighting the artistic and scientific merit of the course.

My Future

- Our sector-leading 'My Future' strategy encourages students to record both academic and informal learning with academic gains mapped against UON's unique Graduate Identity skill clusters. A year-long pilot has been completed to support how informal learning, through initiatives such as iLead, is captured, and to identify more innovative publishing and recording platforms.

Looking forward

- HDR scholarships for students with disabilities and for Indigenous students will be introduced to increase access and participation rates.
- Staff capability and engagement will be strengthened across digital learning and teaching.
- Increased market intelligence and industry-based PhD programs will drive program entry and development in new markets.

Attracting and retaining high-achievers

Single mother of four and inaugural scholar Kelly Peihopa's story highlights how our high-achievers, through faculty and sponsorship backing, receive the recognition and support they need to succeed.

Kelly completed Open Foundation in 2012 and was awarded the Central Coast Academic Scholarship, the Freemasons on the Central Coast Scholarship and the Jennie Thomas Dreams Can Come True Enabling Scholarship in 2013. Kelly was placed on the Faculty Commendation List for Outstanding Academic Achievement in the following year and received the Sarah Wheeler Prize for 3000 Level

History. Kelly's overall GPA was 6.7, her major was 6.9 and she achieved a GPA of 7 in her final semester.

Kelly has been accepted into the end-on Honours program and has been awarded our Faculty of Education and Arts (FEDUA) Summer Vacation Internship Scholarship worth \$2,000 and the FEDUA Honours Scholarship worth \$4,000. She will be supervised by Associate Professor Rosalind Smith with her thesis exploring violence and early modern women and comparing it to today's epidemic of domestic violence.

**ENGAGING
ACROSS THE
GLOBE**

**A SHARED
FUTURE WITH
OUR
COMMUNITIES**



Top 250

**Universities
in the world¹**



6,955

International enrolments²

To engage and connect globally and locally through world-leading education, work-integrated learning and research. Strengthening partnerships to support economic, social and cultural transformation.

Engaging Across the Globe

A global partner of choice

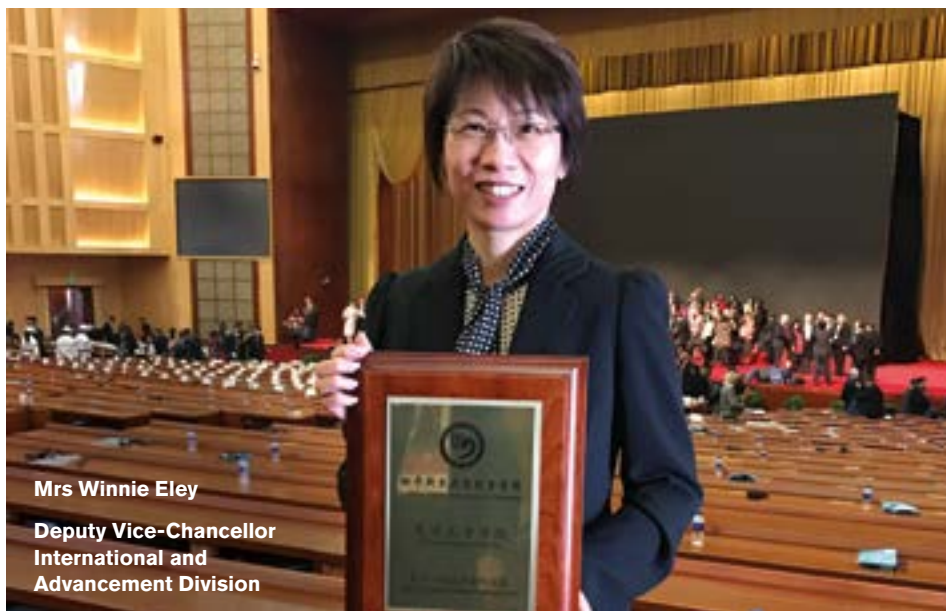
- Strategic partnerships were formed with a number of high-ranked universities including Fudan University and Nanjing University in China and Stockholm University in Sweden.
- UON in collaboration with The National University of Singapore and HMRI partnered with the Agency for Science, Technology and Research, Imperial College London, Karolinska Institute, Nanyang Technical University and The University of British Columbia to convene the inaugural International Symposium on Respiratory Research.

Destination UON

- Full year results saw a 6% year-on-year increase in commencing international equivalent full-time student load

(EFTSL). International undergraduate and postgraduate coursework grew in commencing EFTSL by 45% and 9% respectively.

- A pilot project was launched to provide a guaranteed, fast-track application process for key international partners. Fifty education agents took part resulting in a 30% year-on-year increase in applications in Semester 1 and Trimester 1.
- Official visits included His Excellency Isaiya Kabira, Kenya High Commissioner to Australia and Senator Sekai Holland, former co-Minister of National Healing, Reconciliation and Integration, Republic of Zimbabwe. UON also hosted the Chinese Consul General Gu Xiaojie and discussed initiatives to strengthen Chinese engagement across the region.



Mrs Winnie Eley

**Deputy Vice-Chancellor
International and
Advancement Division**

Global recognition for Confucius Institute

UON's Confucius Institute has received global recognition for its success in teaching Chinese language and culture

in Australia and Oceania, being named a 2016 Confucius Institute of the Year by the People's Republic of China.

1. Times Higher Education World University Rankings 2016 and QS World University Rankings 2016
2. MIS 31 January 2017



Scholarships were presented to UON's New Colombo recipients by the Hon Julie Bishop MP, Minister for Foreign Affairs. Also in attendance was UON alumnus, Gary Quinlan, former Ambassador and Permanent Representative to the United Nations in New York.

Strengthening ties in the pacific

Jessica Birch-Critchley, Georgia Holt, Adam Kennedy and Samuel Lumley are set to travel to Singapore, Korea, Malaysia and Cambodia to intern and study as

recipients of the New Colombo Plan (NCP) scholarship. The initiative, which is designed to strengthen ties between Australia and the Indo-Pacific, allows

Jessica, Georgia, Adam and Samuel to develop their global knowledge of traditional arts, town planning, waste management and renewables.

- We welcomed 25 key international agents to our inaugural International Open Day where they met with faculty for targeted information sessions, with many visiting Newcastle for the first time.

Global mobility and employability

- Our students actively participated in overseas study during 2016 with 520 students involved in project travel or exchange. UON was awarded \$658,000 in New Colombo mobility grants for 17 projects which will see 167 students travelling during 2017. This represents a year-on-year increase of 42% in New Colombo Plan (NCP) funding. Six Endeavour Mobility Grants and \$112,500 in sponsorship funds was also allocated to support travel for an additional 33 students. UON's outbound student exchange saw 191 students travelling to over 20 countries to our partner universities with faculty tours accounting

for another 329 students. UON in turn, welcomed 319 international government-sponsored students to its campuses during the year.

- For the first time, 14 Confucius Institute students visited China for a fourteen day fact-finding study tour taking in Wuhan and Xi'an and attending intensive Chinese classes at Central China Normal University, the Confucius Institute's partner university.

UON staff go global

- Our Vice-Chancellor led a delegation to Taiwan and China, visiting Taipei Medical University, the National Taiwan University, and signing a new agreement with the China Medical University. The delegation also met with Taiwan's Ministry of Science and Technology and the Australian Representative Office in Taipei. As the guest of honour at a Boomerang Lunch

hosted by the Australian Representative Office, the Vice-Chancellor delivered a speech on 'New roles for global universities in building knowledge-based economies in their regions.'

- Three professional staff travelled overseas to collaborate and strengthen global partnerships as recipients of UON's inaugural International Development Scholarships for Professional Staff. Daniel Sneddon spent time in Denmark at Aarhus University learning more about state-of-the-art digital fabrication methods. Jodi McLean visited six Hong Kong-based institutions, a government unit and two innovation-based companies to conduct further research on best practice university-industry collaboration. Mark Kirby spent time at the University of Leeds, Essex and Newcastle University in the United Kingdom adding to his strategic planning case-study material.



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OUR
COMMUNITIES**

A Shared Future with Our Communities

Transforming our regions

- A new research centre will be established following the signing of a Memorandum of Understanding (MOU) between UON and the Hunter Research Foundation (HRF). Under its terms, the HRF will transfer its economic and social research capability, including capital of approximately \$3 million, to UON. The centre will work with key government, industry and community partners and support the Global Impact Cluster for Strong Cities, Communities and Regions building on the HRF's 60-year record of economic and social research.
- A \$9.8m commitment from the NSW Government through the Hunter Infrastructure and Investment Fund (HIIF) and a further commitment of \$8m by Hunter Innovation Project partners, will support the Hunter Innovation Project – a partnership between Newcastle City Council, UON, Newcastle Now and Hunter DiGit. UON is leading the charge to establish an innovation hub for researchers, industry and entrepreneurs as a key component of Newcastle City Council's Smart City strategy.
- The work of the Gomeroi gaaynggal program received a welcome boost with the award of \$1.4m from the Hunter Medical Research Institute. Dr Kim Rae heads up the work of the Tamworth and Walgett health centre which supports

health outcomes and opportunities for Aboriginal women and children.

- We received \$19 million in NSW Government funding for our Centre for Rural and Remote Mental Health (CRRMH) and for the Rural Adversity Mental Health Program based in Orange.

CRRMH Director, Professor David Perkins, said rural people suffer disproportionately from drought, fire, floods and face difficulty accessing services. The investment will also help to address critical issues such as rural suicide.

Shaping New Futures

- A series of public and community-based lectures took place with six New Professor Talks showcasing our academic staff, who spoke on a number of community-related issues. The Morpeth Lecture, held in conjunction with the Anglican Diocese, attracted 104 attendees and featured international guest-speaker Professor Clifford Green who discussed Bonhoeffer's Worldly Christianity.

UON Alumni Connect

- Alumni business intelligence strategies allowed us to re-connect with our communities resulting in more than 5,185 alumni updates for graduates living in the USA, Canada and Singapore as well as those living closer to home in Sydney. The team also developed a university-wide record of community members participating on UON boards and in a voluntary capacity.
- A blitz carried out by the Alumni team to find lost London alumni via LinkedIn resulted in a 125% increase in contactable alumni in the UK.
- The majority of our donor-funded scholarships were reframed and streamlined. The new model established minimum amounts for new scholarships and provided an award total of \$1,010,788 for 196 students.



China Week 2016

Newcastle China Week entertained and inspired for 3rd successive year

Newcastle China Week brought its unique blend of excitement to over 30,000 locals and visitors with events including trade talks, Chinese cuisine, movie screenings and the show-stopping pop-up Chinatown on Beaumont Street in Hamilton.

The UON student experience shapes our graduates as leaders and entrepreneurs who change local, national and global communities for the better.

Alumni trailblazer shines

Over 100 UK-based alumni attended a reception in Australia House in London. Keynote speakers at the event included Indigenous role-model Jessica Buck who spoke about her education at UON and how scholarship opportunities have supported her career trajectory.

Jessica grew up on the Central Coast and completed her Bachelor of Biomedical Science along with a Diploma in Languages (Japanese) in 2013. As a graduate, Jessica worked with the Hunter Medical Research Institute before securing a Charlie Perkins Scholarship; a James Fairfax Oxford Australia Scholarship and a Green Templeton College DPhil Scholarship to study Neuroscience at the University of Oxford. Jessica has completed her MSc in Neuroscience and is working on her DPhil in Oncology.



Jessica Buck

**Bachelor of Biomedical Science 2013;
Diploma In Languages 2013**

Looking forward

- Expand support systems and processes and use strong faculty infrastructure to engage with key alumni groups in Australia and overseas.
- Build reputation and brand through a strategic approach to world university rankings; faculty engagement with high-profile institutions; the roll-out of our UON brand strategy and through showcasing UON's performance.



Neima Candy
**Master of Public
Health 2013**

Public healthcare advocate leads Ebola response

Neima Candy studied at UON under an Australia Awards Scholarship, graduated in 2013, and recently spearheaded the Red Cross response to the world's worst Ebola outbreak in Liberia, West Africa.

As National Ebola Coordinator, Neima managed technical and community responses until the World Health Organization (WHO) declared an end to

the outbreak in 2015. Neima previously worked with Liberia's Ministry of Health to restore health services across the country and to implement the WHO's Essential Package of Health Services.

Neima is a recipient of UON's National Leadership alumni award and was also recognized as Global Alumni in the 2016 Advance Global Australian Awards.

**A PASSION
FOR
EXCELLENCE
AND
DISCOVERY**

**DRIVING
GLOBAL
AND REGIONAL
IMPACT**



Top 8

**in Australia for research
‘Well above world standard’¹**



**TOP
half**

**in Australia for
good teaching²**

Our educational and research excellence supports global and local knowledge transfer and encourages start-ups and new business opportunities across our regions.

A Passion for Excellence and Discovery

Building scale and excellence

- UON's first Priority Clinical Centre for Cardiovascular Health joined our existing network of Priority Research Centres (PRCs) to support UON's research success and facilitate cross-faculty and inter-disciplinary research. Eighteen PRC's focus on issues ranging from brain and mental health research to advanced particle processing and transport.

The UON Research Advantage Program

- Our Research Advantage Program launched after extensive stakeholder consultation, supports global leadership and competitive, quality research. The Program focuses attention on Early Career Researchers (ECRs) through its training and development and also saw 42 HDR scholarships awarded throughout the year.

The UON next generation degree

- UON's degrees are crossing traditional boundaries to support a global workforce of the future. Our next generation degrees fuse discipline knowledge with broader entrepreneurial and commercial skills. Program developments include a Masters of Professional Engineering and combined

programs: Bachelor of Business/Bachelor of Innovation and Entrepreneurship and Bachelor of Commerce/Bachelor of Innovation and Entrepreneurship. Our recent Master of Studies draws from approximately 250 courses in over thirty specialist knowledge fields.



Young Tall Poppy winners Dr Adam Collison, Dr Susan Hua and Dr Tracy Burrows

Young Tall Poppies

Dr Tracy Burrows was awarded NSW Young Tall Poppy of the Year for her cutting-edge research into the science of food addiction with Dr Adam Collison and Dr Susan Hua also receiving awards.

Urban frog discovery surprises scientists

Dr Simon Clulow, a UON biologist, made the incredible discovery of a new frog species; the distinctive marble pattern on the frog's belly, along with other features, marking it as something new to the world of science.

Discoveries of new vertebrate species are rare, typically occurring in isolated

and poorly-explored areas – making this discovery within a populated and well-developed city so unlikely.

The frog has been dubbed Mahony's Toadlet (*Uperoleia mahonyi*) in honour of Dr Clulow's supervisor and mentor, Professor Michael Mahony, a renowned frog expert and conservationist.

1. Excellence in Research Australia 2015
2. Quality Indicators for Learning and Teaching 2016 (qilt.edu.au)

Celebrating our research capability

Three UON research teams got help to put their research into practice thanks to the CSIRO ON Prime pre-accelerator program. RadVet, led by Dr Yolanda Surjan, BiomarkX led by Dr Kirstie Pringle and Rapid Imaging led by Dr Jamie Flynn won three of 39 hotly-contested spots in the competition. The teams completed ON Prime with Dr Surjan's team going through to round 3 with the chance to take out the top prize in 2017.



Dr Yolanda Surjan
RADVET

Senior Lecturer
School of Health Sciences



Dr Kirstie Pringle
BIOMARKX

ARC Future Fellow
School of Biomedical Sciences and Pharmacy



Dr Jamie Flynn
RAPID IMAGING

Project Leader
Office - DVC (Research and Innovation)



New research provides a fresh spin on Shakespeare

UON's academics pursue a broad range of innovative research. Professor Hugh Craig, Director of the Centre for 21st Century Humanities is one of the world's pre-eminent Shakespeare scholars and is using big data to authenticate authorship.

Renaissance literature expert and man of letters, Professor Hugh Craig, has devoted decades of research to proving that statistics can help us to analyse and appreciate literature. According to Professor Craig, computational analysis can help to reveal the secrets of an author's style and provide an evidence-based contribution to some of the most highly contentious questions concerning authorship attribution.

Craig, who is the Director of the Centre for 21st Century Humanities, is part of a team of leading Shakespeare scholars whose investigation of the first edition of Shakespeare's Complete Works identifies Christopher Marlowe as co-author of some of the bard's best-loved plays. Professor Craig's work presents a case for Marlowe as collaborative author of Parts 1 and 2 of Henry VI. New work with fellow UON researcher, Emeritus Professor John Burrows, presents evidence that Marlowe was also involved in Part 3 of Henry VI. Scholars can read about this research in the Authorship Companion that will accompany the text volumes of The New Oxford Shakespeare.

The New Oxford Shakespeare contains a

number of other new attribution findings based on peer-reviewed research. All conclusions are unanimously endorsed by an 'Attribution Board' of five of the world's leading specialists including Professor Craig, Gabriel Egan (De Montfort University, UK), MacDonald P. Jackson (University of Auckland, New Zealand), John Jowett (Shakespeare Institute, University of Birmingham), and Gary Taylor (Florida State University, USA).

Craig's work has also challenged some of the most tightly held beliefs about Shakespeare and language. He has, for instance, established that Shakespeare did not have the wide-ranging vocabulary for which many have given him credit: "There was a myth that Shakespeare had an extraordinarily large vocabulary, but our analysis shows that he didn't. His talent was in the way he used regular, ordinary words". As Craig explains, this form of research can also tell us a lot about ourselves: "The miracle of language is that we all make something individual out of a common resource. Computer analysis allows us to detect those word patterns more accurately than by simply relying on intuition."



**A PASSION
FOR
EXCELLENCE
AND
DISCOVERY**



**DRIVING
GLOBAL
AND REGIONAL
IMPACT**



**for Innovation
Connections¹**

Driving Global and Regional Impact

Delivering impact

- UON was recognised for innovation leadership when it joined an elite group of thirty-one global universities in the Leadership Circle of the Global Consortium of Entrepreneurship Centres (GCEC) to collaborate and jointly advance excellence in entrepreneurship.

The UON Innovation Hub

- Our Integrated Innovation Network (I2N) received \$1m from the NSW Government's Boosting Business Grants program in July. I2N builds cross-discipline entrepreneurial research links and fast-tracks viable start-ups. The network includes UON; the Three76 Hub; Defence Hub; Lake Macquarie City Council's DASH co-working space located at Charlestown; and the Upper Hunter Innovation Precinct at Muswellbrook.

The UON Engaged PhD

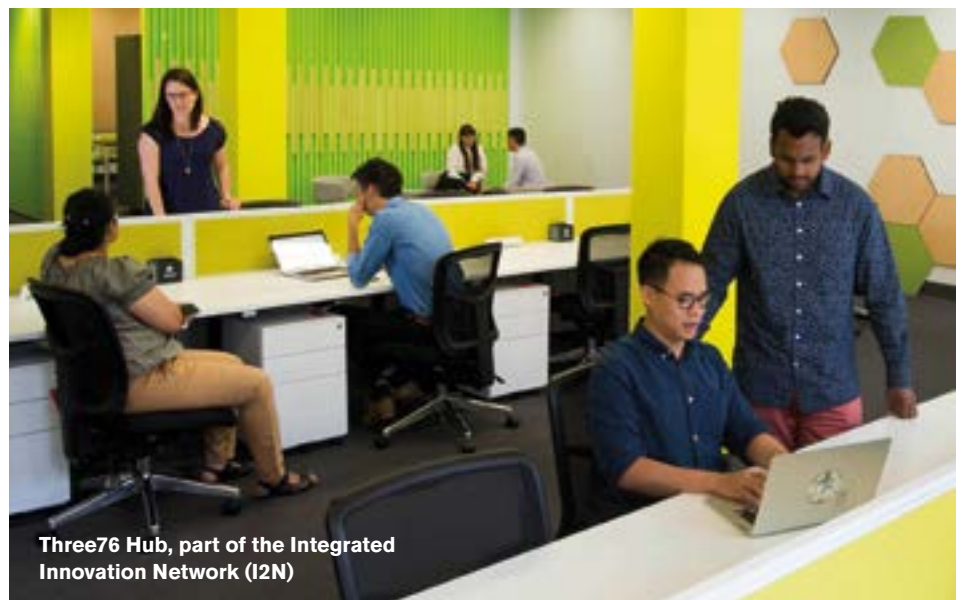
- A key platform of the NeW Futures Strategic Plan is to provide engaged PhDs. During the year UON launched its Defence Industry Scholarships and ran a UNITE (UON Industry Training and Engagement) pilot where HDR students gained commercial experience with Boeing Defence Australia. The Business/Industry partnership scholarship was also extended to support fifteen additional 50:50 scholarships for HDR candidates with research links to business and industry.

UON's new Three76 hub is an integral part of I2N and is home to some of the region's most energetic start-up teams including Elite Robotics and Rapid Imaging.



Key research leader appointed

Professor Joanna Bourke was appointed as Global Innovation Chair in the Centre for the History of Violence, in the School of Humanities and Social Science, to enhance UON's research leadership in the area of Violence Studies.



1. League table 2016, Innovation Connections program, AusIndustry



Will Palmer, Dr
Jamie Flynn and
Antony Martin

Phenotyping with potential to revolutionise agricultural monitoring

The **Rapid Imaging** start-up offers cost-effective crop phenotyping, plant breeding and crop and soil monitoring. Three UON/ Hunter Medical Research Institute (HMRI) researchers, Dr Jamie Flynn, Dr Antony Martin and William Palmer, are behind the enterprise which draws on the same

technology as their CLARITY Light-Sheet Microscope, which was shortlisted for the Eureka Prize.

Using lasers and in-house, custom algorithms, the team has developed a new, high-throughput platform that is compatible with any liquid or solid material.

So far the technology has been applied to rapid analysis and online monitoring of agricultural and food products, but the technology has the potential to be applied across numerous other sectors and deliver further practical and cost-efficient outcomes for industry.



Nathan Bartlett



Sahil Harriram



Luke De Bono

Robotics offering more 'me time'

Elite Robotics, winners of the business pitch competition at UON's Enterprise and Innovation Week, is the brainchild of two engineering (mechatronics) graduates and

an industrial designer; Nathan Bartlett, Sahil Harriram, and Luke De Bono. The team is designing robotic solutions that manage mundane tasks with its first consumer-friendly product being a robotic lawnmower that uses advanced guidance, navigation and control algorithms.

Looking forward

- Support researchers at all career stages to develop as international leaders through the PRCs, Research Advantage Program and the Engaged PhD initiative.
- Increase business and industry engagement with an outwardly-focused culture and through networks including I2N.



**STAFF WHO
MAKE THEIR
MARK**

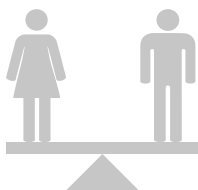


**BUILDING A
SUSTAINABLE
FUTURE**



**'BEST PRACTICE
AWARD'**

**the Association for Tertiary
Education Management**



**UON was one of the first
Australian universities to
pilot the Athena SWAN
Charter program**

We will attract and retain inspired leaders and innovative teachers and researchers. We will target our activity and investment to align with strategy, to meet current challenges and anticipate the needs of the next generation.

Staff Who Make Their Mark

The UON future workforce

- UON's 'sector first' approach to supporting sessional staff, was recognized when our UON Academy Program was awarded a 'Best Practice Award' by the Association for Tertiary Education Management.
- We secured a 46% reduction in our recordable injury frequency rate during the year through a strong focus on the safety and well-being of staff.
- Laboratory Manager Shaun Manning, HR Services specialist Melissa Musicka and Monica Rossignoli from the School of Environmental and Life Sciences won the VC's Awards for Health and Safety Excellence.

An agile culture

- UON launched our Culture for NeW Futures with the theme of **Curious. Collaborative. Courageous.** to support our strategy and enable our staff to adapt and thrive in a changing environment.
- Cross-discipline teams came up with a number of winning solutions at our inaugural process improvement hackathon. Teams pitched to a panel of judges and a staff audience with safety reviews for research projects; staff onboarding; student credit and articulation and a student adverse circumstances program being simplified as a result.
- A new staff learning and development portal, Discover, is providing access to blended and self-directed learning with programs and courses covering new staff orientation, health and safety, wellbeing, the Research Advantage program, leadership and management and teaching and learning.
- 'Campus Conversations for the Curious' brought staff, leadership and subject-matter experts together for frank and informal one-hour sessions.

The changing face of the higher education sector is presenting new challenges and opportunities. Our Curious. Collaborative. Courageous. culture has a strong learning component at its heart which was explored during our inaugural staff conference.

Staff engage to manage change

Almost 400 professional and academic staff from Callaghan, Ourimbah, Sydney and Singapore took part in a two-day staff conference showcasing **Curious. Collaborative. Courageous.** behaviour.

Presentations ranged from an energetic keynote from 'Business leader in the trenches' Dom Thurbon, on driving innovation in a disrupted educational setting, to workshops on building high-performing teams; the power of storytelling; and collaborating for student success.





Dr Elena Prieto-Rodriguez

Lecturer

School of Education
(Mathematics)

Raising the bar on gender equity

UON was one of the first Australian universities to pilot the Athena SWAN Charter program which encourages and recognises commitment to advancing women's careers in science, technology, engineering, maths and medicine.

UON was one of the first Australian universities to pilot the UK-accredited Athena SWAN Charter program through the Science in Australia Gender Equity (SAGE) initiative.

The Australian Academy of Science program supports gender parity in science leadership through the hiring, promotion, participation and retention of women in science, technology, engineering, mathematics and medicine (STEMM).

The program, which aligns with UON's strategy to create a diverse and equitable workforce, provides access to gender equity experts and to a data analysis system that has a 10-year record of success in the UK.

The SAT team

A Self-Assessment Team (SAT) of academics, professional staff and students has spent twelve months collecting and analysing data and identifying gaps and opportunities in UON's workplace policy and practice. Championed by Professor Deb Hodgson, Pro Vice-Chancellor (Research and Innovation), the SAT will also submit an application for Bronze Accreditation when the SAGE pilot ends.

Lessons from Asia

Our Vice-Chancellor had an opportunity to learn how Asian colleagues are addressing gender parity as part of a

Department of Foreign Affairs and Trade (DFAT) initiative celebrating International Women's Day. Program highlights included visiting 7 cities across Asia in ten days with lectures, presentations and meetings with high-profile government and university leaders.

The role of culture, national and institutional policies and the gendered nature of leadership was discussed as were parity support strategies. The Vice Chancellor's keynote presentations examined the attrition rate of women in STEMM and how the lack of senior leaders challenges Australia's innovation capacity and productivity.



STAFF WHO MAKE THEIR MARK



BUILDING A SUSTAINABLE FUTURE

Building a Sustainable Future

Building NeW Futures

- NeW Space, UON's \$95m landmark education precinct located in Newcastle's CBD reached its highest construction point in September with its 'Topping Out Ceremony' showcasing the building prior to its scheduled completion.

The new precinct is a significant revitalisation project for the city of Newcastle and will house a range of University-supported activities including business, law and creative industries programs; digital library services and information commons; collaborative and social learning spaces; research and industry engagement facilities and spaces for community engagement.

Although initially for the delivery of business and law programs, NeW Space will provide a resource for the entire University community across different disciplinary and knowledge fields.

Developed as a technology-rich and engaging site, NeW Space will provide a unique platform for our staff to develop and test innovative ideas to deliver a 'next generation' university experience for our students.

NeW Space is supported by Australian Government funding of \$30 million through the Education Investment Fund Regional Priorities Round, NSW Government funding of \$25 million, and \$40 million invested by the University.

Environmental sustainability

- A range of environmental projects were delivered including bush regeneration, treatment of aquatic weed to reduce the breeding environment of the mosquito larvae and an energy audit of seven representative buildings across Callaghan and Ourimbah. Waste management actions included developing waste baseline data and trialling the 'Be a Good Sort' waste campaign.



\$95million
landmark education precinct
in the heart of Newcastle's
central business district.



565
REGISTERED
MEMBERS
'Champions 4 Change'
environmental project



Landmark investment in regional health and innovation

A multi-million dollar medical school and research institute is set to provide a whole-of-region medical school and research institute on the Central Coast.

The Central Coast Local Health District in partnership with UON and Gosford Council has committed to develop a Central Coast Medical School (CCMS) and Research Institute in the Health and

Wellbeing Precinct at Gosford Hospital.

The school and research institute is a partnership between the Federal Government, UON and the State Government with a Ministerial announcement committing \$32.5m to the initiative, leveraging the \$20m earmarked by the NSW Government and UON's \$20m investment.

NeW Space, UON's \$95m landmark education precinct located in Newcastle's CBD.



- Our Environmental 'Champions 4 Change' network attracted 565 registered members with a highly-engaged student accommodation and library group focused on waste projects. Additional initiatives included distributing waste education material across UON, coordinating the Blackout Challenge, Green Week and participating in iLEAD lectures.

- During our Blackout Challenge we encouraged a behavioural shift in thinking, asking staff to switch off non-essential equipment such as lights, printers and computers to reduce energy, CO² emissions and operational costs.

Looking forward

- UON's NeW Space will support collaborative learning and research and business and community engagement.
- Learnings from the SAGE pilot will inform our Bronze accreditation application in 2018.



Governance and management

COUNCIL MEMBERS AS AT 31 DECEMBER 2016

Back Row (L to R): Ms Jann Gardner, Ms Julie Phillips, Conjoint Professor Geoff Lilliss, Mr Doug Dean AM, Mr Phillip Johnson, Mr Michael Robertson, Mr C. John Bowers, Mr Robert Kennedy, Deputy Chancellor Ms Dianne Allen.

Front Row (L to R): Mrs Michelle McPherson, President of Academic Senate Professor Mark Jones, Vice-Chancellor and President Professor Caroline McMillen, Chancellor Mr P.E. (Paul) Jeans, Dr Roslyn Larkin, Ms Deborah Wright.

Not shown: Professor Pablo Moscato.

As the global geopolitical, environmental and economic landscape continues to evolve, UON's contemporary approach to governance supports our agile response to the needs of emerging industries and technologies.

In 2016, our governance activities were augmented with streamlined performance-focused reporting and communications. Along with our demonstrated commitment to efficiently, ethically, and compliantly conducting our business, these practices provide a sound foundation for our collaborations with local, regional and global individuals, organisations, and industries.

Basis of authority

The *University of Newcastle Act 1989* and the *University of Newcastle By-law 2005* set out the powers and functions of the University and how these must be performed. Under the Act, the Council acts for and on behalf of the University and oversees the operations of the University.

University Council

Through its diverse makeup and range of skills, the Council is well equipped to guide UoN towards the achievement of its long term goals through best practice governance and an appropriate balance of attention to performance and compliance.

The Council has 16 members, the majority of whom are independent and appointed from the community. A Council skills matrix is used to reflect existing members expertise and experience in a range of areas relevant to the University's current requirements and to identify those areas where additional capabilities may be

required in the future. Attention is also paid to regional representation from across the University's geographical footprint as well as representation by UoN Alumni, who are invited to participate in the nomination process via the UoN Alumni Advisory Committee. Apart from ex-officio members, the remaining Council members are elected from constituencies across the university and provide valuable and unique contributions to Council.

The activities of the Council are documented in a Council Charter which serves to both assist the functioning of Council and the University's Executive and to broaden the understanding of Council activities and good governance across the University.

Performance of the Council is externally reviewed on a regular basis and one such review was conducted in 2016 by Professor Geoffrey Kiel. The Review examined the performance of Council as a whole, the Chancellor and individual Council Members resulting in the development of agreed improvement initiatives. Council's commitment to ongoing improvement is further demonstrated through annual reviews of charters and performance of each of Council's Committees which focus on efficiency and effectiveness of governance processes and practices. An annual governance workshop is held to allow Council Members and Executive Management to discuss future needs and opportunities for improvement.

Our governance framework and practices are benchmarked against peers in the higher education sector, the Universities Australia Voluntary Code of Best Practice for the Governance of Australian Universities, the NSW Auditor General's "Governance Lighthouse" Guide and the ASX Corporate Governance Principles.

The Council comprises 16 members who contribute their expertise, with membership as at 31 December 2016 as follows:

Ex-officio members

Mr P.E. (Paul) Jeans Chancellor

BE (*UNSW*), FIEAust, FAICD

Professor Caroline McMillen Vice-Chancellor and President

MA (*Oxon*), DPhil (*Oxon*), MB, BChir (*Cantab*), FAHMS

Professor Mark Jones President of Academic Senate

BSc (Hons), PhD (*CNA*), FIMEchE, CEng, FIEAust, CPEng

External members appointed by the Minister for up to 4 years

Conjoint Professor Geoff Lilliss

BE (Hons), MBA (Merit) (*Newcastle*), Hon FIEAust, MAICD
Appointed to 31/8/2018

Mr Robert Kennedy

BEC (*ANU*), FCPA
Appointed to 31/1/2020

External members appointed by Council for up to 4 years

Ms Dianne Allen

Deputy Chancellor

BCom (*Newcastle*), FCA, GAICD, AMICDA
Appointed to 31/12/2018

Ms Jann Gardner

BA/LLB (*Sydney*), MBA (*Newcastle*), GAICD
Appointed to 31/12/2020

Mrs Michelle McPherson

BBus (*UTS*), CA, GAICD
Appointed to 31/12/2017

Ms Deborah Wright

MBA (*SCU*), DipTeach (*Newcastle*), FAMI, CPM, AIMM, MAICD
Appointed to 31/12/2018

Mr C. John Bowers

BCom (Hons 1), MCom (*Newcastle*), AM (*Harvard*), CFA
Appointed to 13/8/2017

Mr Doug Dean AM

BCom (*Newcastle*), FCPA, FAIM, FAICD
Appointed to 13/8/2017

Ms Julie Phillips

BPharm, DHP, MSc (*Sydney*), MBA (*Macq*)
Appointed to 12/8/2018

Academic staff members – elected for up to 2 years

Professor Pablo Moscato

BSc (*La Plata, Argentina*), PhD (*UNICAMP, Brazil*)
Appointed to 31/8/2018

Dr Roslyn Larkin

BBus (Hons), PhD (*Newcastle*)
Appointed to 31/8/2018

Non-academic staff member – elected for up to 2 years

Mr Michael Robertson

MTEM (*Melb*), BEd (Hons) (*Newcastle*), Dip Mgmt, Adv Dip Mgmt
Appointed to 31/8/2018

Student member – elected for a term of 1 year

Mr Phillip Johnson

Appointed to 31/12/2017

Council and its committees

A new committee structure and a number of governance process enhancements were introduced to provide greater statutory assurance and a clearer focus on strategic and performance-based outcomes with the Council Charter supporting these core objectives.

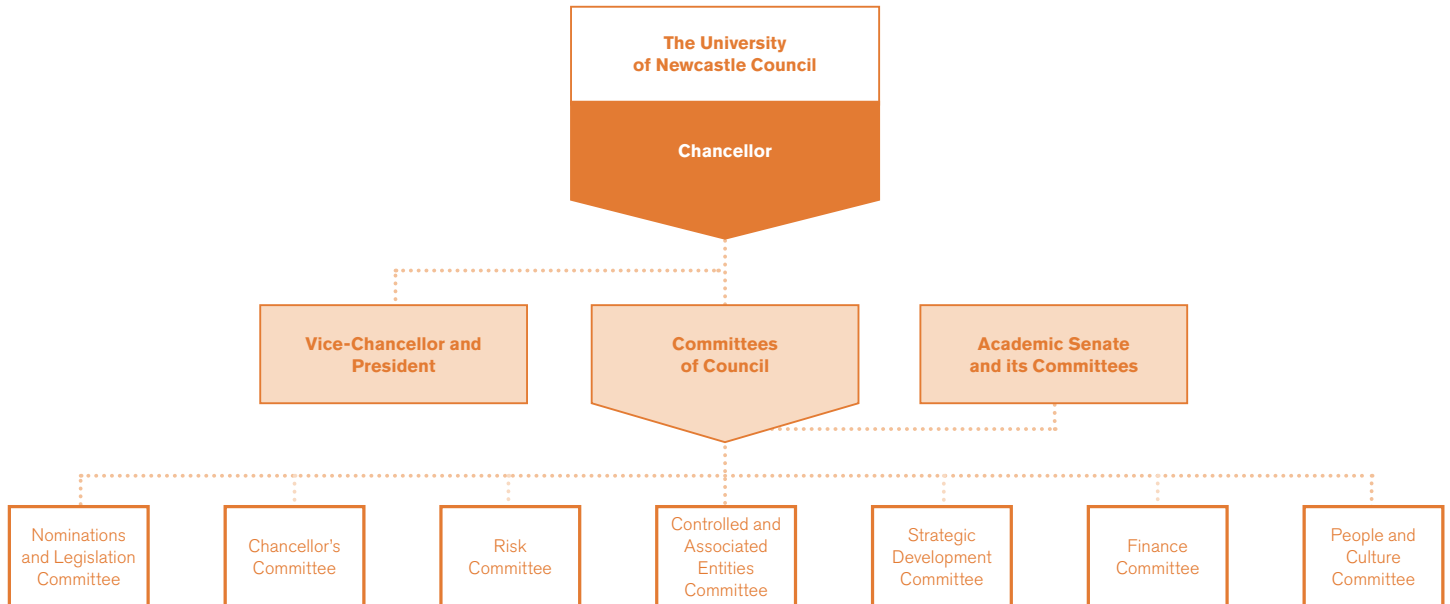
Council members may attend all committee meetings with rights of audience and debate with the exception of the Chancellor's Committee.

Members	Council Ordinary Meetings	Nominations and Legislation Committee	Strategic Development Committee	Chancellor's Committee	Controlled and Associated Entities Committee	Finance Committee	Risk Committee	People and Culture Committee	Finance and Audit Committee and Audit Sub-committee	Finance Committee and Risk Committee	Strategic Development Committee and People and Culture Committee
Mr P.E. (Paul) Jeans	6/6	4/4	4/5	3/3	4/4	4	4/4	4/4	1/1	1/1	1/1
Professor Caroline McMillen	6/6	4/4	5/5	3/3	4/4	4/4	4/4	4/4	1/1	1/1	1/1
Ms Dianne Allen	6/6	4/4	3/3 (2 RA&D)	3/3	4/4	4/4	4/4	3/4	1/1	1/1	1/1
Mr C. John Bowers	5/6	N/A	1/1 (1 RA&D)	N/A	N/A	4/4	4/4	N/A	1/1	1/1	N/A
Mr Doug Dean AM	5/6	N/A	3/5	N/A	N/A	N/A	N/A	2/4	N/A	N/A	0/1
Ms Julie Phillips	2/2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ms Jann Gardner	6/6	3/4	1	N/A	3/4	N/A	N/A	1	N/A	N/A	N/A
Professor Mark Jones	6/6	3/4	4/5	2/3	N/A	N/A	N/A	1	N/A	N/A	0/1
Mr Robert Kennedy	4/6	N/A	5/5	N/A	4/4	4/4	N/A	N/A	1/1	0/1	1/1
Dr Roslyn Larkin	6/6	N/A	N/A	N/A	N/A	N/A	4/4	4/4	N/A	1/1	1/1
Conjoint Professor Geoff Lilliss	5/6	N/A	5/5	2/3	N/A	1	N/A	3/4	N/A	N/A	1/1
Mrs Michelle McPherson	5/6	N/A	1/1	N/A	N/A	3/4	3/4	N/A	1/1	1/1	N/A
Professor Pablo Moscato	5/6	1	5/5	N/A	1	N/A	N/A	4/4	N/A	N/A	1/1
Mr Michael Robertson	5/6	N/A	2/2 (2 RA&D)	N/A	N/A	4/4	N/A	4/4	1/1	1/1	1/1
Ms Deborah Wright	6/6	N/A	5/5	N/A	N/A	N/A	N/A	4/4	N/A	N/A	1/1
Mr Phillip Johnson	6/6	1	4	N/A	4/4	1	N/A	1	1	N/A	1/1

* Attended meeting with rights of audience and debate
Key: Grey shading indicates rights of audience and debate

Governance framework

31 December 2016



Academic Senate

Academic Senate is established by Section 15 of the Act and is UON's principal academic governance body. The Senate is the primary forum for informed discussion and deliberation on academic issues in the University. It is responsible for promoting and enhancing academic standards and advising Council on core academic activities including teaching, learning and research.

Academic Senate approves and amends academic policies, and plays a key role in academic quality assurance processes.

A number of committees advise the Academic Senate including the Program and Course Approval Committee; the Teaching and Learning Committee; the Research Committee and five Faculty Boards.

The Chair of Academic Senate is a member of Council. Professor Mark Jones commenced his term as President of Academic Senate on 1 January 2014.



EXECUTIVE COMMITTEE AS AT 31 AUGUST 2016

Back Row (L to R): Professor Liz Burd, Professor John Germov, Professor Andrew Parfitt, Professor Mick McManus, Professor Richard Dunford, Mr Nat McGregor, Laureate Professor John Aitken, Mr Paul Dunn, Mrs Winnie Eley.

Front Row (L to R): Professor Brett Ninness, Vice-Chancellor and President Professor Caroline McMillen, Professor Kevin Hall, Professor Deborah Hodgson.

Management of the University

The Vice-Chancellor and President is the Principal Executive Officer of the University with responsibility for strategic direction, the operation and management of the University and for chairing the University's Executive Committee.

Senior Executives

Vice-Chancellor and President Professor Caroline McMillen

MA (Oxon), DPhil (Oxon), MB, BChir (Cantab), FAHMS

Professor Andrew Parfitt Deputy Vice-Chancellor Academic (up to end Nov.)

BE, PhD (Adelaide), FIEAust, SMIEEE, GAICD

Deputy Vice-Chancellor (Research and Innovation) Professor Kevin Hall

BSc (Hons), MSc (Queen's), PhD (UNSW)

Deputy Vice-Chancellor (International and Advancement)* Mrs Winnie Eley

BEd (Hons), MBA (Nottingham)

Acting Deputy Vice-Chancellor (Education)* Professor John Germov

BA (Chisholm), MA (Monash), PhD (Newcastle)

Acting Deputy Vice-Chancellor (Learning and Teaching)* Professor Elizabeth Burd

BEd (Hons) (CNAAB), MSc, DPhil (York), PhD (Dunelm), FHEA, SMIEEE

Chief Operating Officer Mr Nat McGregor

BCom (Newcastle), MBA (Deakin), DipFinancial Services (ANZIIF), GAICD, CPA, ANZIIF Fellow

Chief Financial Officer Mr Paul Dunn

BCom (Newcastle), FCPA

Pro Vice-Chancellor (Research and Innovation) Professor Deborah Hodgson

BA (Hons), PhD (Macq.), AHPRA

Pro Vice-Chancellor (Business and Law) (up to 23 December) Professor Richard Dunford

BCA, BA (Hons) (Well), PhD (ANU)

(Interim) Pro Vice-Chancellor (Business and Law) (from 23 December) Professor Kevin Lyons

Ed.D. (Georgia)

Acting Pro Vice-Chancellor (Education and Arts) (from end Nov) Professor John Fischetti

BA (Virginia), Med. (Old Dominion), Ed.D. (Massachusetts Amherst)

Pro Vice-Chancellor (Engineering and Built Environment) Professor Brett Ninness

BEng, MEng, PhD (Newcastle)

Pro Vice-Chancellor (Health and Medicine) Laureate Professor R John Aitken

PhD (Cambridge), ScD (Cambridge), FSRB, FRSE, FAA, FAHMS

(Interim) Pro Vice-Chancellor (Science and Information Technology) (up to mid-September) Professor Mick McManus

BPharm (Curtin), PhD (Western Australia), HonDSc (Curtin)

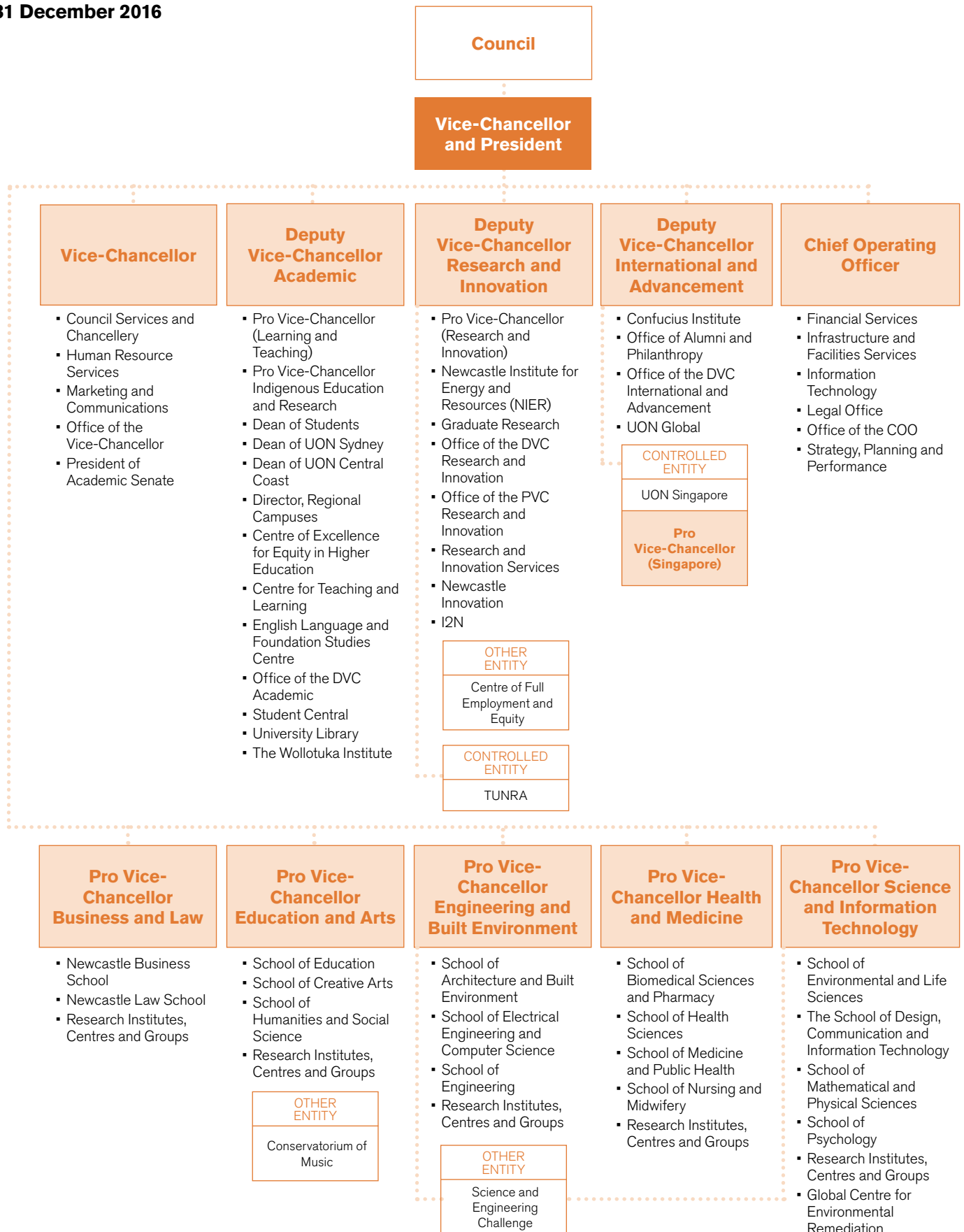
(Interim) Pro Vice-Chancellor (Science and Information Technology) (from mid-September) Professor Richard Bush

BSci (Hons) (UNSW), PhD (UNSW)

* PVC until end Nov.

Organisation chart

31 December 2016



2016 Financial statements

The University of Newcastle

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Income statement

For the year ended 31 December 2016

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	342,399	329,666	342,399	329,666
HELP - Australian Government payments	2	141,037	142,858	141,037	142,858
State and local government financial assistance	3	25,059	22,028	25,059	22,028
HECS-HELP - Student payments		7,051	7,623	7,051	7,623
Fees and charges	4	130,707	118,292	124,252	111,443
Investment revenue	5	28,867	22,740	28,783	25,391
Royalties, trademarks and licences	6	570	874	210	114
Consultancy and contracts	7	34,556	42,247	25,170	28,009
Other revenue	8	25,859	31,916	29,707	37,792
Other investment income	5	28,447	199	28,447	199
Total income from continuing operations		764,552	718,443	752,115	705,123
Expenses from continuing operations					
Employee related expenses	9	398,373	382,036	391,442	372,592
Depreciation and amortisation	10	43,650	39,222	43,516	38,951
Repairs and maintenance	11	23,851	29,670	23,703	29,576
Borrowing costs		4,213	4,570	4,213	4,570
Impairment of assets	12	121	867	41	503
Loss on disposal of assets		2,940	1,936	2,940	1,936
Deferred superannuation expense	9	2,269	978	2,269	978
Other expenses	13	205,887	197,437	200,694	189,484
Total expenses from continuing operations		681,304	656,716	668,818	638,590
Net result before income tax		83,248	61,727	83,297	66,533
Income tax expense	14	(31)	(99)	-	-
Net result after income tax for the period		83,217	61,628	83,297	66,533
Net result attributable to:					
Members of the University of Newcastle	26	83,217	61,628	83,297	66,533

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

Statement of comprehensive income

For the year ended 31 December 2016

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Net result after income tax for the period		83,217	61,628	83,297	66,533
Other comprehensive income					
Items that may be reclassified to profit or loss					
Net changes in value of available for sale financial assets, net of tax		8,063	5,687	7,835	5,504
Cash flow hedges, net of tax		2,201	1,393	2,201	1,393
Exchange differences on translation of foreign operations		(56)	409	-	-
Reclassification to profit and loss - disposal of available for sale assets		(27,419)	-	(27,419)	-
Total		(17,211)	7,489	(17,383)	6,897
Items that will not be reclassified to profit or loss					
Gain(loss) on revaluation of land and buildings, net of tax	19/26	(89,995)	(8,953)	(89,995)	(8,953)
Net actuarial gains(loss) recognised in respect of defined benefits plans	37(e)	813	86	813	86
Total		(89,182)	(8,867)	(89,182)	(8,867)
Total other comprehensive income		(106,393)	(1,378)	(106,565)	(1,970)
Total comprehensive income		(23,176)	60,250	(23,268)	64,563
Total comprehensive income attributable to:					
Members of the University of Newcastle		(23,176)	60,250	(23,268)	64,563

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

Statement of financial position

For the year ended 31 December 2016

		Consolidated		Parent	
		2016	2015	2016	2015
Note		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and cash equivalents	15	21,380	25,201	12,878	16,842
Receivables	16	30,077	36,380	30,141	35,968
Inventories	17	27	18	27	18
Other financial assets	18	67,272	229,460	67,272	226,929
Non-current assets classified as held for sale	19	1,753	-	1,753	-
Total current assets		120,509	291,059	112,071	279,757
Non-current assets					
Receivables	16	420,925	416,077	420,925	416,577
Other financial assets	18	379,630	256,596	378,563	255,708
Property, plant and equipment	19	953,230	990,959	952,958	990,574
Intangible assets	20	10,992	5,274	10,889	5,186
Total non-current assets		1,764,777	1,668,906	1,763,335	1,668,045
Total assets		1,885,286	1,959,965	1,875,406	1,947,802
LIABILITIES					
Current liabilities					
Trade and other payables	21	51,930	45,137	50,240	42,566
Borrowings	22	-	85,000	-	85,000
Current tax liabilities		-	99	-	-
Provisions	23	98,809	95,852	97,817	94,896
Other financial liabilities	24	-	2,201	-	2,201
Other liabilities	25	40,214	17,131	38,510	13,920
Total current liabilities		190,953	245,420	186,567	238,583
Non-current liabilities					
Trade and other payables	21	21	151	21	151
Provisions	23	464,392	461,298	464,118	461,100
Total non-current liabilities		464,413	461,449	464,139	461,251
Total liabilities		655,366	706,869	650,706	699,834
Net assets		1,229,920	1,253,096	1,224,700	1,247,968
EQUITY					
Reserves	26	446,262	554,147	444,682	552,739
Retained earnings	26	783,658	698,949	780,018	695,229
Total equity		1,229,920	1,253,096	1,224,700	1,247,968

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

Statement of changes in equity

For the year ended 31 December 2016

Consolidated

	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2015	555,525	637,321	1,192,846
Net result	-	61,628	61,628
Gain/(loss) on revaluation of land and buildings, net of tax	(8,953)	-	(8,953)
Gain/(loss) on revaluation of available-for-sale financial assets	5,687	-	5,687
Gain/(loss) on cash flow hedges	1,393	-	1,393
Remeasurements of defined benefit plans	86	-	86
Exchange differences on translation of foreign operations	409	-	409
Total comprehensive income	(1,378)	61,628	60,250
Balance at 31 December 2015	554,147	698,949	1,253,096
Balance at 1 January 2016	554,147	698,949	1,253,096
Net result	-	83,217	83,217
Gain/(loss) on revaluation of land and buildings, net of tax	(89,995)	-	(89,995)
Gain/(loss) on revaluation of available-for-sale financial assets	8,063	-	8,063
Reclassification of revaluation reserves to profit and loss for disposal of available for sale assets	(27,419)	-	(27,419)
Gain/(loss) on cash flow hedges	2,201	-	2,201
Remeasurements of defined benefit plans	813	-	813
Exchange differences on translation of foreign operations	(56)	-	(56)
Total comprehensive income	(106,393)	83,217	(23,176)
Transfers from revaluation reserves to retained earnings for asset sales	(1,492)	1,492	-
Balance at 31 December 2016	446,262	783,658	1,229,920

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

Statement of changes in equity (continued)

For the year ended 31 December 2016

Parent

	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2015	554,709	628,696	1,183,405
Net result	-	66,533	66,533
Gain/(loss) on revaluation of land and buildings, net of tax	(8,953)	-	(8,953)
Gain/(loss) on revaluation of available-for-sale financial assets	5,504	-	5,504
Gain/(loss) on cash flow hedges	1,393	-	1,393
Remeasurements of defined benefit plans	86	-	86
Total comprehensive income	(1,970)	66,533	64,563
Balance at 31 December 2015	552,739	695,229	1,247,968
Balance at 1 January 2016	552,739	695,229	1,247,968
Net result	-	83,297	83,297
Gain/(loss) on revaluation land and buildings, net of tax	(89,995)	-	(89,995)
Gain/(loss) on revaluation of available-for-sale financial assets	7,835	-	7,835
Reclassification of revaluation reserves to profit and loss for disposal of available for sale assets	(27,419)	-	(27,419)
Gain/(loss) on cash flow hedges	2,201	-	2,201
Remeasurements of defined benefit plans	813	-	813
Total comprehensive income	(106,565)	83,297	(23,268)
Transfers from revaluation reserves to retained earnings for asset sales	(1,492)	1,492	-
Balance at 31 December 2016	444,682	780,018	1,224,700

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

Statement of cash flows

For the year ended 31 December 2016

		Consolidated		Parent	
		2016	2015	2016	2015
	Note	\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES:					
Australian Government Grants	2(h)	483,558	443,362	483,558	443,362
OS-HELP (net)	2(h)	1,700	512	1,700	512
State Government Grants		45,059	22,028	45,059	22,028
HECS-HELP - Student payments		7,051	7,623	7,051	7,623
Receipts from student fees and other customers		207,259	239,120	194,542	220,769
Dividends received		1,261	1,148	1,261	4,148
Payments to suppliers and employees (inclusive of GST)		(645,417)	(633,515)	(631,380)	(611,116)
Interest received		4,808	10,587	4,682	10,062
Interest paid		(5,292)	(4,649)	(5,292)	(4,649)
GST recovered		14,664	13,062	15,628	13,532
Income taxes paid		(130)	(243)	-	-
Net cash flows from/(used in) operating activities	33	114,521	99,035	116,809	106,271
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of property, plant and equipment		1,293	264	1,293	213
Proceeds from sale of available-for-sale financial assets		351,697	-	351,697	-
Proceeds from redemption of held to maturity investments		278,007	474,365	267,407	452,765
Payments for purchase of property, plant and equipment		(104,763)	(66,004)	(104,725)	(65,756)
Payments for purchase of available-for-sale financial assets		(511,364)	(13,000)	(511,364)	(13,000)
Payments for purchase of held to maturity investments		(48,070)	(488,700)	(40,000)	(474,800)
Proceeds from repayments of interest bearing loans		69	65	69	65
Payment of other loans		-	(357)	-	-
Net cash flows from/(used in) investing activities		(33,131)	(93,367)	(35,623)	(100,513)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Repayment of borrowings		(85,150)	(150)	(85,150)	(150)
Net cash flows from/(used in) financing activities		(85,150)	(150)	(85,150)	(150)
Net cash increase/(decreases) in cash and cash equivalents		(3,760)	5,518	(3,964)	5,608
Cash and cash equivalents at beginning of year		25,201	19,328	16,842	11,234
Effects of exchange rate changes on cash and cash equivalents		(61)	355	-	-
Cash and cash equivalents at end of financial year	15	21,380	25,201	12,878	16,842

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

Notes to the financial statements

For the year ended 31 December 2016

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Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated. The financial statements include separate statements for The University of Newcastle as the parent entity and the consolidated entity consisting of The University of Newcastle and its subsidiaries.

(a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of The University of Newcastle. They have been prepared on an accrual basis and comply with the Australian Accounting Standards.

The University of Newcastle applies Tier 1 reporting requirements.

Additionally the statements have been prepared in accordance with following statutory requirements:

- *Financial Statement Guidelines for Australian Higher Education Providers for the 2016 Reporting Period* (the guidelines)
- *Australian Charities and Not-for-profit Commission (ACNC) Act 2012* (Cwth)
- *Public Finance and Audit Act 1983* (NSW)
- *Public Finance and Audit Regulation 2015* (NSW)

The University of Newcastle is a not-for-profit entity and these statements have been prepared on that basis. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the IFRS requirements. The University of Newcastle and its subsidiaries together are referred to in this financial report as the Group.

Date of authorisation for issue

The financial statements were authorised for issue by the Council of The University of Newcastle on 31 March 2017.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss and certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying The University of Newcastle's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Provision for impairment of receivables – a provision is estimated when there is objective evidence that the Group will not be able to collect all amounts due according to the original forms of the receivables as outlined in note 1(j).

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- Impairment of investments and other financial assets – the Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired as outlined in note 1(l).
- Employee benefits – Long service leave – the liability for long service leave is measured at the present value of the expected future payments to be made in respect of services provided by employees up to the reporting date as outlined in note 1(v).
- Employee benefits – Defined benefit plans – the liability or asset in respect of defined benefit superannuation plans and pensions is measured at the present value of the defined benefit obligation and pension at the reporting date as outlined in note 1(v). These benefits are independently valued by an actuary where certain key assumptions are taken into account as outlined in note 37(c).
- Useful lives of property, plant and equipment – depreciation of property, plant and equipment is calculated over the assets estimated useful lives. Useful lives are reviewed and adjusted if appropriate at each reporting date as outlined in note 1(o).
- Valuation of property, plant and equipment – land, buildings and infrastructure are independently valued as outlined in note 1(o). Certain key assumptions are taken into account as outlined in note 19.

(b) Basis of consolidation

(i) Subsidiaries

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

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

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

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

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

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (continued)

(ii) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the parent entity financial statements using the cost method, and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

Gains or losses resulting from 'upstream' and 'downstream' transactions, involving assets that do not constitute a business, are recognised in the parent's financial statements only to the extent of unrelated investors' interests in the associate or joint venture. Gains or losses resulting from the contribution of non-monetary assets in exchange for an equity interest are accountable for in the same method.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

(iii) Joint arrangements

Under AASB 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

Joint operations

Where relevant, The University of Newcastle's share of assets, liabilities, revenue and expenses of a joint operation have been incorporated into the financial statements under the appropriate headings.

Joint ventures

The interest in a joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. Under the equity method, the share of the profits or losses of the entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and the statement of changes in equity.

(c) Foreign currency translation

(i) Functional and presentation currency

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

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Foreign currency translation (continued)

(ii) Transactions and balances

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

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

(iii) Group companies

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

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

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are accounted for by recognising the effective portion in other comprehensive income and the ineffective portion in the income statement. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the gain or loss relating to the effective portion of the hedge that has been recognised in other comprehensive income is reclassified from equity to the income statement as a reclassification adjustment.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(d) Revenue recognition

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

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

Revenue is recognised for the major business activities as follows:

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Revenue recognition (continued)

(i) Government Grants

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

(ii) HELP payments

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

(iii) Student fees and charges

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

(iv) Royalties, trademarks and licences

Revenue from royalties, trademarks and licences is recognised as income when earned.

(v) Consultancy and contracts

For contracts assessed as containing a reciprocal arrangement, revenue is recognised using the percentage of completion method, in accordance with AASB 118 *Revenue*. The stage of completion is measured by considering actual costs as a percentage of total forecast costs, or other suitable estimation technique.

Non-reciprocal consultancy and contract arrangements are accounted for in accordance with AASB 1004 *Contributions* and revenue is recognised at fair value when the Group obtains control of the right to receive the funds, it is probable that economic benefits will flow to the Group, and it can be reliably measured.

(vi) Lease income

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

(vii) Interest

Interest income is recognised as it accrues.

(viii) Other revenue

Other income represents miscellaneous income which is not derived from core operations and is recognised as income when earned

(e) Income tax

The University of Newcastle is exempt from income tax under Commonwealth income taxation legislation. Within the consolidated entity however, there are entities that are not exempt from this legislation.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Income tax (continued)

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

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

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

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

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

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

(f) Leases

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

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 30). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease.

Lease incentives

Lease incentives received or receivable, such as rent-free periods and premises fit-out allowances, may be included in operating leases entered into by The University of Newcastle. The estimated value of lease incentives is apportioned in profit or loss on a straight-line basis over the term of the lease. Where the original lease term has been extended, these incentives will continue to be recognised over the original lease term.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Business combinations

The acquisition method shall be applied to account for each business combination; this does not include a combination of entities or businesses under common control, the formation of a joint venture, or the acquisition of an asset or a group of assets. The acquisition method requires identification of the acquirer, determining the acquisition date and recognising and measuring the identifiable assets acquired, liabilities assumed, any goodwill or gain from a bargain purchase and any non-controlling interest in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Identifiable assets acquired, liabilities assumed and any non-controlling interest in the acquiree shall be recognised separately from goodwill as of the acquisition date. Intangible assets acquired in a business combination are recognised separately from goodwill if they are separable, but only together with a related contract, identifiable asset or liability. Acquisition related costs are expensed in the periods in which they are incurred with the exception of costs to issue debt or equity securities, which are recognised in accordance with AASB132 *Financial Instruments: Recognition and Measurement*.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Measurement of any non-controlling interest in the acquiree is at fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by Australian Accounting Standards. Contingent liabilities assumed are recognised as part of the acquisition if there is a present obligation arising from past events and the fair value can be reliably measured. The excess at the acquisition date of the aggregate of the consideration transferred, the amount of any non-controlling interest and any previously held equity interest in the acquiree, over the net amounts of identifiable assets acquired and liabilities assumed is recognised as goodwill (refer to note 1(q)). If the cost of acquisition is less than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement of the acquirer, but only after a reassessment of the identification and measurement of the net assets acquired.

Consideration transferred in a business combination shall be measured at fair value. Where the business combination is achieved in stages, the acquirer shall remeasure previously held equity interest in the acquiree at its acquisition date fair value and recognise the resulting gain or loss in profit or loss.

(h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(i) Cash and cash equivalents

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

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Trade receivables

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

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

(k) Inventories

(i) Retail Stock

Retail stock is stated at the lower of cost and net realisable value. Cost comprises direct materials only. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Investments and other financial assets

Classification

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

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) 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 are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

(iii) Held-to-maturity investments

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

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Investments and other financial assets (continued)

Classification (continued)

(iv) Available-for-sale financial assets

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

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

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

Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement within other income or other expenses in the period in which they arise.

Changes in the fair value of monetary security denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security (other than interest). The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Fair value

The fair values of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques, that maximise the use of relevant data. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date. Other valuation techniques used are the cost approach and the income approach based on the characteristics of the asset and the assumptions made by market participants.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Investments and other financial assets (continued)

Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(m) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedge

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

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

However, when the forecast cash flow that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously recognised in other comprehensive income are either reclassified as a reclassification adjustment to the income statement or are included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as cost of goods sold in the case of inventory, or as depreciation in the case of fixed assets.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Derivatives (continued)

(ii) Cash flow hedge (continued)

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment. The replacement or rollover of a hedging instrument into another hedging instrument is not considered an expiration or termination if such replacement is documented as part of the hedging strategy. Additionally it is not considered a termination or expiration if, as a consequence of law or constitution, parties to the hedging instrument agree to replace their original counterparty to become the new counterparty to each of the parties.

(iii) Derivatives that do not qualify for hedge accounting

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

(n) Fair value measurement

The fair value of financial assets and financial liabilities must be measured for recognition and disclosure purposes.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1). The quoted market price used for assets held by the Group is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of assets or liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments (level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (level 3), such as estimated discounted cash flows, are used to determine fair value for the remaining assets and liabilities. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the end of the reporting period. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase of the asset, to use it in a manner that would be highest and best use.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Property, plant and equipment

Land, buildings and infrastructure (refer to note 19) are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings and infrastructure. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the carrying amount is adjusted to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Artworks and rare books are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include gains or losses that were recognised in other comprehensive income on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land, buildings and infrastructure are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of property, plant and equipment revaluation surplus. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are also firstly recognised in other comprehensive income before reducing the balance of revaluation surpluses in equity, to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the income statement.

Land, artworks and rare books are not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

	2016	2015
Buildings and infrastructure	20-60 years	20-60 years
Plant and Equipment	2 - 10 years	2 - 10 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Land, buildings and infrastructure were valued by CBRE Valuations Pty Limited in October 2016.

(p) Repairs and maintenance

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case, the costs are capitalised and depreciated. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Intangible assets

(i) Intellectual property

Expenditure on intellectual property, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other intellectual property expenditure is recognised in the income statement as an expense, when it is incurred. Capitalised expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 2 to 10 years.

(ii) Goodwill

Goodwill represents the excess of the aggregate of the fair value measurement of the consideration transferred in an acquisition, the amount of any non-controlling interest and any previously held equity interest in the acquiree, over the fair value of the Group's share of the net identifiable assets of the acquiree at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is not amortised, instead it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(iii) Computer Software

Expenditure on software, being software that is not an integral part of the related hardware, is capitalised. Capitalised expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, to a maximum of 5 years.

(r) Trade and other payables

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

(s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

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

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are expensed at the time they are incurred.

Finance charges in respect of finance leases, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs are included in the definition of borrowing costs.

(u) Provisions

Provisions for legal claims and service warranties are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

(v) Employee benefits

(i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries and non-monetary benefits are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

(ii) Other long-term obligations

The liability for other long-term benefits are those that are not expected to be settled wholly before 12 months after the end of the annual reporting period. Other long-term employee benefits include such things as annual leave, accumulating sick leave and long service leave liabilities.

It is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Employee benefits (continued)

(iii) Retirement benefit obligations

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's Superannuation plan. The Group has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from the Group and the Group's legal or constructive obligation is limited to these contributions. A significant portion of the employees of the parent entity are members of the defined contribution section of the Group's plan.

A liability or asset in respect of defined benefit superannuation plans is recognised in the statement of financial position, and is measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised losses) less the fair value of the superannuation fund's assets at that date. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity and in the statement of financial position.

Past service costs are recognised in profit or loss immediately.

Contributions to the defined contribution section of the Group's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

(iv) Deferred government benefit for superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education and Training (Education), the effects of the unfunded superannuation liabilities of The University of Newcastle and its controlled entities were recorded in the income statement and the statement of financial position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

The unfunded liabilities recorded in the statement of financial position under provisions have been determined by the Group's external actuaries and relate to SSS, SASS and SANCS on an emerging cost basis.

Deferred government benefits for superannuation are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian Government for the emerging costs of the superannuation funds for the life of the liability. Refer to note 37 for specific treatment.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Employee benefits (continued)

(v) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* that involves the payment of termination benefits. The expense and liability are recognised when the Group is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits expected to be settled wholly within 12 months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before 12 months after the end of the reporting period are discounted to present value.

(w) Rounding of amounts

Amounts in the financial statements have been rounded off in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission (ASIC), relating to the "rounding off" of amounts in the financial statements. Amounts have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

(x) Goods and services tax (GST)

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

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

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

Commitments are disclosed net of the amount of GST recoverable from or payable to tax authorities.

(y) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year. These reclassifications had no effect on the reported results of operations.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Comparative amounts (continued)

In 2016, the University reclassified income from government-funded consultancy and contracts to income from Australian government financial assistance and income from state and local government financial assistance, as this more accurately reflects the source of the income. Previously income from certain government grants had been classified as consultancy and contracts revenue. Corresponding reclassifications have been made in the statement of cash flows to present the income as income from government grants instead of receipts from student fees and other customers. Total income from continuing operations in the income statement did not change as a result of the reclassification. There were no changes to the statement of financial position or net operating cash flow in the statement of cash flows. Comparative period amounts have also been updated for the reclassification resulting in an increase of \$29,130,425 in Australian government financial assistance and \$8,318,846 in state and local government financial assistance and a corresponding reduction of \$37,449,271 in income from consultancy and contracts in the prior year. Note 2, 3 and 7 to the financial statements have been updated for the change in comparative amounts.

(z) Non-current assets (or disposal groups) held for sale and discontinued operations

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

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

(aa) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2016 reporting periods. The University of Newcastle has elected not to early adopt any of these standards. The Group's assessment of the impact of these new standards and interpretations is set out below:

- AASB 9 (2014) *Financial instruments* (effective 1 January 2018)

AASB 9 amends the requirements for classification and measurement of financial assets. The available-for-sale and held-to-maturity categories of financial assets in AASB 139 *Financial Instruments: Recognition and Measurement* have been eliminated. Under AASB 9, there are three categories of financial assets:

1. Amortised cost
2. Fair value through profit or loss
3. Fair value through other comprehensive income.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) New accounting standards and interpretations (continued)

The following requirements have generally been carried forward unchanged from AASB 139 into AASB 9:

- Classification and measurement of financial liabilities; and
- Derecognition requirements for financial assets and liabilities.

Under AASB 9, impairment of financial assets will be based on a forward looking "expected loss model".

However, AASB 9 requires that gains or losses on financial liabilities measured at fair value are recognised in profit or loss, except that the effects of changes in the liability's credit risk are recognised in other comprehensive income.

The group does not have any financial liabilities measured at fair value through profit or loss. There will therefore be no impact on the financial statements when this standard is adopted.

- *AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* (effective 1 January 2017)

The objective of this standard is to extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit public sector entities. The standard also makes related amendments to AASB 10 *Consolidated Financial Statements* and AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

The objective of AASB 124 *Related Party Disclosures* is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit and loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

There is no significant impact expected upon adoption of this standard.

- *AASB 15 Revenue from Contracts with Customers* (effective 1 January 2019)
AASB 1058 Income for Not-for-profit-entities (effective 1 January 2019)

AASB 15 is the new comprehensive standard for revenue and replaces AASB 118 *Revenue* and AASB 111 *Construction Contracts*. Under the new standard revenue is recognised when control of a good or service transfers to a customer, replacing the current principle that revenue is related to the transfer of risks and rewards. Revenue will only be recognised when control over the goods or services is transferred to the customer, either over time or at a point in time.

AASB 15 will apply to contracts that are exchange transactions. AASB 1004 *Contributions* will be superseded by AASB 1058 *Income of Not-for-Profit Entities* and provide guidance to assist not-for-profit entities to apply AASB 15. Proposed amendments will allow both reciprocal and non-reciprocal revenue from contracts with customers to be accounted for under AASB 15 where certain conditions are attached.

The new standard will have a significant impact on revenue from contracts that are exchange transactions and span multiple reporting periods. Additional disclosures will be required to enable users to understand the amount, timing and judgments related to revenue recognition and related cash flows.

The full impact of the new standard is not known and cannot be reliably estimated at 31 December 2016.

Notes to the financial statements (continued)

For the year ended 31 December 2016

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(aa) New accounting standards and interpretations (continued)

- AASB 16 *Leases*, issued February 2016 (effective 1 January 2019)

Under AASB 16, lessees will not be required to classify leases as either operating leases or finance leases. All leases will be presented in the financial statements as either leased assets (right-of-use) or with property, plant and equipment by recognising the present value of future lease payments. Interaction with AASB 13 *Fair Value Measurement* will require that assets received at significantly less than fair value, such as peppercorn leases, are recognised at fair value. Corresponding income will be recognised in accordance with AASB 15 or AASB 1058 as outlined above.

Lessor accounting requirements will be substantially consistent with the predecessor standard, AASB 117 *Leases*.

The new standard will significantly increase leased assets and financial liabilities recorded in the balance sheet. Additional disclosures will be required to enable users to understand the amount and timing related to the recognition of leases, impact on the profit and loss and related cash flows.

The full impact of the new standard is not known and cannot be reliably estimated at 31 December 2016.

- AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative* (effective 1 January 2017)

Amendments to AASB 107 *Statement of Cash Flows* requires additional disclosure in the statement of cash flows about changes in liabilities arising from financing activities, including both changes from cash flows and non-cash changes.

The University does not have external borrowings. Therefore, there is no material impact on financial statement disclosures expected upon adoption of this standard.

- AASB 2016-4 *Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities* (effective 1 January 2017)

AASB 2016-4 makes changes to AASB 16 *Impairment of Assets*. The amendment removes the reference to depreciated replacement cost as a measure of value in use for not-for profit entities and clarifies that the recoverable amount of non-cash-generating specialised assets of not-for-profit entities is expected to be materially the same as fair value. This standard only applies to specialised assets accounted for under the cost model and does not apply to revalued assets, such as the University's buildings and infrastructure.

There is no material impact expected upon adoption of this standard.

(ab) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 31 December 2016, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

Notes to the financial statements (continued)

For the year ended 31 December 2016

2 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP)

(a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Commonwealth Grants Scheme ^{#1}		225,001	216,176	225,001	216,176
Indigenous Support Program		2,388	2,401	2,388	2,401
Disability Support Program		155	113	155	113
Promotion of Excellence in Learning & Teaching		141	590	141	590
Higher Education Participation Program ^{#2}		9,110	8,229	9,110	8,229
Total Commonwealth Grants Scheme and Other Grants	38(a)	236,795	227,509	236,795	227,509

(b) Higher Education Loan Programs

HECS - HELP		122,102	122,506	122,102	122,506
FEE - HELP ^{#3}		15,707	17,436	15,707	17,436
SA - HELP		3,228	2,916	3,228	2,916
Total Higher Education Loan Programs	38(b)	141,037	142,858	141,037	142,858

(c) Scholarships

Australian Postgraduate Awards		6,622	6,378	6,622	6,378
International Postgraduate Research Scholarships		519	505	519	505
Commonwealth Education Costs Scholarship ^{#4}		291	249	291	249
Commonwealth Accommodation Scholarships ^{#4}		187	211	187	211
Indigenous Access scholarships		186	191	186	191
Total Scholarships	38(c)	7,805	7,534	7,805	7,534

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, CGS – Medical Student Loading and CGS – Special Advances from Future Years

#2 Includes Access and Participation Fund and National Priorities Pool

#3 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP

#4 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively

Notes to the financial statements (continued)

For the year ended 31 December 2016

2 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP) (CONTINUED)

(d) Education Research

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Joint Research Engagement Program		8,865	8,697	8,865	8,697
JRE Engineering Cadetships		146	140	146	140
Research Training Scheme		15,658	15,292	15,658	15,292
Research Infrastructure Block Grants		5,297	5,629	5,297	5,629
Sustainable Research Excellence in Universities		4,203	4,441	4,203	4,441
Other					
Total Education Research	38(d)	34,169	34,199	34,169	34,199

(e) Other Capital Funding

Education Investment Fund		3,586	-	3,586	-
Total Other Capital Funding	38(e)	3,586	-	3,586	-

(f) Australian Research Council

(i) Discovery

Projects ^{#5}		8,437	8,087	8,437	8,087
Fellowships		2,353	2,905	2,353	2,905
Indigenous Researchers Development		460	461	460	461
Total Discovery	38(f)(i)	11,250	11,453	11,250	11,453

(ii) Linkages

Infrastructure		155	-	155	-
Projects		1,587	1,567	1,587	1,567
Industrial Transformational Research Program		1,443	1,452	1,443	1,452
Total Linkages	38(f)(ii)	3,185	3,019	3,185	3,019

(iii) Networks and Centres

Centres		2,337	2,297	2,337	2,297
Total Networks and Centres	38(f)(iii)	2,337	2,297	2,337	2,297
Total Australian Research Council		16,772	16,769	16,772	16,769

#5 Includes Early Career Researcher Award

Notes to the financial statements (continued)

For the year ended 31 December 2016

2 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP) (CONTINUED)

(g) Other Australian Government financial assistance

		Consolidated		Parent	
	Note	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Non-capital					
National Health & Medical Research Council		17,943	15,122	17,943	15,122
Other Commonwealth Research Grant		11,864	11,595	11,864	11,595
Other Commonwealth Non-Research Grant		13,465	16,938	13,465	16,938
Total Other Australian Government financial assistance		43,272	43,655	43,272	43,655
Total Australian Government financial assistance		483,436	472,524	483,436	472,524
Reconciliation					
Australian Government grants		342,399	329,666	342,399	329,666
Higher Education Loan		141,037	142,858	141,037	142,858
Total Australian Government financial assistance		483,436	472,524	483,436	472,524

(h) Australian Government Grants received - cash basis

CGS and Other Education Grants		236,484	227,689	236,484	227,689
Higher Education Loan Programmes		139,650	142,786	139,650	142,786
Scholarships		7,805	7,534	7,805	7,534
Education research		34,169	34,059	34,169	34,059
Other Capital Funding		3,586	-	3,586	-
ARC grants - Discovery		11,250	11,453	11,250	11,453
ARC grants - Linkages		3,185	3,019	3,185	3,019
ARC grants - Networks and Centres		2,337	2,297	2,337	2,297
Other Australian Government Grants		45,092	14,525	45,092	14,525
Total Australian Government Grants received - cash basis		483,558	443,362	483,558	443,362
OS-Help (Net)	38(g)	1,700	512	1,700	512
Total Australian Government funding received - cash basis		485,258	443,874	485,258	443,874

Notes to the financial statements (continued)

For the year ended 31 December 2016

3 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Non-capital				
State and local government research grant	10,500	8,319	10,500	8,319
State government contributions	2,059	1,209	2,059	1,209
Total non-capital	12,559	9,528	12,559	9,528
Capital				
State government capital contributions	12,500	12,500	12,500	12,500
Total capital	12,500	12,500	12,500	12,500
Total state and local government financial assistance	25,059	22,028	25,059	22,028

4 FEES AND CHARGES

Course fees and charges

Fee-paying onshore overseas students	81,838	70,993	81,838	70,993
Fee-paying offshore overseas students	7,651	8,276	1,216	1,356
Fee-paying domestic postgraduate students	8,760	9,399	8,760	9,399
Fee-paying domestic undergraduate students	14	5	14	5
Fee-paying domestic non-award students	384	335	384	335
Course and conference fees	2,330	1,655	2,313	1,621
Course materials	505	559	505	559
Total course fees and charges	101,482	91,222	95,030	84,268

Other non-course fees and charges

Student accommodation	19,182	17,442	19,182	17,442
Student Services and Amenities Fees direct from students	3,722	4,073	3,722	4,073
Other fees and charges	6,321	5,555	6,318	5,660
Total other fees and charges	29,225	27,070	29,222	27,175
Total fees and charges	130,707	118,292	124,252	111,443

5 INVESTMENT REVENUE AND OTHER INVESTMENT INCOME

Investment revenue

Interest	3,752	10,558	3,668	10,209
Distributions received	25,111	11,917	25,111	11,917
Other investment revenue	4	265	4	3,265
Total investment revenue	28,867	22,740	28,783	25,391

Notes to the financial statements (continued)

For the year ended 31 December 2016

5 INVESTMENT REVENUE AND OTHER INVESTMENT INCOME (CONTINUED)

Other investment income

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Cumulative gain/(loss) reclassified from equity on disposal of available-for-sale investments	27,419	-	27,419	-
Gain/loss arising on held to maturity investments	1,028	199	1,028	199
Total other investment income	28,447	199	28,447	199

Cumulative (gains) /losses on available-for-sale investments transferred to the income statement are disclosed within note 26.

6 ROYALTIES, TRADEMARKS AND LICENCES

Licence fees	245	144	210	114
Royalties	325	730	-	-
Total royalties, trademarks and licences	570	874	210	114

7 CONSULTANCY AND CONTRACTS

Consultancy	1,763	1,206	1,613	1,204
Contract research				
Hunter Medical Research Institute	6,093	6,818	6,093	6,818
Co-operative research centre	367	765	367	765
Industry research	10,849	15,848	1,648	1,821
Other contract revenue	15,484	17,610	15,449	17,401
Total contract research	32,793	41,041	23,557	26,805
Total consultancy and contracts	34,556	42,247	25,170	28,009

8 OTHER REVENUE

Advertising	1,790	1,475	1,790	1,475
Cost recoveries	8,963	10,483	8,993	10,513
Donations and bequests	855	2,025	855	5,635
Insurance recoveries	948	2,026	744	2,026
Other related party revenue	-	-	4,139	1,681
Rental revenue	2,255	2,486	2,255	2,486
Sale of goods	1,241	1,425	1,241	1,425
Scholarships and prizes	1,439	1,371	1,439	1,381
Sponsorship	2,355	3,101	2,379	3,097
Other revenue	6,013	7,524	5,872	8,073
Total other revenue	25,859	31,916	29,707	37,792

Notes to the financial statements (continued)

For the year ended 31 December 2016

9 EMPLOYEE RELATED EXPENSES

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Academic					
Salaries		148,479	142,442	146,712	140,482
Contributions to superannuation and pension schemes					
- funded		20,305	19,283	20,220	19,211
- unfunded		2,088	2,213	2,088	2,213
Payroll tax		9,615	9,251	9,615	9,251
Worker's compensation		244	907	244	907
Long service leave expense		7,210	4,791	7,210	4,791
Annual leave		8,302	7,762	8,172	7,662
Parental leave		1,595	1,765	1,595	1,765
Contract severance		177	(1,185)	177	(1,185)
Voluntary separation		4,232	(69)	4,232	(69)
Total academic		202,247	187,160	200,265	185,028
Professional and teaching					
Salaries		144,456	140,520	140,585	134,821
Contributions to superannuation and pension schemes					
- funded		20,767	19,948	20,375	19,357
- unfunded		935	1,050	935	1,050
Payroll tax		10,117	9,744	9,908	9,410
Worker's compensation		224	984	224	937
Long service leave expense		1,293	3,284	1,170	3,150
Annual leave		12,778	13,020	12,424	12,513
Parental leave		1,604	1,774	1,604	1,774
Contract severance		101	(1,138)	101	(1,138)
Voluntary separation		3,851	5,690	3,851	5,690
Total professional and teaching		196,126	194,876	191,177	187,564
Total employee related expenses		398,373	382,036	391,442	372,592
Deferred superannuation expense	37	2,269	978	2,269	978
Total employee related expenses, including deferred government employee benefits for superannuation		400,642	383,014	393,711	373,570

Notes to the financial statements (continued)

For the year ended 31 December 2016

10 DEPRECIATION AND AMORTISATION

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings and infrastructure	23,272	23,855	23,272	23,855
Plant and equipment	17,929	13,883	17,810	13,752
Total depreciation	41,201	37,738	41,082	37,607
Amortisation				
Intangibles	2,449	1,484	2,434	1,344
Total depreciation and amortisation	43,650	39,222	43,516	38,951

11 REPAIRS AND MAINTENANCE

Repairs and maintenance - general	19,965	25,656	19,818	25,563
Buildings	3,886	4,014	3,885	4,013
Total repairs and maintenance	23,851	29,670	23,703	29,576

12 IMPAIRMENT OF ASSETS

Trade receivables	121	719	41	503
Intangibles	-	148	-	-
Total impairment of assets	121	867	41	503

13 OTHER EXPENSES

Advertising, marketing and promotional expenses	4,217	4,039	4,134	3,927
General consumables	26,552	25,604	26,030	25,006
Insurances	2,189	2,206	2,077	2,072
Minor equipment	16,407	15,487	15,662	14,697
Operating lease rental	4,115	3,858	4,099	3,843
Professional services	50,778	50,578	48,132	45,523
Scholarships, grants and prizes	40,125	39,525	39,963	39,484
Telecommunications	3,816	3,991	3,767	3,922
Travel, staff development and entertainment	21,898	20,223	21,464	19,149
Utilities	5,870	6,195	5,859	6,183
Other expenses	29,920	25,731	29,507	25,678
Total other expenses	205,887	197,437	200,694	189,484

Notes to the financial statements (continued)

For the year ended 31 December 2016

14 INCOME TAX

(a) Income tax expense

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Current tax	-	99	-	-
Adjustments for current tax of prior periods	31	-	-	-
Total	31	99	-	-
Income tax expense is attributable to:				
Net result from continuing operations	31	99	-	-
Aggregate income tax expense	31	99	-	-

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

Net result before income tax:

From continuing operations	83,248	61,727	83,297	66,533
Tax at the Australian tax rate of 30% (2015: 30%)	24,974	18,518	24,989	19,960
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income	(24,974)	(18,282)	(24,989)	(19,960)
Difference in overseas tax rates	-	(137)	-	-
Adjustment for current tax of prior periods	31	-	-	-
Total income tax expense:	31	99	-	-

15 CASH AND CASH EQUIVALENTS

Cash at bank and on hand	8,799	6,380	377	971
Deposits at call	12,581	18,821	12,501	15,871
Total cash and cash equivalents	21,380	25,201	12,878	16,842

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

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

Balances as above	21,380	25,201	12,878	16,842
Balance per statement of cash flows	21,380	25,201	12,878	16,842

(b) Cash at bank and on hand

Cash at bank and on hand earns floating interest rates between 0.65% and 1.70% (2015: 1.15% and 2.20%).

Notes to the financial statements (continued)

For the year ended 31 December 2016

15 CASH AND CASH EQUIVALENTS (CONTINUED)

(c) Deposits at call

The deposits are bearing floating interest rates between 1.05% and 1.55% (2015: 1.65% and 2.50%). These deposits have an average maturity of nil days.

16 RECEIVABLES

	Note	Consolidated		Parent	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current					
Trade receivables		10,540	15,632	9,895	12,526
Student fees		1,199	3,417	1,184	3,417
Provision for impairment		(400)	(1,163)	(322)	(967)
Subtotal		11,339	17,886	10,757	14,976
Prepayments		14,895	15,670	14,833	15,596
Related party receivables		-	-	768	2,631
Other receivables		3,843	2,824	3,783	2,765
Total current receivables		30,077	36,380	30,141	35,968
Non-current					
Related party receivables		-	-	-	500
Deferred government contribution for superannuation	37	417,906	413,926	417,906	413,926
Other receivables		3,019	2,151	3,019	2,151
Total non-current receivables		420,925	416,077	420,925	416,577
Total receivables		451,002	452,457	451,066	452,545

As at 31 December 2016 current receivables of \$3.06 million (2015: \$6.02 million) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

Less than 3 months	2,111	4,123	1,929	3,600
Over 3 months	944	1,896	652	1,723
Total past due but not impaired current receivables	3,055	6,019	2,581	5,323

Notes to the financial statements (continued)

For the year ended 31 December 2016

16 RECEIVABLES (CONTINUED)

(a) Impaired receivables

As at 31 December 2016 current receivables of the Group with a nominal value of \$0.40 million (2015: \$1.16 million) were impaired. The amount of the provision was \$0.40 million (2015: \$1.16 million). The individually impaired receivables mainly relate to student fees.

The ageing of these receivables is as follows:

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Less than 3 months	-	121	-	-
Over 3 months	400	1,042	322	967
Total current impaired receivables	400	1,163	322	967

Movements in the provision for impaired receivables are as follows:

At 1 January	1,163	1,152	967	1,122
Provision for impairment recognised during the year	403	1,163	322	967
Receivables written off during the year as uncollectible	(884)	(708)	(685)	(658)
Unused amount reversed	(282)	(444)	(282)	(464)
At 31 December	400	1,163	322	967

The creation and release of the provision for impaired receivables has been included in 'impairment of assets' in the income statement. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

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

17 INVENTORIES

Current

Retail stock on hand	27	18	27	18
Total current inventories	27	18	27	18

Notes to the financial statements (continued)

For the year ended 31 December 2016

18 OTHER FINANCIAL ASSETS

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Current				
Available-for-sale financial assets	53,966	-	53,966	-
Held-to-maturity investments	13,306	229,460	13,306	226,929
Total current other financial assets	67,272	229,460	67,272	226,929
Non-current				
Available-for-sale financial assets	379,158	242,632	378,091	241,744
Held-to-maturity investments	472	13,964	472	13,964
Total non-current other financial assets	379,630	256,596	378,563	255,708
Total other financial assets	446,902	486,056	445,835	482,637

Notes to the financial statements (continued)

For the year ended 31 December 2016

19 PROPERTY, PLANT AND EQUIPMENT

Consolidated	Capital Works in Progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Artwork and Libraries \$'000	Infrastructure \$'000	Total \$'000
At 1 January 2015							
- Cost	108,784	-	2,232	122,904	166	1,244	235,330
- Valuation	-	54,210	701,417	-	5,347	60,121	821,095
Accumulated depreciation and impairment	-	-	(3,209)	(77,878)	-	(592)	(81,679)
Net book amount	108,784	54,210	700,440	45,026	5,513	60,773	974,746
Year ended 31 December 2015							
Opening net book amount	108,784	54,210	700,440	45,026	5,513	60,773	974,746
Additions	59,247	5,650	-	-	-	-	64,897
Assets disposals	-	-	-	(1,193)	(11)	(787)	(1,991)
Transfers	(119,318)	-	98,587	16,829	160	3,742	-
Revaluation increase/(decrease) recognised in equity	-	1,553	(11,928)	-	-	1,422	(8,953)
Depreciation charge	-	-	(21,438)	(13,884)	-	(2,418)	(37,740)
Closing net book amount	48,713	61,413	765,661	46,778	5,662	62,732	990,959
At 31 December 2015							
- Cost	48,713	-	4,346	124,363	315	72	177,809
- Valuation	-	61,413	766,383	-	5,347	63,057	896,200
Accumulated depreciation and impairment	-	-	(5,068)	(77,585)	-	(397)	(83,050)
Net book amount	48,713	61,413	765,661	46,778	5,662	62,732	990,959
Year ended 31 December 2016							
Opening net book amount	48,713	61,413	765,661	46,778	5,662	62,732	990,959
Additions	99,554	-	-	-	-	-	99,554
Assets disposals	-	(2,513)	(1,471)	(574)	(1,529)	-	(6,087)
Transfers	(38,852)	-	15,399	21,376	130	1,947	-
Revaluation increase/(decrease) recognised in equity	-	(5,993)	(84,374)	-	(1,387)	1,759	(89,995)
Depreciation charge	-	-	(20,827)	(17,929)	-	(2,445)	(41,201)
Closing net book amount	109,415	52,907	674,388	49,651	2,876	63,993	953,230
At 31 December 2016							
- Cost	109,415	-	18,040	143,487	2,876	777	274,595
- Valuation	-	52,907	661,233	-	-	63,625	777,765
Accumulated depreciation and impairment	-	-	(4,885)	(93,836)	-	(409)	(99,130)
Net book amount	109,415	52,907	674,388	49,651	2,876	63,993	953,230

Notes to the financial statements (continued)

For the year ended 31 December 2016

19 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Parent	Capital Works in Progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Artwork and Libraries \$'000	Infrastructure \$'000	Total \$'000
At 1 January 2015							
- Cost	108,784	-	2,232	122,077	166	1,244	234,503
- Valuation	-	54,210	701,417	-	5,347	60,121	821,095
Accumulated depreciation and impairment	-	-	(3,209)	(77,368)	-	(592)	(81,169)
Net book amount	108,784	54,210	700,440	44,709	5,513	60,773	974,429
Year ended 31 December 2015							
Opening net book amount	108,784	54,210	700,440	44,709	5,513	60,773	974,429
Additions	58,999	5,650	-	-	-	-	64,649
Assets disposals	-	-	-	(1,144)	(11)	(787)	(1,942)
Transfers	(119,070)	-	98,587	16,581	160	3,742	-
Revaluation increase/(decrease) recognised in equity	-	1,553	(11,928)	-	-	1,422	(8,953)
Depreciation charge	-	-	(21,438)	(13,753)	-	(2,418)	(37,609)
Closing net book amount	48,713	61,413	765,661	46,393	5,662	62,732	990,574
At 31 December 2015							
- Cost	48,713	-	4,346	123,367	315	72	176,813
- Valuation	-	61,413	766,383	-	5,347	63,057	896,200
Accumulated depreciation and impairment	-	-	(5,068)	(76,974)	-	(397)	(82,439)
Net book amount	48,713	61,413	765,661	46,393	5,662	62,732	990,574
Year ended 31 December 2016							
Opening net book amount	48,713	61,413	765,661	46,393	5,662	62,732	990,574
Additions	99,548	-	-	-	-	-	99,548
Assets disposals	-	(2,513)	(1,471)	(574)	(1,529)	-	(6,087)
Transfers	(38,854)	-	15,399	21,378	130	1,947	-
Revaluation increase/(decrease) recognised in equity	-	(5,993)	(84,374)	-	(1,387)	1,759	(89,995)
Depreciation charge	-	-	(20,827)	(17,810)	-	(2,445)	(41,082)
Closing net book amount	109,407	52,907	674,388	49,387	2,876	63,993	952,958
At 31 December 2016							
- Cost	109,407	-	18,040	142,517	2,876	777	273,617
- Valuation	-	52,907	661,233	-	-	63,625	777,765
Accumulated depreciation and impairment	-	-	(4,885)	(93,130)	-	(409)	(98,424)
Net book amount	109,407	52,907	674,388	49,387	2,876	63,993	952,958

Notes to the financial statements (continued)

For the year ended 31 December 2016

19 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Valuations of land and buildings

The University's land and buildings were revalued at 31 October 2016 by independent valuers CBRE Valuations Pty Limited. Valuations for land were made on the basis of sales evidence and is the estimated amount for which an asset should exchange on the valuation date between a willing buyer and seller in an arm's length transaction, after proper marketing and where the parties have acted knowledgeably, prudently and without compulsion. Buildings and infrastructure, which are of a specialised educational nature and rarely sold in the open market, were valued using industry construction rates adjusted for estimated useful lives and proprietary data of the valuation expert. The revaluation decrement net of applicable deferred income taxes was debited to an asset revaluation reserve in equity.

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

At 31 December 2016, non-current assets of \$1.75 million (2015: Nil) were classified as held for sale. Non-current assets held for sale are carried at the lower of the carrying amount or the fair value less costs to sell. For the fair value of the non-current asset see note 36.

Notes to the financial statements (continued)

For the year ended 31 December 2016

20 INTANGIBLE ASSETS

Consolidated	Computer software \$'000	Intellectual property \$'000	Total \$'000
At 1 January 2015			
Cost	24,670	3,642	28,312
Accumulated amortisation and impairment	(22,735)	(3,177)	(25,912)
Net book amount	1,935	465	2,400
Year ended 31 December 2015			
Opening net book amount	1,935	465	2,400
Additions	2,478	357	2,835
Disposals	(217)	-	(217)
Work in progress	1,889	-	1,889
Amortisation	(1,329)	(156)	(1,485)
Impairment losses	-	(148)	(148)
Closing net book amount	4,756	518	5,274
At 31 December 2015			
Cost	21,505	1,053	22,558
Accumulated amortisation and impairment	(16,749)	(535)	(17,284)
Net book amount	4,756	518	5,274
Year ended 31 December 2016			
Opening net book amount	4,756	518	5,274
Additions	5,165	474	5,639
Disposals	94	-	94
Work in progress	2,434	-	2,434
Amortisation	(2,297)	(152)	(2,449)
Closing net book amount	10,152	840	10,992
At 31 December 2016			
Cost	18,104	1,527	19,631
Accumulated amortisation and impairment	(7,952)	(687)	(8,639)
Net book amount	10,152	840	10,992

Notes to the financial statements (continued)

For the year ended 31 December 2016

20 INTANGIBLE ASSETS (CONTINUED)

Parent	Computer software \$'000	Intellectual property \$'000	Total \$'000
At 1 January 2015			
Cost	24,592	-	24,592
Accumulated amortisation and impairment	(22,658)	-	(22,658)
Net book amount	1,934	-	1,934
Year ended 31 December 2015			
Opening net book amount	1,934	-	1,934
Additions	2,478	446	2,924
Disposals	(217)	-	(217)
Work in progress	1,889	-	1,889
Amortisation	(1,329)	(15)	(1,344)
Closing net book amount	4,755	431	5,186
At 31 December 2015			
Cost	21,428	446	21,874
Accumulated amortisation and impairment	(16,673)	(15)	(16,688)
Net book amount	4,755	431	5,186
Year ended 31 December 2016			
Opening net book amount	4,755	431	5,186
Additions	5,165	443	5,608
Disposals	94	-	94
Work in progress	2,434	-	2,434
Amortisation	(2,297)	(136)	(2,433)
Closing net book amount	10,151	738	10,889
At 31 December 2016			
Cost	18,027	889	18,916
Accumulated amortisation and impairment	(7,876)	(151)	(8,027)
Net book amount	10,151	738	10,889

21 TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current				
Trade payables	46,111	40,127	45,048	38,326
OS-HELP liability to Australian Government	3,317	1,617	3,317	1,617
Other payables	2,502	3,393	1,875	2,623
Total current trade and other payables	51,930	45,137	50,240	42,566

Notes to the financial statements (continued)

For the year ended 31 December 2016

21 TRADE AND OTHER PAYABLES (CONTINUED)

	Consolidated		Parent	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Non-current				
Other non current payables	21	151	21	151
Total non-current trade and other payables	21	151	21	151
Total trade and other payables	51,951	45,288	50,261	42,717

(a) Foreign currency risk

The carrying amounts of the Group's and parent entity's trade and other payables are denominated in the following currencies:

Australian Dollars	51,029	44,622	49,667	42,521
Canadian Dollars	2	2	2	2
Chinese Yuan	10	-	10	-
Euros	19	3	19	3
Indonesian Rupiah	1	-	1	-
Great British Pounds	2	80	2	80
Norwegian Krone	21	-	21	-
New Zealand Dollars	1	1	1	1
Singaporean Dollars	329	470	1	-
Swedish Kronas	-	3	-	3
US Dollars	537	107	537	107
Total	51,951	45,288	50,261	42,717

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 35.

22 BORROWINGS

Current

Unsecured bank loans	-	85,000	-	85,000
Total current borrowings	-	85,000	-	85,000

Notes to the financial statements (continued)

For the year ended 31 December 2016

22 BORROWINGS (CONTINUED)

(a) Financing arrangements

Unrestricted access was available at reporting date to the following lines of credit. All facilities are unsecured.

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Credit card facility				
Total facilities	10,300	10,300	10,000	10,000
Used at balance date	(1,957)	(1,643)	(1,931)	(1,643)
Unused at balance date	8,343	8,657	8,069	8,357
Bank overdraft facility				
Total facilities	10,000	10,000	10,000	10,000
Used at balance date	-	-	-	-
Unused at balance date	10,000	10,000	10,000	10,000
Bank loan facilities				
Total facilities	-	85,000	-	85,000
Used at balance date	-	(85,000)	-	(85,000)
Unused at balance date	-	-	-	-

(b) Fair value

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

Consolidated	2016		2015	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
On-balance sheet				
Unsecured bank loan	-	-	85,000	85,000
	-	-	85,000	85,000

Notes to the financial statements (continued)

For the year ended 31 December 2016

23 PROVISIONS

		Consolidated		Parent	
		2016	2015	2016	2015
	Note	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months					
Employee benefits					
Annual leave		17,335	18,485	16,968	18,035
Long service leave		14,235	14,931	14,191	14,837
Contract severance		302	377	302	377
Redundancy		5,113	3,493	5,113	3,493
Pension entitlements	37	1,807	1,740	1,807	1,740
Parental leave		976	1,556	976	1,556
Unused sick leave		834	900	834	900
		40,602	41,482	40,191	40,938
Current provisions expected to be settled after more than 12 months					
Employee benefits					
Annual leave		6,563	5,283	6,400	5,235
Long service leave		49,407	46,703	48,989	46,339
Contract severance		2,237	2,384	2,237	2,384
		58,207	54,370	57,626	53,958
Total current provisions		98,809	95,852	97,817	94,896
Non-current provisions					
Employee benefits					
Long service leave		13,799	13,995	13,525	13,797
Pension entitlements	37	32,687	33,377	32,687	33,377
Defined benefit obligation	37	417,906	413,926	417,906	413,926
Total non-current provisions		464,392	461,298	464,118	461,100
Total provisions		563,201	557,150	561,935	555,996

Provision for annual leave

This provision is for outstanding annual leave liabilities that employees have not yet taken. The calculation is based on historical data on leave taken. The measurement and recognition criteria relating to employee benefits has been included in note 1(v) to this report.

Provision for long service leave

This provision is for outstanding long service leave liabilities that employees have not yet taken. The calculation of the present value of future cash flows in respect of long service leave being taken has been calculated by independent third parties based on historical data provided by the University. The measurement and recognition criteria relating to employee benefits has been included in note 1(v).

Provision for contract severance

This provision is for the payment of separation amounts relating to eligible employees on fixed term contracts. The calculation is based on historical data on the length of service of eligible contract employees, the probability that they will be eligible for payment upon termination and the history of actual claims. The measurement and recognition criteria

Notes to the financial statements (continued)

For the year ended 31 December 2016

23 PROVISIONS (CONTINUED)

relating to employee benefits has been included in note 1(v) to this report.

Provision for parental leave

A provision has been recognised for employee entitlements relating to parental leave. The measurement and recognition criteria relating to employee benefits has been included in note 1(v) to this report.

Provision for unused sick leave

This provision is for costs relating to the amount the University expects to pay as a result of the unused entitlement accumulated at the end of the year. The measurement and recognition criteria relating to employee benefits has been included in note 1(v) to this report.

Provision for redundancy

This provision is for costs relating to the redundancy of employees. The measurement and recognition criteria relating to employee benefits has been included in note 1(v) to this report.

Provision for pension entitlements

A provision has been recognised for employee pension entitlements. Refer to note 37 for detail.

Provision for defined government benefits for superannuation

A provision has been recognised for employee entitlements relating to deferred government benefits for superannuation. Refer to note 37 for detail.

24 OTHER FINANCIAL LIABILITIES

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Derivative financial instruments	-	2,201	-	2,201
Total other financial liabilities	-	2,201	-	2,201

(a) Interest rate swap contract – cash flow hedges

During the year the University continued to utilise its variable rate bank loan. It is policy to protect the loan from exposure to increasing interest rates. Accordingly, the group has entered into an interest rate swap contract under which it is obliged to receive interest at the variable loan rate and to pay interest at a fixed rate. The swap contract has been nominated as a cash flow hedge.

The swap covers 100% of the variable loan principal outstanding and is timed to expire as the bank loan expires. The fixed interest rate was 4.52% (2015: 4.52%) and the variable rate was 2.61% (2015: 3.09%) when the loan expired on 29 November 2016.

The contracts require settlement of net interest receivable or payable quarterly. The settlement dates coincide with the dates on which interest is payable on the underlying debt. The contracts are settled on a net basis.

The gain or loss from remeasuring the hedging instrument at fair value is recognised in other comprehensive income and deferred in equity in the hedging reserve to the extent that the hedge is effective. There was no hedge ineffectiveness during the year.

25 OTHER LIABILITIES

Current

State Government unspent grant	20,000	-	20,000	-
Income received in advance	20,214	17,131	18,510	13,920
Total current other liabilities	40,214	17,131	38,510	13,920

Notes to the financial statements (continued)

For the year ended 31 December 2016

26 RESERVES AND RETAINED EARNINGS

(a) Reserves

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Foreign currency translation surplus	1,030	1,086	-	-
Hedging reserve	-	(2,201)	-	(2,201)
Property, plant and equipment revaluation surplus	423,950	515,436	423,950	515,436
Available-for-sale investments revaluation	22,468	41,824	21,918	41,502
Defined benefit actuarial remeasurements	(1,186)	(1,998)	(1,186)	(1,998)
Total reserves	446,262	554,147	444,682	552,739
Movements				
Foreign currency translation surplus				
Balance 1 January	1,086	677	-	-
Currency translation differences arising during the year	(56)	409	-	-
Balance 31 December	1,030	1,086	-	-
Hedging reserve				
Balance 1 January	(2,201)	(3,594)	(2,201)	(3,594)
Revaluation increment (decrement)	2,201	1,393	2,201	1,393
Balance 31 December	-	(2,201)	-	(2,201)
Property, plant and equipment revaluation surplus				
Balance 1 January	515,437	524,390	515,437	524,390
Revaluation increment (decrement)	(89,995)	(8,953)	(89,995)	(8,953)
Transfer to retained earnings	(1,492)	-	(1,492)	-
Balance 31 December	423,950	515,437	423,950	515,437
Available-for-sale investments revaluation				
Balance 1 January	41,824	36,137	41,502	35,998
Revaluation increment (decrement)	8,063	5,687	7,835	5,504
Reclassification to profit and loss	(27,419)	-	(27,419)	-
Balance 31 December	22,468	41,824	21,918	41,502
Defined benefit actuarial remeasurements				
Balance 1 January	(1,999)	(2,085)	(1,999)	(2,085)
Revaluation increment (decrement)	813	86	813	86
Balance 31 December	(1,186)	(1,999)	(1,186)	(1,999)
Total reserves	446,262	554,147	444,682	552,739

Notes to the financial statements (continued)

For the year ended 31 December 2016

26 RESERVES AND RETAINED EARNINGS (CONTINUED)

Movements in retained earnings were as follows:

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Retained earnings at 1 January	698,949	637,321	695,229	628,696
Net result for the period	83,217	61,628	83,297	66,533
Transfer from reserves	1,492	-	1,492	-
Retained earnings at 31 December	<u>783,658</u>	<u>698,949</u>	<u>780,018</u>	<u>695,229</u>

(b) Nature and purpose of reserves

Foreign currency translation surplus : exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 1 and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed.

Hedging reserve : the hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised in other comprehensive income, as described in note 1. Amounts are reclassified to the income statement when the associated hedged transaction affects profit or loss.

Property, plant and equipment revaluation : used to record increments and decrements on the revaluation of property, plant and equipment, as described in note 1. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings.

Available-for-sale investments revaluation : changes in the fair value and exchange differences arising on translation of investments, such as equities, classified as available-for-sale financial assets, are recognised in other comprehensive income, as described in note 1 and accumulated in a separate reserve within equity. Amounts are reclassified to the income statement when the associated assets are sold or impaired.

Defined benefit actuarial remeasurements : actuarial remeasurements arising on valuation of the pension are recognised in other comprehensive income as described in note 1(v) and accumulated in a separate reserve within equity.

Notes to the financial statements (continued)

For the year ended 31 December 2016

27 KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Names of responsible persons and executive officers

The following persons were members of the Council of The University of Newcastle during the financial year:

Mr Paul Jeans
Professor Caroline McMillen
Ms Dianne Allen
Professor Mark Jones
Conjoint Professor Geoff Lillis
Ms Deborah Wright
Mr Robert Kennedy
Ms Michelle McPherson
Professor Pablo Moscato
Dr Roslyn Larkin
Ms Jann Gardner
Mr John Bowers
Mr Doug Dean AM
Mr Michael Robertson
Ms Julie Phillips
Mr Phillip Johnson

(b) Other key management personnel

The following persons were members of the Executive Committee of the University of Newcastle and as such also had authority and responsibility for planning, directing and controlling the activities of The University of Newcastle during the financial year:

Professor Caroline McMillen
Mr Nat McGregor
Professor Andrew Parfitt
Professor Kevin Hall
Laureate Professor John Aitken
Professor Liz Burd
Professor Richard Dunford
Mr Paul Dunn
Mrs Winnie Eley
Professor John Germov
Professor Deborah Hodgson
Professor Brett Ninness
Professor Michael McManus
Professor Richard Bush
Professor John Fischetti
Professor Kevin Lyons

Notes to the financial statements (continued)

For the year ended 31 December 2016

27 KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(c) Remuneration of board members and executives

	Consolidated		Parent	
	2016	2015	2016	2015
	Number	Number	Number	Number
Remuneration of council members				
Nil	2	3	2	3
\$1 to \$9,999	2	1	2	1
\$10,000 to \$19,999	5	7	5	7
\$20,000 to \$29,999	1	-	1	-
\$40,000 to \$49,999	1	1	1	1
\$100,000 to \$109,999	-	1	-	1
\$130,000 to \$139,999	-	1	-	1
\$140,000 to \$149,999	1	1	1	1
\$170,000 to \$179,999	1	-	1	-
\$190,000 to \$199,999	-	1	-	1
\$200,000 to \$209,999	1	-	1	-
\$250,000 to \$259,999	-	1	-	1
\$260,000 to \$269,999	1	-	1	-
\$760,000 to \$769,999	-	1	-	1
\$840,000 to \$849,999	1	-	1	-
	16	18	16	18
Remuneration of executive officers				
\$1 to \$9,999	1	-	1	-
\$10,000 to \$19,999	-	1	-	1
\$20,000 to \$29,999	1	-	1	-
\$90,000 to \$99,999	1	-	1	-
\$240,000 to \$249,999	1	-	1	-
\$280,000 to \$289,999	-	1	-	1
\$340,000 to \$349,999	2	2	2	2
\$350,000 to \$359,999	1	4	1	4
\$360,000 to \$369,999	2	-	2	-
\$370,000 to \$379,999	1	-	1	-
\$410,000 to \$419,999	-	2	-	2
\$420,000 to \$429,999	1	-	1	-
\$430,000 to \$439,999	-	1	-	1
\$440,000 to \$449,999	1	-	1	-
\$450,000 to \$459,999	1	1	1	1
\$480,000 to \$489,999	-	1	-	1
\$490,000 to \$499,999	1	-	1	-
\$500,000 to \$509,999	1	-	1	-
\$760,000 to \$769,999	-	1	-	1
\$840,000 to \$849,999	1	-	1	-
	16	14	16	14

Notes to the financial statements (continued)

For the year ended 31 December 2016

27 KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(c) Remuneration of board members and executives (continued)

Remuneration bands for the Vice-Chancellor appear in both tables in note 27(c) as this position is a member of both Council and Executive Committee.

(d) Key management personnel compensation

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	5,651	5,402	5,651	5,402
Post-employment benefits	826	828	826	828
Other long-term benefits	22	-	22	-
Termination benefits	131	126	131	126
Total key management personnel compensation	6,630	6,356	6,630	6,356

28 REMUNERATION OF AUDITORS

During the year, the following fees were paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated		Parent	
	2016	2015	2016	2015
	\$	\$	\$	\$
Audit the financial statements				
Audit Office of NSW	345,500	345,500	275,900	275,900
BDO Singapore	1,997	18,770	-	-
PwC Singapore	43,826	-	-	-
Total paid for audit	391,323	364,270	275,900	275,900
Other services				
Audit Office of NSW	16,395	16,395	16,395	16,395
BDO Singapore	-	3,870	-	-
Total other services	16,395	20,265	16,395	16,395

Other services provided by the Audit Office of NSW include the audit of the Higher Education Research Data Collection (HERDC) return. Other services provided by BDO Singapore in 2015 included the preparation of the financial statements of UON Singapore Pte Ltd.

29 CONTINGENCIES

Contingent liabilities

(i) Bank guarantee

The University has \$2.24 million bank guarantees predominantly being security for a rental bond which expires on 31 May 2027 (2015: \$2.18 million).

Notes to the financial statements (continued)

For the year ended 31 December 2016

29 CONTINGENCIES (CONTINUED)

Contingent liabilities (continued)

(ii) Excess salaries

In February 2015, the Department of Education formalised the agreement between the Commonwealth, the NSW State Government and each University in respect to the funding arrangements for the State Superannuation funds and the method of calculation and recovery by the State Trustee for excess salaries. At 31 December 2016 the University has a possible obligation to compensate the State Trustee in respect of excess salaries that have not yet been crystallised by the retirement of SASS or SSS members. The obligation will only be confirmed at the time that the member exits the fund and where the member's final pensionable salary is in excess of the member's notional salary. The estimated potential expense at 31 December 2016 is \$0.21 million (2015: \$0.27 million).

Contingent assets

At 31 December 2016, the Group had no contingent assets (2015: efficiency dividend \$6.87 million; insurance claims \$1.6 million).

30 COMMITMENTS

(a) Capital commitments

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

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment				
Within one year	33,631	68,229	33,631	68,229
Total property, plant and equipment commitments	33,631	68,229	33,631	68,229

(b) Lease commitments

(i) Operating Leases

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	5,414	5,411	5,222	5,059
Between one and five years	12,247	11,149	12,190	11,016
Later than five years	1,081	3,047	1,081	3,047
Total future minimum lease payments	18,742	19,607	18,493	19,122

(c) Other expenditure commitments

Commitments in existence at the reporting date but not recognised as liabilities are payable as follows:

Within one year	53,930	76,336	53,930	76,336
Total	53,930	76,336	53,930	76,336

Notes to the financial statements (continued)

For the year ended 31 December 2016

31 INTERESTS IN OTHER ENTITIES

(a) Subsidiaries

The Group's principal subsidiaries at 31 December 2016 are set out below in accordance with the accounting policy described in note 1(b). The proportion of ownership interest held by the Group equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal place of business	Ownership interest	
		2016 %	2015 %
The University of Newcastle Research Associates Ltd (formerly Newcastle Innovation Ltd, company limited by guarantee)	Australia	100.00	100.00
UON Singapore Pte Ltd	Singapore	100.00	100.00

(i) Significant restrictions

Cash and short-term deposits held in Singapore are subject to local exchange control regulations. These regulations provide for restrictions on exporting capital from Singapore, other than through normal dividends.

The carrying amount of the assets included within the consolidated financial statements to which these restrictions apply is \$4.52 million (2015: \$4.88 million).

(b) Interests in associates

Set out below are the associates of the Group as at 31 December 2016 which, in the opinion of management, are material to the Group. The proportion of ownership interest held by the Group equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal place of business	Measurement method	Ownership interest/voting rights held by the Group		Carrying amount	
			2016 %	2015 %	2016 \$'000	2015 \$'000
Hunter Medical Research Institute ¹	Australia	Equity method	27.00	27.00	-	-
NUSport ²	Australia	Equity method	30.00	30.00	-	-
ResTech ³	Australia	Equity method	30.00	30.00	193	191

¹ Hunter Medical Research Institute is a company limited by guarantee, whose constitution prohibits the distribution of funds to its members. Accordingly the carrying amount has been equity accounted at nil value and as such no financial information has been disclosed. Hunter Medical Research Institute has a 30 June reporting period.

² NUSport is a company limited by guarantee, whose constitution prohibits the distribution of funds to its members. Accordingly the carrying amount has been equity accounted at nil value and as such no financial information has been disclosed. NUSport has a 31 December reporting period.

³ ResTech Pty Limited is an associate acquired in 2007. For the purposes of the University's financial statements, the University's equity interest is based on the unaudited financial statements for the year ended 30 June 2016.

Notes to the financial statements (continued)

For the year ended 31 December 2016

32 EVENTS OCCURRING AFTER THE REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

33 RECONCILIATION OF NET RESULT AFTER INCOME TAX TO NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES

	Consolidated		Parent	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Net result for the period	83,217	61,628	83,297	66,533
Depreciation and amortisation	43,650	39,222	43,516	38,951
Impairment of intangible assets	-	148	-	-
Net (gain) / loss on sale of property, plant and equipment	2,940	1,936	2,940	1,936
Net (gain) / loss on disposal of financial assets	(28,447)	(199)	(28,447)	(199)
Net exchange differences	5	85	-	-
Net amortisation of bond premiums (discounts)	6	16	6	16
Non-cash donation from subsidiary	-	-	-	(446)
Non-cash donation to the University - Artwork & Shares	(133)	-	(133)	-
Change in operating assets and liabilities:				
(Increase) / decrease in trade debtors	6,634	3,822	3,922	3,395
(Increase) / decrease in other receivables	(1,334)	(23,127)	(960)	(23,550)
(Increase) / decrease in related party receivables	-	-	2,363	(251)
(Increase) / decrease in inventories	(9)	2	(9)	2
(Increase) / decrease in other financial assets	(22,226)	(11,448)	(22,226)	(11,448)
Increase / (decrease) in trade creditors	5,718	3,650	6,954	5,585
Increase / (decrease) in other operating liabilities	21,717	3,195	22,816	4,432
Increase / (decrease) in provision for income taxes payable	(99)	(133)	-	-
Increase / (decrease) in other provisions	2,882	20,238	2,770	21,315
Net cash provided by / (used in) operating activities	114,521	99,035	116,809	106,271

34 NON-CASH INVESTING AND FINANCING ACTIVITIES

Acquisition of available-for-sale financial assets as a result of reinvested distributions	21,821	10,066	21,821	10,066
	21,821	10,066	21,821	10,066

Notes to the financial statements (continued)

For the year ended 31 December 2016

35 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the University Council. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The University Council provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Singapore and US dollars.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Management has set up a policy requiring Group companies to manage their foreign exchange risk against their functional currency.

The Group Treasury's risk management position is not to hedge the cash flows at present, because the amount of exposure has been determined to be immaterial in terms of the possible impact on the income statement or total equity.

(ii) Price risk

The Group and the parent entity are exposed to price risk arising from available-for-sale investments on the statement of financial position. Neither the Group nor the parent entity is exposed to commodity price risk.

To manage its price risk arising from available-for-sale investments, the Group diversifies its portfolio. Diversification of the portfolio is in accordance with the limits set by the Group.

(iii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Group policy is to maintain approximately 100% of its borrowings at fixed rates using interest rate swaps to achieve this when necessary. During 2016 and 2015, the Group's borrowings were denominated in Australian Dollars.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on the income statement of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

Notes to the financial statements (continued)

For the year ended 31 December 2016

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risk (continued)

Based on the various scenarios, the Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. The Group has raised long-term borrowings at floating rates and swapped them into fixed rates that are lower than those that were available if the Group borrowed at fixed rates directly. Under the interest rate swaps, the Group agrees with other parties to exchange, at monthly intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

At 31 December 2016, if interest rates had changed by $\pm 1\%$ from the year end rates with all other variables held constant, the result for the year would have changed by $\pm \$0.4$ million (2015: $\pm \$1.9$ million), mainly as a result of the impact on interest income from cash and cash equivalents.

(iv) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Group's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%	+1%	-10%	+10%	-15%	+15%	Result	Equity	Result	Equity	Result	Equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2016													
Financial assets													
Cash and cash equivalents	21,380	(214)	(214)	214	214	(452)	(452)	452	452	-	-	-	-
Receivables	436,107	-	-	-	-	-	-	-	-	-	-	-	-
Available for sale financial assets	433,124	-	-	-	-	-	-	-	-	-	(64,969)	-	64,969
Held-to-maturity financial assets	13,778	(138)	(138)	138	138	-	-	-	-	-	-	-	-
Financial liabilities													
Payables	51,951	-	-	-	-	(93)	(93)	93	93	-	-	-	-
Total increase/(decrease)		(352)	(352)	352	352	(545)	(545)	545	545	-	(64,969)	-	64,969
31 December 2015													
Financial assets													
Cash and cash equivalents	25,201	(252)	(252)	252	252	(485)	(485)	485	485	-	-	-	-
Receivables	436,787	-	-	-	-	-	-	-	-	-	-	-	-
Available for sale financial assets	242,632	-	-	-	-	-	-	-	-	-	(36,395)	-	36,395
Held-to-maturity financial assets	243,424	(2,434)	(2,434)	2,434	2,434	-	-	-	-	-	-	-	-
Financial liabilities													
Payables	45,288	-	-	-	-	(67)	(67)	67	67	-	-	-	-
Borrowings	85,000	850	850	(850)	(850)	-	-	-	-	-	-	-	-
Other financial liabilities	2,201	(22)	(22)	22	22	-	-	-	-	-	-	-	-
Total increase/(decrease)		(1,858)	(1,858)	1,858	1,858	(552)	(552)	552	552	-	(36,395)	-	36,395

Notes to the financial statements (continued)

For the year ended 31 December 2016

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'BBB+' are accepted. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Council. Fees from students are settled in cash or using major credit cards, mitigating credit risk.

The carrying amount of financial assets (as contained in the table in subnote (c)) represents the Group's maximum exposure to credit risk.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

The following tables summarise the maturity of the Group's financial liabilities:

	Weighted average effective int. rate	\$'000				\$'000		
		Nominal amount	Interest rate exposure			Maturity dates		
			Fixed interest rate	Variable interest rate	Non-interest bearing	<1 year	1-5 years	>5 years
31 December 2016								
Financial liabilities								
Payables	-	51,951	-	-	51,951	51,951	-	-
		51,951	-	-	51,951	51,951	-	-
31 December 2015								
Financial liabilities								
Payables	-	45,288	-	-	45,288	45,288	-	-
Borrowings	4.50	85,000	-	85,000	-	85,000	-	-
Derivative financial instruments	-	2,201	2,201	-	-	2,201	-	-
		132,489	2,201	85,000	45,288	132,489	-	-

Notes to the financial statements (continued)

For the year ended 31 December 2016

36 FAIR VALUE MEASUREMENT

(a) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the current receivables, their carrying value approximates their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due. Similarly, the carrying value of current payables is also expected to approximate fair value.

The carrying amounts and aggregate fair values of financial assets and financial liabilities at balance date are:

		Carrying Amount		Fair Value	
		2016	2015	2016	2015
Consolidated	Note	\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	15	21,380	25,201	21,380	25,201
Receivables	16	436,107	436,787	436,107	436,787
Other financial assets					
Held-to-maturity	18	13,778	243,424	13,778	243,424
Available-for-sale	18	433,124	242,632	433,124	242,632
Total financial assets		904,389	948,044	904,389	948,044
Financial liabilities					
Borrowings	22	-	85,000	-	85,000
Other financial liabilities	24	-	2,201	-	2,201
Total financial liabilities		-	87,201	-	87,201

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Available-for-sale financial assets
- Land, buildings and infrastructure
- Derivative financial instruments

(b) Fair value hierarchy

The Group categorises assets and liabilities measured at fair value on a recurring basis into a hierarchy based on the level of inputs used in measurement.

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Notes to the financial statements (continued)

For the year ended 31 December 2016

36 FAIR VALUE MEASUREMENT (CONTINUED)

(b) Fair value hierarchy (continued)

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2016.

Fair value measurements at 31 December 2016

Consolidated	Note	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Available-for-sale financial assets	18	433,124	-	433,124	-
Total financial assets		433,124	-	433,124	-
Non-financial assets					
Land, buildings and infrastructure	19				
Land		52,907	-	52,907	-
Buildings		661,233	-	1,560	659,673
Infrastructure		63,625	-	-	63,625
Non-recurring measurements					
Held for sale non-current assets		1,753	-	1,753	-
Total non-financial assets		779,518	-	56,220	723,298

Fair value measurements at 31 December 2015

Recurring fair value measurements

Financial assets					
Available-for-sale financial assets	18	242,632	233,034	9,598	-
Total financial assets		242,632	233,034	9,598	-
Non-financial assets					
Land, buildings and infrastructure	19				
Land		61,413	-	61,413	-
Buildings		766,383	-	766,383	-
Infrastructure		63,057	-	63,057	-
Total non-financial assets		890,853	-	890,853	-
Financial liabilities					
Derivative financial instruments	24	2,201	2,201	-	-
Total liabilities		2,201	2,201	-	-

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. The available-for-sale financial assets classified as level 1 at 31 December 2015 were disposed of during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Notes to the financial statements (continued)

For the year ended 31 December 2016

36 FAIR VALUE MEASUREMENT (CONTINUED)

(b) Fair value hierarchy (continued)

(ii) Disclosed fair values

The Group has a number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes.

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading securities) is based on quoted market prices for identical assets or liabilities at the reporting date (level 1). This is the most representative of fair value in the circumstances.

The fair values of held-to-maturity investments are disclosed in note 18 were determined by reference to published price quotations in an active market (level 1).

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables.

The fair value of borrowings disclosed in note 22 approximates the carrying amount, as the terms of the borrowings are interest only.

(c) Valuation techniques used to derive level 2 and level 3 fair values

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and do not rely on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. All of the resulting fair value estimates are included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments

All of the resulting fair value estimates are included in level 2 except for buildings and infrastructure which are explained in note 36(d).

Buildings and infrastructure (classified as property, plant and equipment) are valued independently at least every three years. At the end of each reporting period, the Group updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Group determines the asset's value within a range of reasonable fair value estimates.

Notes to the financial statements (continued)

For the year ended 31 December 2016

36 FAIR VALUE MEASUREMENT (CONTINUED)

(c) Valuation techniques used to derive level 2 and level 3 fair values (continued)

(i) Recurring fair value measurements (continued)

The best evidence of fair values is current prices in an active market for similar assets. Where such information is not available, the Group considers information from a variety of sources, including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

All resulting fair value estimates of infrastructure are included in Level 3 except for land, while buildings are split between both Level 2 and Level 3.

(d) Fair value measurements using significant unobservable inputs (level 3)

The following table is a reconciliation of level 3 items for the periods ended 31 December 2016.

Consolidated

Level 3 fair value measurement 2016	Infrastructure \$'000	Buildings \$'000	Total \$'000
Opening balance	-	-	-
Transfers from level 2	659,673	63,625	723,298
Closing balance	659,673	63,625	723,298

(i) Transfers between levels 2 and 3 and changes in valuation techniques

The valuation of land, buildings and infrastructure for 2016 was performed by CBRE Valuations Pty Limited (CBRE), having appropriately recognised qualifications and experience. The fair values applied to land assets were derived from sales evidence (level 2). The fair values applied to buildings and infrastructure, which are of a specialised educational nature and rarely sold in the open market, were derived from industry construction rates adjusted for estimated useful lives and proprietary data of the valuation expert. This resulted in buildings and infrastructure being reclassified from Level 2 to Level 3.

Notes to the financial statements (continued)

For the year ended 31 December 2016

36 FAIR VALUE MEASUREMENT (CONTINUED)

(d) Fair value measurements using significant unobservable inputs (level 3) (continued)

(ii) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Consolidated

Description	Fair value at 31 December 2016 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Buildings	659,673	Remaining useful life	+ / 5%	Increase term of useful life by 5% would increase fair value by \$33.0m. Decrease term of useful life by 5% would decrease fair value by \$33.0m.
Infrastructure	63,625	Remaining useful life	+ / 5%	Increase term of useful life by 5% would increase fair value by \$3.2m. Decrease term of useful life by 5% would decrease fair value by \$3.2m.

*There was no significant inter-relationship between unobservable inputs that materially affects fair value.

37 DEFINED BENEFITS PLANS

(a) Fund specific disclosure

The University of Newcastle incurs an obligation for deferred contributions which become payable on and after retirement of staff in respect of the following defined benefit schemes:

NSW State Superannuation Scheme (SSS)

NSW State Authorities Superannuation Scheme (SASS)

NSW State Authorities Non-Contributory Superannuation Scheme (SANCS)

Pension entitlements arising from the former University of Newcastle Staff Superannuation Scheme

The arrangements regarding the SANCS, SSS and SASS schemes are described in Note 1(v).

The University of Newcastle expects to make a contribution of \$1.90 million (2015: \$2.20 million) to the NSW State schemes during the next financial year.

As an unfunded, non-contributory entitlement, the University will not make a contribution to the pension entitlement during the next financial year.

Notes to the financial statements (continued)

For the year ended 31 December 2016

37 DEFINED BENEFITS PLANS (CONTINUED)

(a) Fund specific disclosure (continued)

The weighted average duration of the defined benefit obligation is 11 years (2015: 11 years). The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Defined benefit obligations - 31 December 2016	30,234	30,583	88,135	467,563	616,515
Defined benefit obligations - 31 December 2015	29,096	29,979	89,188	476,246	624,509
Pension benefit obligations - 31 December 2016	1,912	2,295	6,718	29,404	40,329
Pension benefit obligations - 31 December 2015	1,804	2,212	6,692	31,352	42,060

(b) Categories of plan assets

The analysis of the plan assets at the end of the reporting period is as follows:

	2016 (%)	2015 (%)
	Active Market	Active Market
Australian equities	24.70	24.00
International equities	31.10	31.40
Australian fixed interest	5.60	6.70
International fixed interest	1.90	2.10
Property	9.00	8.70
Short term securities	5.60	7.50
Alternatives	22.10	19.60
Total	100.00	100.00

The principal assumptions used for the purposes of the actuarial valuations were as follows (expressed as weighted averages):

	Consolidated	
	2016	2015
	%	%
Discount rate(s)	2.78	2.90
Expected rate(s) of CPI increase	1.75	2.30
Expected rate(s) of salary increase	2.50	2.50

(c) Actuarial assumptions and sensitivity

The sensitivity of the defined benefit obligation to change in the significant assumptions is:

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate	1.00 %	Decrease by 9.6%	Increase by 11.5%
CPI growth rate	0.50 %	Increase by 5.1%	Decrease by 4.7%
Salary growth rate	0.50 %	Increase by 0.3%	Decrease by 0.3%

Notes to the financial statements (continued)

For the year ended 31 December 2016

37 DEFINED BENEFITS PLANS (CONTINUED)

(c) Actuarial assumptions and sensitivity (continued)

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

Notes to the financial statements (continued)

For the year ended 31 December 2016

37 DEFINED BENEFITS PLANS (CONTINUED)

(d) Statement of financial position amounts

Amounts recognised in the statement of financial position - 2016	Note	\$'000 Pension	\$'000 SANCS	\$'000 SSS	\$'000 SASS	\$'000 Total
Liabilities						
Provision for deferred government benefits for superannuation		-	4,152	406,547	7,207	417,906
Provision for pension entitlements		29,749	-	-	-	29,749
add: On-costs on pension entitlements		4,745	-	-	-	4,745
Total liabilities recognised in the statement of financial position	23	34,494	4,152	406,547	7,207	452,400
Assets						
Receivable for deferred government benefit for superannuation		-	4,152	406,547	7,207	417,906
Total assets recognised in the statement of financial position	16	-	4,152	406,547	7,207	417,906
Net liability recognised in the statement of financial position		34,494	-	-	-	34,494
Net liability reconciliation - 2016						
Defined benefit obligation		29,749	7,849	432,164	51,985	521,747
Fair value of plan assets		-	(3,698)	(25,615)	(44,778)	(74,091)
Net liability		29,749	4,151	406,549	7,207	447,656
Present value of obligation - 2016						
Opening defined benefit obligation		30,156	8,555	444,402	57,196	540,309
Current service cost		-	331	548	1,624	2,503
Interest expense		2,269	233	12,587	1,576	16,665
		32,425	9,119	457,537	60,396	559,477
Remeasurements						
Actuarial losses/(gains) arising from changes in financial assumptions		(813)	49	1,162	231	629
Experience (gains)/losses		-	(46)	(7,949)	(437)	(8,432)
		(813)	3	(6,787)	(206)	(7,803)
Contributions from plan participants		-	-	237	714	951
		-	-	237	714	951
Payments from plan						
Benefits paid		(1,863)	(1,230)	(21,098)	(8,715)	(32,906)
Taxes, premiums and expenses paid		-	(43)	2,275	(204)	2,028
		(1,863)	(1,273)	(18,823)	(8,919)	(30,878)
Closing defined benefit obligation		29,749	7,849	432,164	51,985	521,747

Notes to the financial statements (continued)

For the year ended 31 December 2016

37 DEFINED BENEFITS PLANS (CONTINUED)

(d) Statement of financial position amounts (continued)

		\$'000	\$'000	\$'000	\$'000	\$'000
	Note	Pension	SANCS	SSS	SASS	Total
Present value of plan assets - 2016						
Opening fair value of plan assets		-	4,600	42,511	49,115	96,226
Interest (income)		-	122	937	1,363	2,422
		-	4,722	43,448	50,478	98,648
Remeasurements						
Return on plan assets, excluding amounts included in net interest expense		-	54	446	1,061	1,561
		-	54	446	1,061	1,561
Contributions						
Employers		-	195	307	1,444	1,946
Plan participants		-	-	237	714	951
		-	195	544	2,158	2,897
Payments from plan						
Benefits paid		-	(1,230)	(21,098)	(8,715)	(31,043)
Taxes, premiums and expenses paid		-	(43)	2,275	(204)	2,028
		-	(1,273)	(18,823)	(8,919)	(29,015)
Closing fair value of plans assets		-	3,698	25,615	44,778	74,091

Amounts recognised in the statement of financial position - 2015

Liabilities

Provision for deferred government benefits for superannuation		-	3,954	401,891	8,081	413,926
Provision for pension entitlements		30,156	-	-	-	30,156
add: On-costs on pension entitlements		4,961	-	-	-	4,961

Total liabilities recognised in the statement of financial position

23 35,117 3,954 401,891 8,081 449,043

Assets

Receivable for deferred government benefit for superannuation		-	3,954	401,891	8,081	413,926
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Total assets recognised in the statement of financial position

16 - 3,954 401,891 8,081 413,926

Net liability recognised in the statement of financial position

35,117 - - - 35,117

Net liability reconciliation - 2015

Defined benefit obligation		30,156	8,554	444,402	57,196	540,308
Fair value of plan assets		-	(4,600)	(42,512)	(49,115)	(96,227)
Net liability		30,156	3,954	401,890	8,081	444,081

Notes to the financial statements (continued)

For the year ended 31 December 2016

37 DEFINED BENEFITS PLANS (CONTINUED)

(d) Statement of financial position amounts (continued)

		\$'000	\$'000	\$'000	\$'000	\$'000
	Note	Pension	SANCS	SSS	SASS	Total
Present value of obligation - 2015						
Opening defined benefit obligation		31,097	9,196	440,555	59,426	540,274
Current service cost		-	372	555	1,823	2,750
Interest expense		978	248	12,176	1,590	14,992
		<u>32,075</u>	<u>9,816</u>	<u>453,286</u>	<u>62,839</u>	<u>558,016</u>
Remeasurements						
Actuarial losses/(gains) arising from changes in demographic assumptions		-	(63)	16,368	1,016	17,321
Actuarial losses/(gains) arising from changes in financial assumptions		(86)	2	(3,792)	(28)	(3,904)
Experience (gains)/losses		-	(146)	(3,131)	1,272	(2,005)
		<u>(86)</u>	<u>(207)</u>	<u>9,445</u>	<u>2,260</u>	<u>11,412</u>
Contributions from plan participants		-	-	323	684	1,007
		<u>-</u>	<u>-</u>	<u>323</u>	<u>684</u>	<u>1,007</u>
Payments from plan						
Benefits paid		(1,833)	(1,212)	(20,356)	(8,479)	(31,880)
Taxes, premiums and expenses paid		-	157	1,704	(108)	1,753
		<u>(1,833)</u>	<u>(1,055)</u>	<u>(18,652)</u>	<u>(8,587)</u>	<u>(30,127)</u>
Closing defined benefit obligation		<u>30,156</u>	<u>8,554</u>	<u>444,402</u>	<u>57,196</u>	<u>540,308</u>
Present value of plan assets - 2015						
Opening fair value of plan assets		-	5,113	58,568	53,295	116,976
Interest (income)		-	138	1,370	1,436	2,944
		<u>-</u>	<u>5,251</u>	<u>59,938</u>	<u>54,731</u>	<u>119,920</u>
Remeasurements						
Return on plan assets, excluding amounts included in net interest expense		-	34	608	851	1,493
		<u>-</u>	<u>34</u>	<u>608</u>	<u>851</u>	<u>1,493</u>
Contributions						
Employers		-	370	295	1,434	2,099
Plan participants		-	-	323	684	1,007
		<u>-</u>	<u>370</u>	<u>618</u>	<u>2,118</u>	<u>3,106</u>
Payments from plan						
Benefits paid		-	(1,212)	(20,356)	(8,477)	(30,045)
Taxes, premiums and expenses paid		-	157	1,704	(108)	1,753
		<u>-</u>	<u>(1,055)</u>	<u>(18,652)</u>	<u>(8,585)</u>	<u>(28,292)</u>
Closing fair value of plans assets		<u>-</u>	<u>4,600</u>	<u>42,512</u>	<u>49,115</u>	<u>96,227</u>

Notes to the financial statements (continued)

For the year ended 31 December 2016

37 DEFINED BENEFITS PLANS (CONTINUED)

(e) Amounts recognised in other statements

Amounts recognised in the income statement - 2016

The amounts recognised in the income statement are restricted to the pension scheme in accordance with note 1(v). The amounts are included in employee related expenses (note 9).

		\$'000	\$'000	\$'000	\$'000	\$'000
	Note	Pension	SANCS	SSS	SASS	Total
Current service cost		2,269	-	-	-	2,269
Total expense recognised in the income statement	9	<u>2,269</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,269</u>

Amounts recognised in other comprehensive income - 2016

The amounts recognised in the statement of comprehensive income are restricted to the pension scheme in accordance with note 1(v). The amounts are included in reserves (note 26).

Remeasurements

Actuarial losses (gains) arising from changes in financial assumptions

		(813)	-	-	-	(813)
Total remeasurements in other comprehensive income		<u>(813)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(813)</u>
Total amounts recognised in the statement of comprehensive income	26	<u>(813)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(813)</u>

Amounts recognised in the income statement - 2015

The amounts recognised in the income statement are restricted to the pension scheme in accordance with note 1(v). The amounts are included in employee related expenses (note 9).

Current service cost		978	-	-	-	978
Total expense recognised in the income statement	9	<u>978</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>978</u>

Amounts recognised in other comprehensive income - 2015

The amounts recognised in the statement of comprehensive income are restricted to the pension scheme in accordance with note 1(v). The amounts are included in reserves (note 26).

Remeasurements

Actuarial losses (gains) arising from changes in financial assumptions

		(86)	-	-	-	(86)
Total remeasurements in other comprehensive income		<u>(86)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(86)</u>
Total amounts recognised in the statement of comprehensive income	26	<u>(86)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(86)</u>

Notes to the financial statements (continued)

For the year ended 31 December 2016

38 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

(a) Education - CGS and other Education grants

	Note	Commonwealth Grants Scheme #1		Indigenous Support Program		Disability Support Program	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Parent entity (University) only							
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	224,690	216,356	2,388	2,401	155	113
Net accrual adjustments		311	(180)	-	-	-	-
Revenue for the period	2(a)	225,001	216,176	2,388	2,401	155	113
Surplus/(deficit) from the previous year		-	-	-	-	-	-
Total revenue including accrued revenue		225,001	216,176	2,388	2,401	155	113
Less expenses including accrued expenses		(225,001)	(216,176)	(2,388)	(2,401)	(155)	(113)
Surplus/(deficit) for reporting period		-	-	-	-	-	-

	Note	Promotion of Excellence in Learning and Teaching		Higher Education Participation Program #2		Total	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	141	590	9,110	8,229	236,484	227,689
Net accrual adjustments		-	-	-	-	311	(180)
Revenue for the period	2(a)	141	590	9,110	8,229	236,795	227,509
Surplus/(deficit) from the previous year		659	293	195	198	854	491
Total revenue including accrued revenue		800	883	9,305	8,427	237,649	228,000
Less expenses including accrued expenses		(381)	(224)	(8,016)	(8,232)	(235,941)	(227,146)
Surplus/(deficit) for reporting period		419	659	1,289	195	1,708	854

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, CGS - Medical Student Loading, and CGS - Special Advances from Future Years

#2 Includes Access and Participation Fund and National Priorities Pool

Notes to the financial statements (continued)

For the year ended 31 December 2016

38 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(b) Higher education loan programmes (excl OS-HELP)

		HECS-HELP (Australian Government payments only)		FEE-HELP #3		SA-HELP		Total	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Parent entity (University) only	Note								
Cash payable/(receivable) at the beginning of the year	2(h)	1,032	1,058	15	117	(4)	(60)	1,043	1,115
Financial assistance received in CASH during the reporting period		121,705	122,480	14,721	17,334	3,224	2,972	139,650	142,786
Cash available for period		122,737	123,538	14,736	17,451	3,220	2,912	140,693	143,901
Revenue earned	2(b)	122,102	122,506	15,707	17,436	3,228	2,916	141,037	142,858
Cash Payable/(Receivable) at end of year		635	1,032	(971)	15	(8)	(4)	(344)	1,043

#3 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP

Notes to the financial statements (continued)

For the year ended 31 December 2016

38 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(c) Scholarships

	Note	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships #4	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Parent entity (University) only							
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	6,622	6,378	519	505	291	249
Revenue for the period	2(c)	6,622	6,378	519	505	291	249
Surplus/(deficit) from the previous year		1,161	847	(68)	51	-	-
Total revenue including accrued revenue		7,783	7,225	451	556	291	249
Less expenses including accrued expenses		(6,254)	(6,064)	(458)	(624)	(291)	(249)
Surplus/(deficit) for reporting period		1,529	1,161	(7)	(68)	-	-

	Note	Commonwealth Accommodation Scholarships #4		Indigenous Access Scholarship		Total	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	187	211	186	191	7,805	7,534
Revenue for the period	2(c)	187	211	186	191	7,805	7,534
Surplus/(deficit) from the previous year		(3)	-	-	21	1,090	919
Total revenue including accrued revenue		184	211	186	212	8,895	8,453
Less expenses including accrued expenses		(184)	(214)	(186)	(212)	(7,373)	(7,363)
Surplus/(deficit) for reporting period		-	(3)	-	-	1,522	1,090

#4 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively

Notes to the financial statements (continued)

For the year ended 31 December 2016

38 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(d) Education Research

	Note	Joint Research Engagement		JRE Engineering Cadetships		Research Training Scheme	
		2016	2015	2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity (University) only #5							
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	8,865	8,697	146	-	15,658	15,292
Net accrual adjustments		-	-	-	140	-	-
Revenue for the period	2(d)	8,865	8,697	146	140	15,658	15,292
Surplus/(deficit) from the previous year		370	16	349	209	10	15
Total revenue including accrued revenue		9,235	8,713	495	349	15,668	15,307
Less expenses including accrued expenses		(9,132)	(8,343)	(9)	-	(15,668)	(15,297)
Surplus/(deficit) for reporting period		103	370	486	349	-	10

	Note	Research Infrastructure Block Grants		Sustainable Research Excellence in Universities		Total	
		2016	2015	2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	5,297	5,629	4,203	4,441	34,169	34,059
Net accrual adjustments		-	-	-	-	-	140
Revenue for the period	2(d)	5,297	5,629	4,203	4,441	34,169	34,199
Surplus/(deficit) from the previous year		303	116	-	994	1,032	1,350
Total revenue including accrued revenue		5,600	5,745	4,203	5,435	35,201	35,549
Less expenses including accrued expenses		(5,585)	(5,442)	(4,203)	(5,435)	(34,597)	(34,517)
Surplus/(deficit) for reporting period		15	303	-	-	604	1,032

#5 The reported surpluses for Joint Research Engagement, JRE Engineering Cadetships and Research Infrastructure Block Grants of \$0.61 million for 2016 are expected to be rolled over for future use by Education.

Notes to the financial statements (continued)

For the year ended 31 December 2016

38 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(e) Other Capital Funding

	Note	Education Investment Fund		Total	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Parent entity (University) only					
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	3,586	-	3,586	-
Revenue for the period	2(e)	3,586	-	3,586	-
Surplus/(deficit) from the previous year		-	18,008	-	18,008
Total revenue including accrued revenue		3,586	18,008	3,586	18,008
Less expenses including accrued expenses		(3,586)	(18,008)	(3,586)	(18,008)
Surplus/(deficit) for reporting period		-	-	-	-

(f) Australian Research Council Grants

	Note	Projects #6		Fellowships		Indigenous Researchers Development		Total Discovery	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
(i) Discovery									
Parent entity (University) only									
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	8,437	8,087	2,353	2,905	460	461	11,250	11,453
Revenue for the period	2(f)	8,437	8,087	2,353	2,905	460	461	11,250	11,453
Surplus/(deficit) from the previous year		5,523	5,916	2,271	2,493	105	96	7,899	8,505
Total revenue including accrued revenue		13,960	14,003	4,624	5,398	565	557	19,149	19,958
Less expenses including accrued expenses		(8,313)	(8,480)	(2,890)	(3,127)	(455)	(452)	(11,658)	(12,059)
Surplus/(deficit) for reporting period		5,647	5,523	1,734	2,271	110	105	7,491	7,899

#6 Includes Early Career Researcher Award

	Note	Infrastructure		Projects		Industrial Transformational Research Program		Total Linkages	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
(ii) Linkages									
Parent entity (University) only									
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	155	-	1,587	1,567	1,443	1,452	3,185	3,019
Revenue for the period	2(f)	155	-	1,587	1,567	1,443	1,452	3,185	3,019
Surplus/(deficit) from the previous year		-	-	1,463	1,822	2,363	1,867	3,826	3,689
Total revenue including accrued revenue		155	-	3,050	3,389	3,806	3,319	7,011	6,708
Less expenses including accrued expenses		-	-	(1,773)	(1,926)	(1,236)	(956)	(3,009)	(2,882)
Surplus/(deficit) for reporting period		155	-	1,277	1,463	2,570	2,363	4,002	3,826

Notes to the financial statements (continued)

For the year ended 31 December 2016

38 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

		Centres		Total Networks and Centres	
		2016	2015	2016	2015
(iii) Networks and Centres					
Parent entity (University) only	Note	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2(h)	2,337	2,297	2,337	2,297
Revenue for the period	2(f)	2,337	2,297	2,337	2,297
Surplus/(deficit) from the previous year		(255)	51	(255)	51
Total revenue including accrued revenue		2,082	2,348	2,082	2,348
Less expenses including accrued expenses		(2,123)	(2,603)	(2,123)	(2,603)
Surplus/(deficit) for reporting period		(41)	(255)	(41)	(255)

(g) OS-HELP

		2016	2015
	Note	\$'000	\$'000
Parent entity (University) only			
Cash received during the reporting period		5,451	3,745
Cash spent during the reporting period		(3,751)	(3,233)
Net cash received	2(h)	1,700	512
Cash surplus/(deficit) from the previous period		1,617	1,105
Cash surplus/(deficit) for reporting period	21	3,317	1,617

Notes to the financial statements (continued)

For the year ended 31 December 2016

38 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(h) Student Services and Amenities Fee

		2016	2015
	Note	\$'000	\$'000
Parent entity (University) only			
Unspent/(overspent) revenue from previous period		1,736	898
SA - HELP revenue earned	2(b)	3,228	2,916
Student Services and Amenities Fees direct from students	4	3,722	4,073
Total revenue expendable in period		8,686	7,887
Student services expenses during period		(6,965)	(6,151)
Unspent/(overspent) student services and amenities revenue		1,721	1,736

39 LAND USE AND VALUES

In accordance with Section 41B 1(d) of the *Public Finance and Audit Act 1983* (NSW), the summary of land use and valuations is as follows

Land use

Mixed teaching, research, student accommodation and other University purposes including commercial tenancies	31,497	37,155
Student accommodation or leased to residential tenants	7,635	8,045
Teaching research and other University purposes	13,775	16,213
	52,907	61,413

Statement by Members of Council

As at 31 December 2016

In accordance with a resolution of the members of Council under s.16 of the *University of Newcastle Act 1989* (NSW) and pursuant to Section 41C of the *Public Finance & Audit Act 1983* (NSW), we state that to the best of our knowledge and belief:

(a) The attached general purpose financial reports present a true and fair view of the financial position of the University at 31 December 2016 and its financial performance for the year then ended.

(b) The financial reports have been prepared in accordance with the provisions of the *Public Finance & Audit Act 1983* (NSW), the *Public Finance & Audit Regulation 2015* (NSW) and the Financial Statement Guidelines for Australian Higher Education Providers for the 2016 Reporting Period issued by the Australian Government Department of Education.

(c) The financial reports has been prepared in accordance with Australian Accounting Standards, AASB Interpretations and other mandatory professional reporting requirements.

(d) We are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate.



(e) There are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.

(f) The amount of Australian Government financial assistance expended during the reporting period was for the purpose for which it was intended and the University has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure.

(g) The University of Newcastle charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

(h) The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (Cwth) and are signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

On behalf of the Council of The University of Newcastle.


.....
Mr Paul Jeans
Chancellor
.....
Ms Dianne Allen
Chair Finance Committee

Dated 31 March 2017

Auditor's Independence Declaration



To the Chancellor
University of Newcastle

Auditor's Independence Declaration

As auditor for the audit of the financial statements of the University of Newcastle for the year ended 31 December 2016, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read "Margaret Crawford".

Margaret Crawford
Auditor-General

30 March 2017
SYDNEY

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

The University of Newcastle

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the University of Newcastle (the University), which comprise the statements of financial position as at 31 December 2016, the income statements, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by Members of Council of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the University and the consolidated entity, as at 31 December 2016, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015
- comply with the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2016 Reporting Period' (the Guidelines), issued by the Australian Government Department of Education and Training, pursuant to the *Higher Education Support Act 2003*, the *Higher Education Funding Act 1988* and the *Australian Research Council Act 2001*
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the University in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Independent Auditor's Report

The PF&A Act further promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services.

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

I confirm the independence declaration provided to the University on 30 March 2017, would be in the same terms if provided to the University as at the time of this Independent Auditor's Report.

University Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the PF&A Act, the Guidelines and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Council determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council must assess the University's ability to continue as a going concern unless the University will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_files/ar7.pdf.

The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the University carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General

Appendices

The University of Newcastle

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Appendix A: Five year key statistics

	Category	2012	2013	2014	2015	2016	% Change 2012-2016	% Change 2015-2016
Number of students ¹	Total	37439	39129	40210	38109	37181	-0.7	-2.4
	Commencing	17587	18353	18775	15940	16091	-8.5	0.9
Student load ²	Total	25013	26192	26093	25187	24514	-2.0	-2.7
	Undergraduate	18605	19094	18977	18645	18205	-2.2	-2.4
	Postgraduate	4199	4568	4663	4102	3873	-7.8	-5.6
	Other (Enabling, ELICOS, Non Award)	2208	2531	2453	2440	2436	10.3	-0.2
Funding type ³	Commonwealth- supported	18512	19392	19444	19081	18732	1.2	-1.8
	Fee-paying overseas	4788	4908	4571	4355	4296	-10.3	-1.3
	Fee-paying domestic	1713	1892	2079	1751	1486	-13.3	-15.1
Award completions ⁴	Total	7041	7483	7408	7384	7064	0.3	-4.3
	Undergraduate	4416	4466	4500	4572	4501	1.9	-1.6
	Postgraduate	2625	3017	2908	2812	2563	-2.4	-8.9
Full-time staff (FTE) ⁵	Total	2596	2670	2635	2644	2672	2.9	1.1
	Academic	1046	1066	1060	1035	1068	2.1	3.2
	Professional	1550	1604	1576	1610	1604	3.5	-0.3
Work function (FTE)	Teaching only	31	36	35	26	29	-7.7	10.3
	Research only	387	404	412	394	436	12.7	10.5
	Teaching and research	758	756	751	751	746	-1.6	-0.7
	Other	1420	1475	1437	1473	1462	2.9	-0.8
	Total	440	472	427	442	469	6.6	6.1
Casual staff ⁶	Academic	282	296	262	250	264	-6.5	5.5
	Professional	158	175	165	192	205	30.1	6.8

Notes

Rounding errors may occur.

Data subject to revision.

Student data source: MIS 31 January 2017.

Staff data source: Department of Education Higher Education Staff Statistics.

1 Number of students represents the number of student enrolments in programs, full year.

2 Student load represents the sum of the load for each semester expressed in Equivalent Full-time Student Load (EFTSL), full year.

3 Funding type expressed in Equivalent Full-time Student Load (EFTSL).

4 Award completions represents the number of completed program enrolments for undergraduate and postgraduate award programs. Completion year is based on the official government completion year of April 1 - March 31. Data source: MIS 17 March 2017.

5 Staff full-time equivalent positions occupied by full-time and part-time staff members as at March 31 (excluding Independent Operations). 2016 work function FTE previously submitted to the Department of Education and Training revised as at 13 March 2017.

6 Casual staff full-time full year equivalent positions occupied during year (excluding Independent Operations). 2016 data is preliminary and subject to validation and submission to Department of Education and Training at 30 Jun 2017.

B: Academic program development

Academic Senate program development and assurance

During 2016 the Academic Senate and its committees reviewed the academic content of 61 new programs and recommended their establishment to Council. Academic Senate approved the discontinuation of 6 existing programs. Professional accreditation was received for 6 programs and the Newcastle Business School; and 9 programs were externally reviewed.

Academic Senate program development

Faculty of Business and Law

- Master of Innovation Management and Entrepreneurship
- Graduate Certificate in Innovation Management and Entrepreneurship

Faculty of Education and Arts

- Bachelor of Creative Industries
- Bachelor of Music/Bachelor of Arts
- Bachelor of Music

Faculty of Engineering and Built Environment

- Bachelor of Computer Science
- Bachelor of Engineering (Honours) (Surveying)
- Bachelor of Engineering (Honours) (Mechanical)
- Bachelor of Engineering (Honours) (Mechatronics)
- Bachelor of Engineering (Honours) (Chemical)
- Bachelor of Engineering (Honours) (Civil)
- Bachelor of Engineering (Honours) (Electrical and Electronic)
- Bachelor of Engineering (Honours) (Software)
- Bachelor of Engineering (Honours) (Computer Systems)
- Bachelor of Engineering (Honours) (Environmental)
- Bachelor of Engineering (Mining Transfer Program)
- Bachelor of Engineering (Honours) (Electrical and Electronic)/ Bachelor of Engineering (Honours) (Computer Systems)
- Bachelor of Engineering (Honours) (Civil)/Bachelor of Engineering (Honours) (Environmental)
- Bachelor of Engineering (Honours) (Mechatronics)/ Bachelor of Engineering (Honours) (Electrical and Electronic)
- Bachelor of Engineering (Honours) (Civil)/ Bachelor of Business
- Bachelor of Engineering (Honours) (Electrical and Electronic)/ Bachelor of Business
- Bachelor of Engineering (Honours) (Chemical)/Bachelor of Business
- Bachelor of Engineering (Honours) (Environmental)/Bachelor of Science
- Bachelor of Engineering (Honours) (Mechanical)/Bachelor of Business
- Bachelor of Engineering (Honours) (Mechatronics)/Bachelor of Business

- Bachelor of Engineering (Honours) (Surveying)/Bachelor of Business
- Bachelor of Engineering (Honours) (Civil)/ Bachelor of Engineering (Honours) (Surveying)
- Bachelor of Engineering (Honours) (Mechanical)/Bachelor of Engineering (Honours) (Mechatronics)
- Bachelor of Engineering (Honours) (Chemical)/Bachelor of Science
- Bachelor of Engineering (Honours) (Chemical)/Bachelor of Mathematics
- Bachelor of Engineering (Honours) (Civil)/ Bachelor of Mathematics
- Bachelor of Engineering (Honours) (Electrical and Electronic)/ Bachelor of Mathematics
- Bachelor of Engineering (Honours) (Mechanical)/ Bachelor of Mathematics
- Bachelor of Engineering (Honours) (Mechanical)/ Bachelor of Science
- Bachelor of Engineering (Honours) (Mechatronics)/ Bachelor of Mathematics
- Bachelor of Engineering (Honours) (Computer Systems)/ Bachelor of Business
- Bachelor of Engineering (Honours) (Computer Systems)/ Bachelor of Computer Science
- Bachelor of Engineering (Honours) (Computer Systems)/ Bachelor of Mathematics
- Bachelor of Engineering (Honours) (Electrical and Electronic)/ Bachelor of Science
- Bachelor of Engineering (Honours) (Mechatronics)/ Bachelor of Science
- Bachelor of Engineering (Honours) (Computer Systems)/ Bachelor of Science
- Master of Professional Engineering (Software)
- Master of Professional Engineering (Environmental)
- Master of Professional Engineering (Civil)
- Master of Professional Engineering (Geospatial Engineering and Surveying)
- Master of Professional Engineering (Chemical)
- Master of Professional Engineering (Computer Systems)
- Master of Professional Engineering (Electrical and Electronics)
- Master of Professional Engineering (Mechatronics)
- Master of Professional Engineering (Mechanical)
- Master of Disaster Resilience and Sustainable Development
- Master of Philosophy (Disaster Management)
- Doctor of Philosophy (Disaster Management)

Academic Senate program development (continued)

Faculty of Health and Medicine

- Associate Degree in Integrated Care in Ageing
- Bachelor of Biomedical Science
- Master of Bio-Innovation and Design

Faculty of Science and Information Technology

- Bachelor of Development Studies/Bachelor of Social Science
- Bachelor of Development Studies/Bachelor of Business
- Bachelor of Food Science and Human Nutrition/Bachelor of Business
- Bachelor of Psychological Science
- Bachelor of Psychological Science (Honours)

Accreditation

English Language and Foundation Studies Centre

- In May, the University's English Language Centre at Callaghan received the National English Language Training Accreditation Scheme (NEAS) Quality Endorsement for a period of two years.
- The University's English Language and Foundation Centre in Sydney also received the NEAS Quality Endorsement in September 2016 for two years.

Faculty of Business and Law

- The Australian Marketing Institute (AIM) accredited the Master of Marketing until 2019. AIM also accredited the Marketing major within the Bachelor of Business until 2019.
- Exemptions may apply for the Association of Chartered Certified Accountants (ACCA) for graduates who complete Master of Professional Accounting and the Bachelor of Commerce (Accounting Major) until December 2017.
- The Newcastle Business School was granted Initial Business Accreditation by the Association to Advance Collegiate Schools of Business (AACSB) to 2021.
- The Association of International Accountants (AIA) has granted specific exemptions to graduates of the University's Bachelor of Commerce and Bachelor of Commerce/Bachelor of Laws (Honours) programs until December 2019.

Faculty of Health and Medicine

- The Bachelor of Occupational Therapy (Honours) was accredited by the Occupational Therapy Council (Australia and New Zealand) until 30 June 2021.
- Our new Bachelor of Medical Science/Doctor of Medicine program has been accredited for five years by the Medical Board of Australia as providing an approved qualification for the purposes of general registration. The Bachelor of Medical Science/Doctor of Medicine is a joint medical program with the University of New England.

Academic program review

In 2016 the following external program reviews were conducted:

Faculty of Business and Law

- Master of Professional Accounting, Master of Professional Accounting (Advanced), Graduate Certificate in Professional Accounting

Faculty of Health and Medicine

- Master of Midwifery Studies
- Master of Public Health
- Bachelor of Nursing and Bachelor of Nursing (Honours)

Faculty of Science and Information Technology

- Bachelor of Food Science and Human Nutrition and Bachelor of Food Science and Human Nutrition (Honours)

These faculties are preparing responses and action plans, and the implementation of approved recommendations will be monitored by the Academic Senate.

C: Student statistics

Table 1: Student load (EFTSL) by student type

	2012	2013	2014	2015	2016
Domestic	20,238	21,291	21,532	20,841	20,222
International Onshore	3,154	3,397	3,126	3,033	3,243
International Offshore	1,622	1,504	1,434	1,314	1,049
Total	25,013	26,192	26,093	25,187	24,514

Table 2: Student Load (EFTSL) by academic level

	2012	2013	2014	2015	2016
Undergraduate	18,605	19,094	18,977	18,645	18,205
Postgraduate Coursework	3,165	3,524	3,543	2,910	2,638
Higher Degree by Research	1,035	1,044	1,120	1,192	1,236
Non-award	259	295	361	343	301
Enabling	1,627	1,809	1,720	1,616	1,682
ELICOS	322	426	373	482	453
Total	25,013	26,192	26,093	25,187	24,514

Table 3: Enrolments by faculty/division

	2012	2013	2014	2015	2016
Business and Law	6,727	6,892	6,676	6,127	5,966
Education and Arts	9,196	9,674	10,340	9,137	8,505
Engineering and Built Environment	4,211	4,510	4,664	4,643	4,753
Health and Medicine	7,096	7,451	7,775	7,635	7,557
Science and IT	5,259	5,385	5,460	5,350	5,068
Other University ¹	4,950	5,217	5,295	5,217	5,332
Total	37,439	39,129	40,210	38,109	37,181

Table 4: Student load (EFTSL) by location

	2012	2013	2014	2015	2016
Newcastle	17,996	18,728	18,787	18,514	18,447
Central Coast	3,174	3,309	3,165	3,049	2,923
Port Macquarie	292	314	312	266	252
Sydney	481	667	569	539	546
UON Singapore	1,460	1,376	1,346	1,241	1,001
Other University	1,611	1,798	1,915	1,578	1,346
Total	25,013	26,192	26,093	25,187	24,514

Source

Tables 1-4: MIS 31 January 2017.

Notes

1. Includes English Language and Foundation Studies, Wollutuka Institute, non-award studies, exchange and study abroad.
Rounding errors may apply.

D: Human resources

Employee statistics

The University's workforce comprised 3,141 full-time equivalent staff in continuing, fixed-term and casual employment. The staff headcount comprised 1,209 academics and 1,941 professional and teaching staff with 1,609 conjoint staff contributing to our activities during the year. Our casual and sessional staff (469 full-time equivalent) also made a significant contribution to our teaching, research and community activities.

Each Division and Faculty conducted ceremonies to acknowledge recognition of service with 83 staff recognised for 15 years of service and 27 staff for 25 years of service.

Workforce diversity

Workforce Diversity

NeW Futures Strategic Plan (2016-2025) "Staff Who Make Their Mark" focuses on a number of goals including "UON being recognised for the diversity and equity of its workforce and for the calibre of staff who collaborate to change the status quo and build an agile and outcomes-focused culture." UON's key measures of

success include a 3.9% target for Indigenous staff and ranking in the top 5 of Australian Universities for female staff in leadership roles.

In compliance with the Government Sector Employment Act, 2013, UON continues to embed workforce diversity as an integral part of its workforce planning strategies and cycles. In 2016, every Faculty/Division was assigned management KPIs and a proportional target to ensure accountability across the organisation.

UON also applied for and was successfully granted, an exemption from the Anti-Discrimination Board for targeted recruitment of senior academic women and Indigenous staff to address current under-representation within the organisation. This exemption allows UON to flexibly target roles to Indigenous candidates and senior female academics to expeditiously meet targets. Two roles for Indigenous recruitment and the Women in Science Chair, a prestigious new leadership role within UON, have been targeted to date.

Table 1: Fixed-term and continuing staff FTE (as at 31 March 2016)

Job type	FTE
Academic	1,068
Professional	1,573
Teacher	32
Total	2,672

Source Department of Education and Training Higher Education Staff Statistics.

Table 2: Casual and sessional staff FTE (as at 31 March 2016)

Job type	FTE
Academic	264
Professional	205
Total	469

Source Ascender HR Database
Preliminary figures subject to validation and submission to Department of Education and Training at 30 Jun 2017

Table 3: Conjoint staff (as at 31 March 2016)

Faculty/Division	Total
Academic Division	3
Academic and Global Relations Division	1
Faculty of Business and Law	60
Faculty of Education and Arts	124
Faculty of Engineering and Built Environment	125
Faculty of Health and Medicine	1,080
Faculty of Science and Information Technology	214
Research and Innovation Division	2
Total	1,609

Source Ascender HR Database

Table 4: Job Applicants (1 January to 31 December 2016)

Number of Applicants	Total
Total	5,696

Source Ascender HR Database

Table 5: Number of academic and professional staff by appointment term and gender 2013-2016

	2013	2013	2013	2014	2014	2014	2015	2015	2015	2016	2016	2016
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Continuing	1,032	758	1,790	1,036	745	1,781	1,078	738	1,816	1,067	734	1,801
Fixed-term	826	440	1,266	795	440	1,235	829	473	1,302	853	496	1,349
Total	1,858	1,198	3,056	1,831	1,185	3,016	1,907	1,211	3,118	1,920	1,230	3,150

Table 6: Number of academic staff by appointment term, level and gender 2013-2016

		2013	2013	2013	2014	2014	2014	2015	2015	2015	2016	2016	2016
	Level	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Continuing	A	14	8	22	16	9	25	13	8	21	11	6	17
	B	125	104	229	120	98	218	120	100	220	109	89	198
	C	86	123	209	88	123	211	81	116	197	84	117	201
	D	27	74	101	35	74	109	42	73	115	50	83	133
	E/E+	26	90	116	25	96	121	24	97	121	23	102	125
Continuing total		278	399	677	284	400	684	280	394	674	277	397	674
Fixed-term	A	59	79	138	69	74	143	74	68	142	82	87	169
	B	152	90	242	142	91	233	139	81	220	148	86	234
	C	27	34	61	26	38	64	26	40	66	28	32	60
	D	10	15	25	11	9	20	10	9	19	5	17	22
	E/E+	10	31	41	10	34	44	11	33	44	17	33	50
Fixed-term total		258	249	507	258	246	504	260	231	491	280	255	535
Total		536	648	1,184	542	646	1,188	540	625	1,165	557	652	1209

Table 7: Number of professional staff by appointment term, HEW level and gender 2013-2016

		2013	2013	2013	2014	2014	2014	2015	2015	2015	2016	2016	2016
	HEW	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Continuing	2	2	1	3	2	0	2	2	0	2	2		2
	3	34	31	65	27	31	58	37	28	65	42	27	69
	4	103	18	121	113	17	130	127	22	149	126	20	146
	5	183	52	235	183	51	234	188	45	233	159	44	203
	6	124	68	192	128	62	190	129	58	187	142	53	195
	7	150	82	232	152	81	233	160	85	245	155	85	240
	8	84	52	136	82	47	129	89	52	141	93	60	153
	9	39	28	67	41	31	72	42	31	73	44	28	72
	10/10+	35	27	62	24	25	49	24	23	47	27	20	47
Continuing total		754	359	1,113	752	345	1,097	798	344	1,142	790	337	1,127
Fixed-term	<1	1	0	1	2	1	3	0	0	0	1	0	1
	1	0	0	0	0	2	2	1	2	3	11	4	15
	2	6	1	7	7	5	12	68	48	116	58	37	95
	3	20	13	33	17	11	28	16	14	30	20	11	31
	4	104	25	129	85	21	106	66	16	82	67	20	87
	5	190	44	234	178	36	214	164	42	206	162	30	192
	6	120	37	157	119	34	153	119	34	153	120	41	161
	7	68	27	95	68	33	101	65	35	100	78	39	117
	8	42	21	63	36	25	61	42	27	69	33	32	65
	9	13	16	29	15	18	33	15	16	31	11	18	29
	10/10+	4	7	11	10	8	18	13	8	21	12	9	21
Fixed-term total		568	191	759	537	194	731	569	242	811	573	241	814
Total		1,322	550	1,872	1,289	539	1,828	1,367	586	1,953	1363	578	1941

Source for Tables 5-7: Department of Education and Training Higher Education Staff Statistics

Notes

- Excludes casual staff.
- Number of staff includes full-time and fractional full-time staff who occupy more than one position.
- Rounding errors may apply.

Gender

For the third consecutive year, UON was recognised by the Workplace Gender Equality Agency (WGEA) as an Employer of Choice for Gender Equity, one of only 15 universities (and just over 100 national organisations) to receive the citation. The citation recognises UON's commitment to gender equity by building a rewarding, stimulating and supportive place to work.

The citation recognises the work UON has delivered in areas such as the Academic Women in Leadership program and flexible work arrangements for staff with caring responsibilities. With parity in leadership roles in the Professional staff cohort, UON continues to focus on strategies to support equity in senior academic leadership roles through its Senior Academic Women Strategy.

UON continued with the pilot of the SAGE (Science and Gender Equity) Athena SWAN Charter in Australia, a successful UK accreditation program aimed at gender parity in Science, Technology, Engineering, Maths and Medicine (STEMM). The University was selected in the first tranche of the pilot based on a number of factors including its diversity maturity and commitment to gender equity principles.

A comprehensive data extraction and analysis phase was conducted, providing UON with a greater understanding of challenges and opportunities for women in STEMM and other gender equity issues within the organisation. This evidence will inform strategies to be developed in 2017 and our subsequent application for Bronze accreditation to SAGE in early 2018. Additional activities which took place throughout the first year of the Pilot included: the formation of a Self-Assessment Team to drive the Pilot, attendance at workshops and regional networking meetings, presentation of information roadshows, attendance at the annual SAGE Symposium and sponsorship and delegate attendance at the Women in Science Conference in Melbourne.

UON celebrated International Women's Day with a number of events across all campuses including a well-attended morning tea event at the Callaghan campus with guest speaker, Professor Penny-Jane Burke, Director, The Centre of Excellence for Equity in Higher Education. UON was again the overall sponsor of the Hunter Diversity Awards at an Equal Futures International Women's Day breakfast attended by over 400 business and community members. UON's Vice-Chancellor Professor Caroline McMillen also participated in a speaking tour of Asia addressing issues of gender parity in STEMM and the innovation workforce as part of a Department of Foreign Affairs and Trade (DFAT) initiative to mark International Women's Day.

Aboriginal and Torres Strait Islander representation

Further progress took place in 2016 with respect to increasing UON's representation of Aboriginal and Torres Strait Islander staff. The Aboriginal and Torres Strait Islander Committee, which met four times during 2016, provided an opportunity to track and review progress towards targets and to discuss implementation of recommended strategies. Our new Indigenous Employment Coordinator worked closely with the Equity and Diversity Manager and the Recruitment Team to focus on a targeted recruitment campaign and other strategies such as an Expression of Interest to build a base of future Indigenous candidates. Other activities included the addition of new Indigenous cadets across the organisation, the recruitment of Indigenous New Career Academics (INCA's) and drafting a new Indigenous Employment Strategy which will be finalised in early 2017.

Enhancing multiculturalism

A range of actions were delivered to progressively enhance multiculturalism. A collaborative venture on Harmony Day between UON Global, Student Central, NUPSA, the Wollotuka Institute and student societies was designed to highlight our multicultural strength and promote respect and a sense of belonging as international and national students took time to learn and create new friendships. The Cultural Awakenings Festival held in September, was a three-day celebration of our student and staff diversity.

Our Centre of Excellence for Equity in Higher Education (CEEHE) held its first National Symposium exploring how students from refugee backgrounds experience, access and engage in undergraduate studies. Driven by the data from two research projects from UON, the symposium addressed the lack of specialised support for students from a refugee background undertaking study in higher education in Australia. An outcome of the Symposium was the establishment of an internal Community of Interest, consisting of academic, professional staff and students which participates in a range of national forums, including the national community of interest led by the Refugee Council of Australia.

The CEEHE International Visiting Scholars Scheme also provided an opportunity to explore how a praxis-based approach can help to address the complex and nuanced challenges of supporting the educational outcome of asylum seekers and refugees. Notable guest speakers included Professor Sue Webb, Professor of Education, Monash University and Professor Jacqueline Stevenson, Head of Research, Sheffield Institute of Education and Professor of Higher Education, Sheffield Hallam University who is known for her work on the social and academic experiences of religious students, the access, retention and success of refugees in higher education, and Black and Minority ethnic students' degree attainment and success.

Disability

Fifty per cent of the actions identified in UON's Disability Action plan (2015-2020) are in plan or complete with a number of significant milestones reached in 2016 including:

- A review of policies and procedures for students with disability.
- The development of an inherent requirements framework, scheduled for launch in 2017.
- Process review and the subsequent establishment of new procedures to ensure an equitable and accessible living environment for students living on campus.
- The establishment of a Personal Emergency Evacuation Plan process for students, staff and contractors. This was piloted in our student residences and was rolled out to staff. In 2017 this process will be rolled out to the wider student population and to contractors.
- A student-mentoring program has been established for students with disability. In its pilot year the program had 21 students and is currently being reviewed and enhanced for 2017 to appeal to a larger number of students.
- A set of UON Design Guidelines for the creation of accessible teaching and learning, research, living and office spaces has been finalised. These guidelines will be contained in tender documentation for all future refurbishment and new-build projects.

- A review of the UON website has been undertaken to ensure compliance with international standards. In 2017 we will assess and introduce website governance software to facilitate automated reporting across specific pages of the UON website to ensure accessibility moving forward.
- A number of resources have been developed to assist teaching staff to support students with disabilities. Resources include recommendations and examples of common adjustments and assessment settings. These resources will be integrated into an online professional development module which will be available to teaching staff in 2017.

Staff equity statistics

Table 1: Trends in the representation of EEO target groups¹

EEO group	% of total staff ²										
	Target	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Women	50.0	57.8	59.2	60.6	60.2	60.5	60.8	60.7	61.0	61.5	60.9
Aboriginal people and Torres Strait Islanders	3.9	2.3	2.2	2.1	2.5	2.7	2.8	2.5	2.7	2.5	2.5
People whose first language was not English	n.a	8.5	7.6	8.1	7.7	7.8	8.0	7.7	9.8	9.2	9.2
People with a disability	n.a	3.9	3.4	3.3	2.9	2.7	2.5	2.2	2.5	2.4	2.3
People with a disability requiring work-related adjustment	n.a	1.0	0.9	0.7	0.6	0.6	0.6	0.5	0.6	0.4	0.5

Table 2: Representation of EEO target groups: Academic v Professional staff²

EEO group	% of total staff ²			% %
	Benchmark or Target	Total		
Women	50.0	60.9	Academic	46.4
			Professional	69.6
			Teacher	81.1
Aboriginal people and Torres Strait Islanders	3.9	2.5	Academic	2.2
			Professional	2.7
			Teacher	-
People whose first language was not English	19.0 ⁴	9.2	Academic	17.1
			Professional	4.3
			Teacher	5.4
People with a disability	n/a	2.3	Academic	2.9
			Professional	1.8
			Teacher	-
People with a disability requiring work-related adjustment	1.5 ⁴	0.5	Academic	0.7
			Professional	0.4
			Teacher	-

Table 3: Trends in the distribution of EEO target groups

EEO group	Distribution index ³										
	Target	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Women	100.0	73.0	73.0	83.5	81.2	81.6	82.3	82.7	82.1	83.0	82.7
Aboriginal people and Torres Strait Islanders	100.0	82.6	90.7	89.0	83.4	85.1	85.0	87.9	89.5	91.1	92.7
People whose first language was not English	100.0	117.9	118.9	111.9	111.2	111.4	110.8	111.5	110.2	111.5	111.5
People with a disability	100.0	104.4	105.5	101.6	101.9	100.1	101.2	100.9	105.8	101.8	103.5
People with a disability requiring work-related adjustment	100.0	102.3	104.9	102.6	107.5	102.7	105.7	105.2	112.6	107.4	112.9

Table 4: Distribution of EEO target groups: Academic v Professional staff

EEO group	Distribution index ³			
	Target	Total		
Women	100.0	82.7	Academic	90.4
			Professional	90.8
Aboriginal people and Torres Strait Islanders	100.0	92.7	Academic	91.9
			Professional	93.7
People whose first language was not English	100.0	111.5	Academic	92.9
			Professional	99.9
People with a disability	100.0	103.5	Academic	99.0
			Professional	97.1
People with a disability requiring work-related adjustment	100.0	112.9	Academic	103.8
			Professional	106.9

Source for Tables 1-4: Ascender HR Database

Notes

1. Staff numbers are as at 30 June 2016.
2. Excludes casual staff.
3. A distribution index of 100 indicates that the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels.
4. Benchmark or target from 2011 NSW Government Treasury EEO targets.

Workplace Health and Safety (WHS)

Council is responsible for oversight of the University's commitment to the health and safety of employees, contractors, students and the community. Throughout the year, Council undertook site inspections at both NeW Space and the Sydney Campus. Regular health and safety reporting was provided to the Risk Committee of Council including presentations on high-risk activities and the risk controls implemented. To promote continuous improvement, Council undertook an external review of WHS Due Diligence to strengthen its Due Diligence of UON's Health and Safety Framework. A number of recommendations are being implemented.

UON showcased its commitment to health and safety at a national conference for occupational physicians and nurses. The Australia and New Zealand Society of Occupational Medicine invited the Chancellor to open the conference and he used the opportunity to discuss his commitment to sustaining safe and healthy workplaces using UON as an example of an institution focused on continuous improvement. UON's program for promoting health and wellness was also in focus during several conference presentations.

For the second year running the Vice Chancellor's Awards included recognition of health and safety excellence for an individual and a team, with the winners receiving their awards at a ceremony held in December 2016.

Health and Safety Strategy 2015 – 2017

UON is progressing positively through its three year health and safety strategy. Performance is tracked against the Strategic Plan and reported on at regular intervals. Positive outcomes include:

Consistent management of Health and Safety: During 2016 the University's health and safety management system and supporting

documentation was further revised to provide practical guidance to enable staff to meet their health and safety responsibilities.

Understanding Health and Safety responsibilities: The University's induction training for new and transferred staff was incorporated into Discover, a new online training system. During the year, 13 Health and Safety workshops were also delivered to leaders with a total of 132 participants attending. Each participant selected a project to implement with 'report back' sessions scheduled after 3 months.

Strategic use of Health and Safety data: Progress is being made to replace the University's current incident reporting system. The updated system will provide for improved levels of data capture to enable better analysis of trends and facilitate improved preventive strategies.

Health and Safety Business Partners: The introduction of dedicated Health and Safety business partners to provide proactive support to leaders and staff to manage health and safety hazards and risks, and to improve performance.

Monitoring performance: The Health and Safety Strategy includes a commitment to implement an internal Health and Safety Systems and Compliance Audit in 2017. In preparation for rolling out the audit across UON, two preliminary audits were conducted within the Resources Division to test the robustness of the audit documentation and methodology. Feedback from participants has provided support for the process and a schedule of audits is being prepared for 2017.

Health and Safety Performance

The UON Executive Committee receives a monthly Health and Safety Performance Report with an analysis of the incidents that have occurred so that trends can be identified and corrective action taken.

Lead performance indicators promote a proactive approach to managing health and safety and focuses on activities designed to prevent incidents and injuries. For example the University monitors:

- Total new staff inductions completed on time
- Developing Risk Registers for Schools and Division Units
- Hazard and near-miss reporting per 100 employees.

The percentage of hazards and near-misses recorded is reported to the Executive Committee on a monthly basis to maintain awareness and to recognise how events offer the opportunity for corrective action to mitigate against injury. 2016 saw increased levels of hazard and near-miss reporting (54%) compared with injuries (46%) and these percentages will remain in focus for 2017.

As of 31st December 2016, the Lost Time Injury Frequency Rate (LTIFR) was 2.95 compared with 3.63 for the previous year representing a 19% improvement. The Total Recordable Injury Frequency Rate (TRIFR) showed a 46% improvement at 7.67 compared with 14.13 for the previous year. Total recordable injuries are defined as any work related injury that required assessment and treatment from a medical practitioner and includes all lost time injuries and other injuries which are medically treated.

Hazard and Risk Management

Hazard and risk management has remained a core focus. Our online Risk Management training module was updated with staff completion registering as a performance indicator in some areas. A Risk Management module has been included in leadership Health and Safety workshops with appropriate case studies and the University's Risk Assessment Checklist supporting learning outcomes. The Faculty and Division Risk Registers have also been reviewed resulting in further modifications where required to support specific risk control.

The Safety Review process for assessing the risks of research projects is well-established across UON with 2016 seeing a total of 542 reviews. These included projects involving hazardous substances, radiation, genetically modified organisms, teaching and research field trips and international travel to areas deemed to be high-risk according to security and medical classification.

Health and Wellness

We place great importance on staff and student wellness with the UON Healthy University Steering Committee overseeing activities and programs that encourage physical and mental health. Some of the activities offered included:

- Mental Health Awareness for Managers
- Aggression Minimisation training
- Managing Change, Grief and Loss
- Resilience in the Face of Change
- Tai Chi, Pilates and Yoga
- Mindfulness Meditation
- Employee Assistance Program
- Ergonomics.

In 2017 UON will progress to the next stage of our Smoke-Free Campuses initiative which will see existing designated smoking areas phased out.

Consultation

The University's overarching Health and Safety Committee includes representatives from all Faculty and Division committees. This provides a forum for communicating University-wide issues and gives committee members an opportunity to provide input to initiatives and communicate messages back to their own committees. During the year there was a greater focus on providing additional opportunities for staff involvement by initiating Health and Safety Committees for regional locations so local issues could be addressed and more staff members consulted. Health and Safety committees now operate at the Sydney campus, University House in Newcastle, and at the UON Department of Rural Health in Tamworth.

Workers' Compensation

In 2015 the University entered into a different arrangement for managing Workers Compensation premiums which is now known as Loss Prevention and Recovery administered by iCare (previously WorkCover NSW). This resulted in a significant reduction in the annual premium and during 2016 we took advantage of this incentive to continue to manage injuries proactively and encourage early return to work. As at 31st December, UON received 48 claims for the year compared to 66 in 2015 and 62 in 2014.

Employee Policies and Practices

UON has a comprehensive range of human resource policies and practices to support the effective management of equity and diversity, leave, staff development and recruitment and selection. Throughout 2016, employee policies and practices were reviewed to ensure currency. A systematic review and consolidation of the staff recruitment and selection policies was undertaken to produce a contemporary and streamlined policy suite. The current enterprise agreements remain in force until 30 June 2017 with enterprise bargaining scheduled to commence during the first half of 2017.

Organisational change continued with a number of individual organisational change processes occurring. An organisational design project was also initiated to review existing professional support services to identify opportunities to improve agility and effectiveness in response to the changing higher education environment. The project is supported by ongoing staff consultation and engagement.

E: Executive remuneration

Table 1: Number of senior executives employed at 31 December 2016

	2015	2015	2016	2016
Senior executive band	Female	Male	Female	Male
Vice-Chancellor	1	0	1	0
Deputy Vice-Chancellor and Chief Operating Officer	0	3	1	3
Pro Vice-Chancellor and Chief Financial Officer	3	6	2	6
Totals	4	9	4	9
	13		13	

Note As at 31 December 2016, 2 Acting DVC's pending recruitment of 1 DVC Academic

Note As at 31 December 2016, 2 Interim and 1 Acting Pro Vice-Chancellor

Table 2: Average total remuneration package of senior executives employed at 31 December 2016

Senior executive band	Average total remuneration package ¹	
	2015 \$	2016 \$
Vice-Chancellor	765,455	842,839
Deputy Vice-Chancellor and Chief Operating Officer	454,899	424,665
Pro Vice-Chancellor and Chief Financial Officer	364,477	328,608

Note Annualised for senior executives not employed for full financial year

Table 3: Percentage of total employee-related expenditure in the financial year that relates to senior executives

	2014	2015	2016
Percentage of total employee-related expenditure in the financial year that relates to senior executives	1.3%	1.2%	1.3%

F: Risk governance framework

Risk management is a core element of UON's governance framework.

UON considers AS/NZS ISO 31000-2009 Risk management – Principles and Guidelines in developing its approach to risk management.

Risk management is an essential component of the University's governance arrangements. Effective risk management supports the achievement of the University's objectives and provides assurance to the University Council, Risk Committee, Vice-Chancellor and Executive that risks are being managed appropriately.

The Risk Management Framework sets out the process for integrating risk management into the University's operations and sets the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management through UON.

UON's risk management framework is implemented at strategic management, project management and operational activity levels. Ongoing work is undertaken to help identify, mitigate and where possible, control risk, and to monitor and update risk registers. Formal reviews and risk management training take place at regular intervals, across UON.

Internal Control

Council is responsible for ensuring effective internal control of the financial and related operations of UON. The Vice-Chancellor, as the Principle Executive Officer, is responsible for operationalising the internal control framework and Risk Management Policy.

The Vice-Chancellor provides annual assurance to the Council on UON's systems of control and accountability (including those for controlled entities) as part of the management internal control process accompanying UON's financial statements.

Insurance

The suite of insurance policies is reviewed and renewed annually, with the insurance period commencing 1 November each year. A broker is engaged to help manage this process and to ensure that optimal and cost-effective coverage is obtained.

Details of policies relevant to staff and students are published on UON's website.

Ethical and responsible decision-making

UON's culture is underpinned by strong values and ethical behaviour centred around integrity, respect and professionalism. The Code of Conduct governs our community in its day-to-day activity, decision-making and interaction with clients, colleagues and stakeholders.

Council established a project to explore UON's ethical foundations and the ethical decision making models that support the University in realizing our vision to be a global leader in each of our spheres

of achievement. Work was undertaken with The Ethics Centre to develop the UON Ethical Framework, engaging staff and students on the practicality of the framework in supporting UON's purpose, values and principles when faced with a difficult decision. The Ethics Centre and Council established the Ethical Decision Making Framework to set the 'tone' for behavior and decision making at UON, agreeing the key principles for the implementation of the Framework.

Our policies and codes are in place to provide ethical guidance and support ethical behaviour. These include: the Conflicts of Interest Policy; the Student Academic Integrity Policy; the Responsible Conduct of Research Policy; and the Code of Ethical Academic Conduct Policy.

UON's activities support compliance with relevant legislative requirements, professional standards and internal controls to ensure the provision of timely and transparent information to our stakeholders and the general public.

Animal Care and Ethics Committee

The University's Animal Care and Ethics Committee (ACEC) reports to the University Council and is responsible for the consideration of ethical and welfare aspects as well as the scientific or education value of the use of animals for research and teaching purposes. The ACEC plays an important role in the research process by reviewing applications for research involving animals conducted by University staff and students and researchers from associated entities. The NSW Animal Research Legislation directs the ACEC to monitor all aspects of the care and use of animals for research or teaching purposes and to carry out regular inspections of work areas, as well as breeding and holding areas. Inspections are performed by both members of the Committee and the Animal Welfare Officer.

Human Research Ethics Committee

UON's Human Research Ethics Committee (HREC) reports directly to the NSW Privacy Commissioner where the UON HREC is the lead ethics committee and the Statutory Guidelines on Research, issued under Section 64 of the *Health Records and Information Privacy Act 2002 (NSW) (HRIP Act)*, have been applied.

- Reports to the NSW Privacy Commissioner are prepared and submitted on a financial year basis. In the first half of the 2016/2017 financial year, the HREC approved 2 ethics applications which required application of the HRIP – Statutory Guidelines on Research. There were no applications approved in the previous financial year period.

UON is also required to report decisions to the National Health and Medical Research Council (NHMRC), which collects information on behalf of the Australian Information Commissioner, where the NHMRC Guidelines under Section 95 and 95a of the Privacy Act 1988 have been applied.

- In the previous calendar year the HREC did not approve any ethics applications that required the application of the NHMRC Guidelines under Section 95 and 95a of the Privacy Act 1988.

G: Access to information

Protecting Privacy

UON supports an individual's privacy when we collect, store, use and disclose personal information. When dealing with private and personal information, we apply the principles and obligations within the Privacy and Personal Information Protection Act 1998 (NSW) (PPIPA) and the Health Records and Information Privacy Act 2002 (NSW) (HRIPA), outlined in UON's Privacy and Information Access Policy and Privacy Management Plan. During 2016, we:

- Assessed three internal reviews in accordance with Section 53 of the PPIPA
- Reviewed the Privacy Management Plan and Privacy and Information Access Policy
- Celebrated and supported Privacy Awareness Week
- Maintained a webpage for staff, students and the general public on privacy matters.

Right to information

UON supports openness and transparency as encompassed in the Government Information (Public Access) Act 2009 (the GIPA Act).

Information not readily available on UON's website can be obtained by submitting an informal request or, where further consideration is required, a formal request for the release of government information under the GIPA Act. Access to information is only restricted when there is an overriding public interest against disclosure. During 2016 we:

- Continued to proactively disclose information to the public and our key stakeholders. Information is generally published on UON's website at www.newcastle.edu.au.
- Policies are published in the University's policy library
- Details regarding non-confidential decisions made by the Executive Committee and UON Council are published in online newsletters.
- Continued to provide UON's GIPA contracts register
- Participated in the Information and Privacy Commissioner's 'Right to Know' week activities as a 'Right to Know' champion
- Received 10 applications and decided a further 7 applications that were received in 2015. Statistics on the applications decided in 2016 are provided below.

APPENDICES

Table 1: Number of applications by type of applicant and outcome¹

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with applicant	Refuse to confirm or deny whether information is held	Application withdrawn
Media ³	0	1	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups ²	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	2	0	1	1	1	0	0
Members of the public (other)	1	4	0	2	2	1	0	0

Notes

1. More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table 2.
2. Includes other NSW Government agencies.
3. A decision in relation to 4 applications received in 2016 is still being progressed by the University. A decision in relation to these applications will be reported in the next reporting period

Table 2: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with applicant	Refuse to confirm or deny whether information is held	Application withdrawn
Personal information applications ¹	1	1	0	1	1	0	0	0
Access applications (other than personal information applications)	0	2	0	1	1	0	0	0
Access applications that are partly personal information applications and partly other	0	4	0	1	1	2	0	0

Notes 1. A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the GIPA Act) about the applicant (the applicant being an individual).

Table 3: Invalid applications

Application does not comply with formal requirements (Section 41 of the GIPA Act)	5
Application is for excluded information of the agency (Section 43 of the GIPA Act)	0
Application contravenes restraint order (Section 110 of the GIPA Act)	0
Total number of invalid applications received	5
Invalid applications that subsequently became valid applications	3

Table 4: Conclusive presumption of overriding public interest against disclosure (matters listed in Schedule 1 of the GIPA Act)

Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal Professional Privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

More than one public interest consideration may apply in relation to a particular access application and, if so, each consideration is to be recorded (but only once per application). This also applies in relation to Table 5.

Table 5: Other public interest considerations against disclosure (matters listed in table to Section 14 of the Act)

Responsible and effective government	2
Law enforcement and security	0
Individual rights, judicial processes and natural justice	2
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under equivalent interstate legislation	0

Table 6: Timeliness

Decided within the statutory timeframe (20 days plus any extensions)	4
Decided after 35 days (by agreement with applicant)	4
Not decided within timeframe (deemed refusal) ¹	5
Total	13

Note

1. Notwithstanding that five applications are recorded as deemed refusals due to decisions not being made within the statutory timeframes, all five applications have been finalised by the University and decisions provided to the applicants.

Table 7: Number of applications reviewed under Part 5 of the GIPA Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Commissioner	0	3	3
Internal review following recommendation under Section 93 of the GIPA Act	0	2	2
Review by NSW Civil and Administrative Tribunal	0	2	2
Total	0	7	7

The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table 8: Applications for review under Part 5 of the GIPA Act (by type of applicant)

Applications by access applicants	7
Review by Commissioner	0
Information applications by persons to whom the subject of access application relates (see Section 54 of the GIPA Act)	0
Total	7

Table 9: Applications for review under Part 5 of the GIPA Act (by type of applicant)

Agency - initiated transfer	1
Applicant - initiated transfer	0
Total	1

Public Interest Disclosure

The Public Interest Disclosures Act 1994 (PID Act) sets in place a system to encourage public officials to report serious wrongdoing in the categories of maladministration, waste of public money, breach of the Government Information (Public Access) Act and corrupt conduct.

UON has an internal reporting policy and procedures in place for receiving, assessing and dealing with public interest disclosures, as required under section 6D of the PID Act. The University’s Public Interest Disclosures Policy reflects the NSW Ombudsman’s model policy and guidelines.

In 2016 a refresh of the University’s website, establishment of a new reporting template, launch of an awareness campaign and refresher training sessions were undertaken. These activities promoted staff awareness of the Public Interest Disclosures Policy and the protections under the Act to support reporters, as required under section 6E(1)(b) of the PID Act.

Statistical information on PIDs

	Made by public officials performing their day-to-day functions	Under a statutory or other legal obligation	All other PIDs
Number of public officials who made PIDs directly	2	0	0
Number of PIDs received	2	0	0
Number of PIDs finalised	2	0	0

Note The number of PIDs finalised only refers to PIDs that have been received since 1 January 2016.

Of the PIDs received, two were primarily about corrupt conduct. These were referred to the relevant authority responsible for handling the investigation, in accordance with the University’s obligations under the PID Act.

H: Consumer response

UON’s complaints framework outlines the process to complain and enables UON to receive and respond to issues and complaints quickly and fairly, through early intervention, appropriate support and advocacy and local level resolution where practical. A formal complaint arises when issues cannot be resolved via early intervention or local resolution pathways. The framework is supported through a collaborative approach across UON.

Council Services and Chancellery oversee the formal complaints handling processes and support UON students and staff to resolve issues locally and informally. In addition, the Complaints Office supports the review of a complaints handling framework to ensure effective management and resolution of issues. In 2016, 102 formal complaints were raised with the Complaints Office and resolved directly within accountable areas of UON. Of these:

- 68% were raised by students. The number of student complaints (69) received by the Complaints Office, was slightly lower than those lodged in 2015
- 9% were from staff. 2016 saw a reduction in staff complaints from 12 to 9
- 23% were received from the community. This is consistent with those received in 2015.

UON makes information available on its website on how to provide feedback, raise issues, make complaints and access rights of review.

In 2016, there was a continued focus on reviewing UON’s approach to complaints management under the Complaints Resolution Policy together with associated processes and procedures. The complaints handling process was reviewed in line with industry practices, the AS/NZS 10002:2014 ‘Guidelines for complaint management in organisations’, together with the ‘Complaint handling at universities: Australasian best practices guidelines (January 2015)’.

Human Resource Services, through its business partnership model, remain the first point of contact for staff issues, as evidenced by the reduction in staff complaints received by the Complaints Office.

I: Reviews

Internal audit

Internal Audit supports Council by providing an independent and objective review and advisory service which seeks to evaluate and improve the effectiveness and efficiency of UON's governance, risk management, legislative compliance and internal control processes. To achieve this, the team undertakes a range of risk-based audits to support Council's three year Internal Audit Plan.

The Associate Director Assurance Services, who heads the Internal Audit team, has an independent reporting line to the Chair of the Risk Committee and attends each committee meeting of the Risk Committee to present audit findings and report on the status of management's actions to address previous findings.

External Audit

The Audit Office of New South Wales audits the financial statements of UON and controlled entities.

Internal Reviews

In addition to the internal audits set out in the 2016 Internal Audit Plan, at the request of management, other reviews have been conducted by the Internal Audit team. These additional reviews were designed to further support UON by reviewing functions, activities, processes and procedures.

Management reviews completed, by Internal Audit, in the year to 31 December 2016 included:

- Completion of a review of the procurement and contract management activities to improve the efficiency and effectiveness of the acceptance and monitoring of contracts and contract conditions.
- Completion of a review into international travel expenditure to verify compliance with UON's Travel Policy.
- Completion of a follow-up review into the efficiency and effectiveness of UON Global's processes, procedures and controls in relation to its engagement of international agencies.
- Review of process improvements in a UON associated entity.

J: Legal matters

Budget Savings (Omnibus) Act 2016

The Higher Education Support Act 2003 (Cth) has been amended to provide for:

- a. A lower income threshold for the repayment of Higher Education Loan Programme loans, which will come into effect for the 2018-2019 income year
- b. A change of the index for research grants and student contribution amounts from the Higher Education Grants Index to the Consumer Price Index as of 1 July 2017
- c. The cessation of the HECS-HELP benefit for graduates of the University in a number of employment fields as of 1 July 2017.

Income Tax Assessment Act 1997 (Cth)

Effective from 1 July 2016, to encourage investment in shares in early stage innovation companies, the following tax benefits may be available to the University (subject to a number of qualifications):

- a. a 20% tax offset on the cost of the shares, capped at \$200,000 per annum
- b. a ten year exemption from capital gains tax if the shares are held for a year or more
- c. if the shares are held for ten years or more, the University will receive a deemed market value on the ten year anniversary. This would form a part of the University's cost base in the shares for capital gains tax purposes.

Australian Consumer Law

From 12 November 2016, the unfair contract terms regime in the Australian Consumer Law was extended to capture contracts with suppliers, contractors and consultants, in circumstances where:

- a. a standard form agreement, that contains an 'unfair' term or condition, is issued
- b. at the time the contract is entered into, the supplier, contractor or consultant employs less than 20 people
- c. the upfront contract price does not exceed \$300,000, or \$1 million if the contract term exceeds 12 months.

For the University, the types of contracts that might be caught by the new laws include leases or licenses to use University property; venue hire agreements; consultancy services agreements; research agreements; confidentiality agreements; and sponsorship agreements.

Higher Education Standards Framework (Threshold Standards) 2015

The Higher Education Standards Framework (Threshold Standards) 2011 will be replaced by a new set of Standards, with effect from 1 January 2017.

The New Standards impose additional obligations on the University in relation to its arrangements for delivering awards in conjunction with a third party. These include additional requirements that:

- a. Information resources be made available by all students regardless of the mode of delivery or location, and whether the program is delivered directly by the University or by a third party
- b. Academic and research integrity be maintained as part of any third party arrangement, including in relation to placements, collaborative research, research training and joint awards of qualifications
- c. The provision of education or research training, and the conduct of research (whether by the University or through an arrangement with a third party) are governed by the University's institutional policies
- d. Information be made publicly available about the University's operations that includes details of its arrangements with third parties to deliver courses of study or to conduct research training.

K: Major works

NeW Space

2016 saw major progress on construction of the landmark NeW Space building in the Newcastle CBD. The building work progressed significantly with a 'topping out' ceremony being held in September to signify completion of the building's roof.

The new precinct is a significant revitalisation project for the city of Newcastle and will host a range of University-supported activities including business, law and creative industries programs; digital library services and information commons; collaborative and social learning spaces; research and industry engagement facilities as well as spaces for community engagement.

Although initially for the delivery of business and law programs, NeW Space will be a resource for the entire University community across different disciplinary and knowledge fields. Developed as a technology-rich and engaging site, NeW Space will provide a unique platform for our staff to develop and test innovative ideas and to deliver a 'next generation' university experience for students.

Approved budget: \$95.0m

Total 2016 expenditure: \$48.7m

Total expenditure to 31 December 2016: \$74.7m

Completion date: June 2017

GCER Capital Program

In 2015 the University attracted the research organisation, CRC CARE, to relocate to the Callaghan campus from South Australia. CRC CARE is an independent organisation that performs research, develops technologies and provides policy guidance for assessing, cleaning up and preventing contamination of soil, water and air. From this the Global Centre for Environmental Remediation (GCER) was established as a research unit in the Faculty of Science and IT (FSIT). The \$17m program of works to accommodate the GCER and CRC CARE progressed during 2016 with a number of significant construction projects completed including the refurbishment of NIER S Block to house a soil laboratory and storage facility and completion of the research laboratories within the ATC Building. Construction of new glasshouses for the group commenced in 2016 and are expected to be completed in mid-2017.

The research laboratories within the ATC represent a significant addition to the research infrastructure available to the University of Newcastle and include specialist laboratories, PC2 labs, a radiation laboratory and support spaces.

Approved budget: \$17.0m

Total 2016 expenditure: \$12.2m

Total expenditure to 31 December 2016: \$14.9m

Completion date: April 2017

Innovation Hub as part of the Hunter Innovation Project

The Hunter Innovation Project (HIP) will provide the social and economic infrastructure needed to attract, retain, develop and return talent to the Hunter Region, targeting economic growth, sustainability and community wellbeing.

The new Innovation Hub will be the centrepiece of the local innovation ecosystem, bringing together the various elements required to support start-ups in the Hunter Region - researchers, students, developers, entrepreneurs, investors, technical specialists and business advisors. The Innovation Hub will launch spinoffs and start-ups, attract investment and businesses to the Hunter Region, encourage innovation and commercialisation and produce the next generation of entrepreneurs, business leaders and inventors through delivery of programs and providing a central location for the innovation community.

The Innovation Hub, located opposite Civic Park on the corner of King and Auckland Streets, will be an important addition to the UON education precinct in the CBD and will provide another opportunity to showcase UON in the city. The facility will house flexible and adaptable work, office and support spaces, meeting and quiet rooms, informal breakout spaces, retail space and function space.

Approved budget: \$10.0m

Total 2016 expenditure: \$0.03m

Total expenditure to 31 December 2016: \$0.03m

Completion date: 2019

Bioresources Infrastructure Refurbishment Program

In 2016 UON made significant investment in the improvement of existing bioresources infrastructure at the Callaghan campus to support research. Spaces in a number of buildings including the Medical Sciences building were refurbished to create improved research laboratories and procedure spaces to support an expansion of research activity.

Approved budget: \$3.7m

Total 2016 expenditure: \$3.46m

Total expenditure to 31 December 2016: \$3.67m

Completion date: November 2016

Ourimbah Library HVAC Infrastructure

A major upgrade of the Ourimbah Campus Library heating, ventilation, air conditioning (HVAC) infrastructure was completed in 2016 with the construction of a new plant room and systems upgrade. The investment supports the Library as a critical facility on the campus and will improve the operation, energy efficiency and student experience within the building.

Approved budget: \$3.0m

Total 2016 expenditure: \$2.2m

Total expenditure to 31 December 2016: \$2.4m

Completion date: December 2016

L: Sustainability

UON's Environmental Sustainability Plan 2015-2017, has been endorsed by the Executive Committee and Council and provides an ambitious plan of action to deliver measurable improvements in UON's environmental sustainability performance. This Plan includes action in a number of key areas, including:

- Energy and carbon emissions
- Water
- Landscape and biodiversity
- Waste
- Sustainable Transport
- Sustainable Procurement
- Strategic Asset management and Compliance.

Environmental sustainability issues are discussed with representation on the University Committee on Environmental Sustainability (UCES), the Resources Health and Safety Committee and the Healthy University Steering Committee.

UON delivered a number of actions during the year.

Energy and carbon emissions

UON performed well against its peer institutions across energy usage per gross floor area of facility and this remains a continuing focus for UON. Electricity and gas usage increased slightly due to minor refurbishments during the year.

2016 achievements included:

- Level 2 energy audits were completed across the Callaghan and Ourimbah campuses assessing energy efficiency and renewable energy opportunities. A total of seven (7) representative buildings were assessed across Callaghan (Auchmuty Library, Chemistry, Chancellery, Shortland Union, and Medical Sciences) and Ourimbah (IRC and Administration Building). Identified potential savings representing 6.9% of UON's CO2 emissions (2007 baseline) and providing significant financial savings were identified with budget allocated for delivery in 2017.
- A detailed lighting design was developed for the Auchmuty Library and Shortland Union. The design includes intelligent design and control strategies to allow lighting to be switched off when rooms are unoccupied. This intelligent design will yield significant energy and CO2 emission reductions.
- Energy efficiency and renewable energy has been included as a key project design element in the new ESD Guideline Tool.
- The procurement of 10 per cent accredited Greenpower across UON.

- An additional 10kW solar system was installed at the IDC Building at Callaghan.
- Continuing LED upgrades to street lighting and pathway lighting at Callaghan.
- The installation of several energy-efficient chillers at Auchmuty Library and the ATC Building with minor BMS control upgrades to support them.
- The upgrade of the Auchmuty Library's Learning Lounge to incorporate LED energy efficient lighting.
- A lighting control strategy was developed to minimise energy consumption across UON.
- Ongoing public reporting of UON's greenhouse gas emissions under the National Greenhouse and Energy Reporting Scheme (NGERS) at a facility level for the Callaghan campus. Additional reports also issued to the Tertiary Education Facilities Management Association (TEFMA) for our Callaghan and Ourimbah campuses.

Water

UON continues to analyse water usage as part of Hunter Water Corporation's Major Customer Water Efficiency Program. A number of efficiency measures were implemented including:

- Extensive metering and monitoring for a quicker response to pipe-leak detection.
- An ongoing commitment to natural irrigation of our extensive native bushland campus reducing potable water demand.
- Limiting irrigation to sporting fields and some lawn areas.
- Including water efficiency as a key project design component in our ESD Guideline Tool.
- Targeted use of rainwater tanks.

Landscape and biodiversity

Approximately 2,500 hours of bush regeneration was completed at our Callaghan and Ourimbah campuses covering 20ha in area. This important work aims to eradicate noxious and environmental weeds, improve the Campuses' biodiversity and included planting of over 1,000 additional native seedlings in bushland zones. The team worked across 10 native bushland zones on campus and two wetland and riparian areas with UON's Student Landcare Group involved in regular planting and awareness activities.

UON partnered with Wetland Care Australia to deliver the Newcastle Wetland Connections project to restore urban waterways within the Newcastle catchment for the final year of this grant program. The UON project area included two large wetlands, creeks and riparian corridor links on the Callaghan campus. Ongoing weed control was completed around Wetland

Energy, water and carbon statistics

	2011	2012	2013	2014	2015	2016
Energy GJ/m2 (includes residential)	0.54	0.53	0.51	0.50	0.50	0.51
Water kL/m2 (includes residential)	0.71	0.66	0.67	0.64	0.69	0.73
Carbon CO2 kg/m2 (includes residential and Green Power)	105	101	94	91	89	87

Source Data collected through metering and billing

2 to allow native seedlings to grow. Wetland 1 (secondary) and 2 (primary) was also treated for the aquatic weed Giant Water Lilly (*Nymphaea gigantea*). This project utilised Truxor, an innovative, amphibious technology that removes weed and the level of stagnant water.

The Bushfire Risk Management Plan was fully updated to provide more detailed risk mitigation. This document is a resource for the Infrastructure Facilities and Services (IFS) team and has been distributed to UON's Head Contractor and to Council Services and Chancellery. A bushfire risk management awareness training course was also delivered to key stakeholders.

Waste

Waste management services are delivered contractually with Callaghan continuing to divert an average of 20% of general waste from landfill, and Ourimbah an average of 25% general waste from landfill, with further room for improvement.

Waste management activity focused on putting sound waste management principals in place including improving waste baseline data; trailing the 'Be a Good Sort' waste communications campaign; the Love Food Hate Waste program (cooking demonstrations with tips and techniques on how to reduce food waste); implementing a waste management strategy for the annual accommodation clean-out and signing up to the Plastic Police initiative to trial recycling soft plastics during 2017. IFS management also presented a Waste Action Plan to UON's head maintenance contractor to identify measures to improve our baseline performance.

Sustainable transport

The Sustainable Transport program continued and included a range of initiatives to target changes in travel behaviour.

In Semester 2, UON collaborated with start-up company Liftango, to launch an exclusive ride share app for UON students and staff. The free app matched riders with drivers through smart algorithms. The app supported the user through the pick-up and drop off process with flexibility for users to choose rides on days and at times that best suited.

During its trial, Liftango registered approximately 470 unique users with 250 completed rides. This response was positive given the trial ran during the latter half of the year when travel patterns are embedded and are difficult to change. An improved Liftango app will be available in 2017.

Other sustainable transport program achievements included:

- 300 bicycles were sold through the \$50 bike initiative.
- Bike hubs operated at full capacity during peak times.
- New active travel factsheets were developed to support behavioural change and to align with Lake Macquarie City Council and Newcastle City Council's active travel infrastructure initiative.
- A Ready2Ride fitness and confidence program which attracted 109 registrations and 18 completions and the Ride2Uni event (55 attendees) was delivered in partnership with the Forum.

Sustainable procurement

There has been a focus on improving sustainable procurement outcomes across UON. The environmental team worked collaboratively with the strategic sourcing team to integrate environmental sustainability into our procurement policy with a draft environmental sustainable supplier checklist completed as one of our outcomes.

A Fairtrade proposal for the cafes in the Auchmuty and Huxley Libraries was introduced with selected coffee and tea holding Australian certified organic classification.

Strategic asset management and environmental compliance

UON maintained its focus on integrating environmental design requirements into asset planning and development processes. A new Environmental Sustainable Design (ESD) Guideline Tool was developed and implemented. The model is closely aligned to the Greenstar building rating system and is a flexible and user-friendly tool that can be applied to a range of construction and refurbishment projects to improve environmental outcomes and reduce operational cost.

The ESD tool was successfully trailed and presentations were made to key stakeholders during the business case phase of the refurbishments of the Chemistry and Social Sciences buildings.

Preliminary modelling has been undertaken to reduce CO₂ emissions per GFA (m²) by 2020 on a 2007 baseline. This included modelling and forecasting of our CO₂ emissions based on UON's draft masterplan and capital investment plans with further work ongoing. UON's IFS environment team also worked closely in tandem with the health and safety team to integrate environmental audit and incident reporting requirements into a proposed, Integrated Management System (IMS). Specific system requirements have been drafted and included in the Request for Information (RFI) to improve managing environmental risk, incidents, reporting and compliance.

M: Financial

Through diverse commercial opportunities, sound financial management and investment, we are creating a sustainable financial future that supports our aspirations to be a global leader in our spheres of achievement.

Overview of the year

Establishing a strong foundation for growth was a key feature of UON's capital management plan in 2016 with the reallocation of investments into two strategic pools and the repayment of all external borrowings. A robust cost management environment allowed UON to invest in capital projects that provide modern facilities to students and researchers while enhancing engagement with local communities and global partners.

Financial outcomes

Unless stated otherwise, references to UON in this section are representative of the Consolidated Group's results described in the full financial statements starting on page 52.

2016 was a positive year for UON's investments despite domestic interest rates remaining at an all-time low. Compared with 2015, overall investment income reported in the year increased by \$34.4m to \$57.3m. This included a non-cash gain of \$28.4m which occurred upon the transfer of UON's portfolio to an external investment manager in June 2016. Excluding this \$28.4m gain, group revenue increased by 2.6% in 2016.

During the year, the Finance team delivered on its commitment to provide program and course viability data to faculties. This financial data will inform future decisions about courses and programs that underpin the NeW Futures decadal plan.

The group continues to focus on attracting talented academics and researchers and the lower academic vacancy rate combined with salary increases, in line with UON's enterprise agreements, are reflected in the 4.6% increase in the group's employee related expenses in 2016.

Cost management within UON's non-salary expenditure continued and 2016 expenses were maintained at the same level as the prior year.

Financial position

UON's balance sheet remained strong and the group's net assets were \$1,229.9m at 31 December 2016. UON had a positive liquidity ratio of 0.6 at 31 December 2016 compared with 1.5 in the prior year. The decrease in the working capital ratio is due to the strategic allocation of investments to a Long Term Pool during the year. Funds within the Long Term Pool attract a greater return on investment and are readily accessible therefore UON's liquidity is not affected by the change in working capital.

A new external valuer was appointed during the year to provide the annual independent valuation of UON's land, buildings and infrastructure assets. A net decrement of \$90.0m was recorded in the revaluation reserve as a result of the 2016 valuation. The 2016 adjustment to the balance sheet offsets against revaluation increments recorded over the previous decade.

2016 was a significant year for capital projects and UON spent \$104.7m on capital projects, including \$48.7m on the NeW Space building in the city which is due to open in mid-2017.

The group reported a net cash outflow of \$3.8m in 2016 compared with a net cash inflow of \$5.5m in the prior year. This is largely due to the repayment of UON's \$85m bank loan in November 2016. At 31 December 2016 the group had no external borrowings.

Financial results and budget

Table 1: Financial results and budget (University only)

	2016 \$m Actual	2016 \$m Budget	2015 \$m Actual	2015 \$m Budget
Income from continuing operations				
Australian government financial assistance	483.4	431.8	472.5	428.7
State and local government financial assistance	25.1	13.5	22.0	26.0
HECS-HELP - Student payments	7.1	7.9	7.6	9.5
Fees and charges	124.2	148.3	111.5	139.1
Investment revenue	28.8	16.4	25.4	16.6
Royalties, trademarks and licences	0.2	-	0.1	0.1
Consultancy and contracts	25.2	80.7	28.0	56.4
Other revenue	29.7	33.7	37.8	27.5
Other investment income	28.4	-	0.2	-
Total income from continuing operations	752.1	732.3	705.1	703.9
Expenses from continuing operations				
Employee related expenses	(393.7)	(397.0)	(373.6)	(392.1)
Depreciation and amortisation	(43.5)	(43.1)	(39.0)	(39.2)
Repairs and maintenance	(25.1)	(29.1)	(31.5)	(31.9)
Borrowing costs	(4.2)	(4.8)	(4.6)	(4.8)
Impairment of assets	-	-	(0.4)	(0.3)
Loss on disposal of assets	(2.9)	-	(1.9)	-
Other expenses	(199.3)	(220.2)	(187.5)	(185.4)
Total expenses from continuing operations	(668.8)	(694.2)	(638.5)	(653.7)
Net result before income tax	83.3	38.1	66.6	50.2

2017 budget

Table 2: Summary 2017 budgeted financial performance (University only)

	2017 \$m Budget
Income	
Government contributions	488.5
Student contributions	166.3
Research	90.1
Other	56.5
Total income	801.5
Expenses	
Salary and related	(412.1)
Non-salary	(254.5)
Depreciation	(44.6)
Total expenses	(711.2)
Surplus for the year	90.2

Investment performance

Performance for 2016 is shown in the table below:

Table 3: Investment performance achieved compared to NSW Treasury Corporation benchmarks (University only)

UON investment category	1 year performance %	NSW T Corp Benchmark	1 year performance%
Short-term cash investments	2.1	TCorplM Cash Fund	2.5
Short-term managed investments	2.9	TCorplM Strategic Cash Fund	2.7
Long-term investments	8.4	TCorplM Long Term Growth Fund	7.3

Source University treasury records and NSW TCorplM Fund performance provided by Mercer Consulting

Liability management performance

The NSW Treasury does not provide benchmark information relating to the performance of borrowings.

Accounts payable performance

There were no significant events that affected payment performance. A number of initiatives were undertaken to improve performance in 2016 which included internal process improvements and better communications with staff and suppliers about UON's Accounts Payable processes. There were no instances where penalty interest was paid in 2016.

Table 4: Accounts payable performance in 2016 (University only)

Accounts payable at:	31 March \$m	30 June \$m	30 September \$m	31 December \$m
Not overdue	3.7	4.7	6.2	7.1
Under 30 days	0.3	0.1	0.4	0.7
Between 30 to 60 days	-	0.1	0.1	-
Between 60 to 90 days	-	-	-	-
More than 90 days overdue	-	-	-	-
Total	4.0	4.9	6.7	7.8

Table 5: Accounts payable performance in 2016 (University only)

Invoices paid on time	Q1 31 March %	Q2 30 June %	Q3 30 September %	Q4 31 December %
Actual based on volume	72.3	82.4	80.5	81.4
Actual based on value	79.2	89.3	88.5	88.5
Target	66.7	66.7	66.7	66.7
	\$m	\$m	\$m	\$m
Actual value paid	42.7	52.8	65.6	76.9
Total amount paid	54.0	59.1	74.1	86.9

Movement in wages

The movement in wages is consistent with the University's strategy and reflects enterprise agreement salary increases. There were no exceptional movements in wages, salaries or allowances in 2016.

Overseas travel

The University is committed to growing its reputation internationally and building worldwide awareness of its educational achievements and innovative research outcomes. The total expenditure on international travel was \$7.3m in 2016 (2015: \$6.6m). This includes the cost of airfares, accommodation, and other transport costs. In 2016 University staff members travelled overseas to promote the University, and collaborate internationally by undertaking international research and delivering academic presentations.

Credit card certification

During the 2016 financial year, credit card use was in accordance with the University's credit card and purchasing policies. These policies are based on the Premier's Memoranda and Treasurer's Directions.

Audit outcomes

The NSW Auditor General through the Audit Office of New South Wales issued an unmodified audit opinion on the 2016 financial statements.

Land disposal

The University did not dispose of any land in excess of \$5.0m during 2016.

Table 6: Funds granted to non-government community organisations

During 2016 the University provided \$112,727 in grant funding to local non-government community organisations (2015: \$84,410)

Name of recipient organisation	Programs area as per budget	Nature and purpose of the project including aims and target clients	Grant amount \$
Academy of Sport - Central Coast	Joint activities in sports education, training, and research	To facilitate the sporting, vocational and academic opportunities of pre-elite and elite athletes in the Central Coast region.	30,000
Hunter Writers' Centre	Newcastle Poetry Prize & Short Story Competition	Raise the profile of Arts and Humanities in region, support cultural community and enhance links into community for students.	22,727
Central Coast Marine Discovery Centre	FSCIT & Central Coast Campus	To facilitate community engagement by promoting education programs, pathways and research. Providing teaching and research facilities for marine science and sustainable resources management including work integrated learning opportunities.	15,000
Octopod	This is Not Art (TiNA) Festival	Raise the profile of Arts and Humanities in region, support cultural community and enhance links into community for students.	10,000
Women in Science Australia	Research and Innovation	To connect on women in STEMM across sectors and disciplines, share information about best practices and policies, and introduce ground-breaking initiatives that can provide women in STEMM the best environment to lead and excel through sponsorship of the inaugural National Symposium: Connecting Women in STEMM.	10,000
Hunter Innovation Festival	Research and Innovation	To encourage the formation of a local culture of innovation in business, industry and to showcase innovation in the hunter and provide guidance to local enterprises who are committed to adopting innovation through sponsorship of the Festival.	10,000
Business / Higher Education Round Table (B/HERT)	Research and Innovation	To support the benefits of collaboration and enhance links between industry and universities through the 2016 B/HERT Awards.	10,000
Science Pathways	Research and Innovation	To support the next generation of science leaders to work across science sectors, collaborating with academic institutions, private companies, government and non- government organisations.	5,000
Total			112,727

N: Subsidiaries

UON Singapore Pte Ltd

2016 marked the 10th anniversary of UON Singapore's (UONS) establishment as a wholly-owned entity of UON. With over 4,000 graduates from more than 39 countries in the last ten years, UONS also saw its first cohort from the Bachelor of Construction Management (Building) (Honours) graduate last year.

Other activity included:

Community engagement

A Memorandum of Understanding (MOU) between UONS and the Institute of Public Relations Singapore (IPRS) will provide Bachelor of Communication (BCOMN) students with a platform to engage with PR practitioners.

Corporate Social Responsibility involvement included volunteering and philanthropic support for the Movement for the Intellectually Disabled of Singapore (MINDS) and TOUCH Home Care.

Profile enhancement

UONS launched its first corporate video to mark its milestone anniversary.

External engagement

A nationwide Business Plan Competition attracted 180 students from 53 tertiary-level teams from across Singapore;

Close to 200 guests attended our 10th Anniversary Awards and Gala drawn from the University's senior leadership, students, partners, alumni, industry representatives, sponsors, diplomats, UON Singapore's Board of Directors, and staff;

The UONS and BCA Academy profile-raising carnival was well-attended by management staff, prospective and current students and the Australian Trade Commissioner, Mrs Tracy Harris;

UONS's Breakfast Talk with Vice-Chancellor and President, Professor Caroline McMillen focused attention on 'Women in STEM and Innovation.' The event included participants from the Australian High Commission, National University of Singapore (NUS), Nanyang Technological University (NTU), Singapore University of Technology and Design (SUTD), Integrated Health Information Systems, James Cook University (JCU), Building Construction Authority (BCA) and the ESSEC Business School.

Business development

- A signing ceremony between BCA Academy and UONS, witnessed by Vice-Chancellor and President, Professor Caroline McMillen will pave the way for a Bachelor of Engineering (Honours) (Civil) program with a first intake in Semester 1 2017.

In the area of Research Performance, UONS full-time academic staff maintained research momentum with eight international refereed journal articles; ten international conference proceedings; supervision of six PhD students; two PhD completions; eight in-house research seminars and workshops; the launch of three research projects through the UONS Small Research Grant Scheme; and co-sponsoring of the Western Economic Association International 12th Annual Conference.

Other staff achievements included:

- Dr. Hassan Ali, Academic Coordinator (Engineering) and Lecturer (Electrical Engineering) joined the elite ranks of the Institute of Electrical and Electronics Engineers (IEEE) as a Senior Member.
- Dr. Yeap Peik Foong, Senior Lecturer and Academic Director of UONS was awarded the Best Prize for Journal Award (World Journal of Management) at the 2016 World Business Finance and Management Conference held in Auckland, New Zealand.

The 'University Teaching Skills' initiative for full-time and sessional academics at UONS was also successfully launched in the Academic and Teaching and Learning space.

Looking forward, we will launch our three year Strategic Plan (2017-2019) to leverage our locational advantage, broaden engagement with faculties, research and with UON Global and support NeW Futures.

2016 Consolidated results

	Income	Expenses	Net surplus (deficit)	Budget net surplus (deficit)
	\$m	\$m	\$m	\$m
University of Newcastle	752.1	(668.8)	83.3	38.1
Newcastle Innovation	10.6	(10.0)	0.6	-
UON Singapore	6.6	(7.0)	(0.4)	1.7
Consolidation adjustments	-	(0.3)	(0.3)	-
Consolidated entity	769.3	(686.1)	83.2	39.8

Please refer to note 31 of the financial statements for details of the University's subsidiaries.

The University of Newcastle Research Associates Ltd

Following the planned transition of the business development and technology transfer functions of Newcastle Innovation Ltd to UON in November 2015, the controlled entity changed its trading name in 2016 to The University of Newcastle Research Associates Limited (TUNRA). The main objective of TUNRA is to advance research and research education through engaging with government and industry, providing research services that contribute to and further UON's research and innovation objectives.

The company is a wholly-owned subsidiary (a controlled entity) of the University.

2016 achievements

- A General Manager was appointed to lead the new business and ensure TUNRA maximises UON's systems and support structures.
- A new business plan was developed that has line of sight to both the NeW Futures Strategic Plan through its focus on innovation and impact, and the Research and Innovation Division Corporate Plan with a vision to strengthen TUNRA's operating model to remain responsive to industry, to be right-sized for our markets and to optimise the entity's financial sustainability through its diversification strategy.

Looking forward, planned strategic activities in 2017 include:

- Underpinning the company's growth ambition through the expansion of the TUNRA Bulk Solids (TBS) model and through the provision of high-level professional services and to develop additional capability and business units to support research and research education across the University.
- Increasingly leveraging UON's assets and resources to facilitate a more robust and responsive customer-service environment supported by a flexible operating model that provides additional opportunities for University research.
- To continue to make, as a controlled entity, a direct and indirect contribution to the University.

O: UON Compliance with the *Voluntary Code of Best Practice for the Governance of Australian Universities*.

Compliance with the Voluntary Code of Best Practice for the Governance of Australian Universities

The *Voluntary Code of Best Practice for the Governance of Australian Universities* (the Code) was approved by the Ministerial Council for Tertiary Education and Employment in 2011. The Code details the best practice requirements for University governance.

Compliance with the Code is subject to annual review by the University Council. A review of the University's compliance with the Code has been undertaken for the 2016 year and has shown that the University's governance arrangements conform to the Voluntary Code.

Glossary

AACSB	Association to Advance Collegiate Schools of Business
AAHMS	Australian Academy of Health and Medical Sciences
AARE	Australian Association for Research in Education
AAUT	Australian Awards for University Teaching
ACARP	Australian Coal Association Research Program
AGHE	Australian Guide to Healthy Eating
AHEG	Australian Higher Education Graduation Statement
APD	Accredited Practising Dietitian
ARC	Australian Research Council
ASEAN	Association of South East Asian Nations
Athena SWAN	Athena Scientific Women's Academic Network
AVID	Advancement via Individual Determination
CBD	Central Business District
CCMS	Central Coast Medical School
CEEHE	Centre of Excellence for Equity in Higher Education
CGS	Commonwealth Grants Scheme
COPD	Chronic Obstructive Pulmonary Disease
CT	Computed Tomography
DAA	Dietitians Association of Australia
DADD	Dual-Award Doctoral Degree
DECRA	Discovery Early Career Researcher Award
DFAT	Department of Foreign Affairs and Trade
ECR	Early Career Researcher
EFTSL	Equivalent Full-time Student Load
EOCGE	Employer of Choice for Gender Equality
ERA	Excellence in Research Australia
FEDUA	Faculty of Education and Arts
FTE	Full Time Equivalent
GCEC	Global Consortium of Entrepreneurship Centres
GCER	Global Centre for Environmental Remediation
GIPA	Government Information Public Access
GRACE FO	GRACE Follow On
HDR	Higher Degree by Research
HERDC	Higher Education Research Data Collection
HEPP	Higher Education Participation Grants
HIIF	Hunter Infrastructure and Investment Fund
HKU SPACE	Hong Kong University School of Professional and Continuing Education
HMRI	Hunter Medical Research Institute
HREC	Human Research Ethics Committee
HRF	Hunter Research Foundation
i2N	Integrated Innovation Network
IAD	International and Advancement
IPF	Idiopathic Pulmonary Fibrosis
iLEAD	International Leadership, Experience and Development

JADD	Jointly Awarded Doctoral Degree
JRC	Joint Research Engagement
LTIFR	Lost Time Injury Frequency Rate
MOOC	Massive Open Online Course
NBS	Newcastle Business School
NCP	New Colombo Plan
NHMRC	The National Health and Medical Research Council
NIAAA	National Institute of Alcohol Abuse and Alcoholism
NIER	Newcastle Institute for Energy and Resources
NPP	National Priority Pool
PID	Public Interest Disclosure
PRC	Priority Research Centre
SAGE	Science in Australia Gender Equity
SES	Socio-economic status
SHeM	Scanning Helium Microscope
STEMM	Science, technology, engineering, mathematics and medicine
TRIP Fellowships	Translating Research into Practice Fellowships
TUNRA	The University of Newcastle Research Associates Limited
UNITE	UON Industry Training and Engagement
UON	University of Newcastle
VC	Vice-Chancellor
WGEA	Workplace Gender Equality Agency
WHO	World Health Organisation
WHS	Workplace Health and Safety

Relevant legislation

Annual Reports (Statutory Bodies) Act 1984

Annual Reports (Statutory Bodies) Regulation 2010

Australian Charities and Not-for-profit Commission (ACNC) Act 2012 (Cwth)

Government Information (Public Access) Act 2009 (the GIPA Act)

Health Records and Information Privacy Act 2002 (NSW) (HRIP Act)

Independent Pricing and Regulatory Tribunal Act 1992

Privacy Act 1988 (Cth)

Privacy and Personal Information Protection Act 1998 (NSW) (PIPPA)

Public Finance and Audit Act 1983 (NSW)

Public Finance and Audit Regulation 2015 (NSW)

Public Interest Disclosures Act 1994 (PID)

University of Newcastle By-law 2005

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We welcome feedback and enquiries from the public by telephone, postal mail, email or in person.

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This annual report is available in electronic form at the following address:

www.newcastle.edu.au/about-uon/our-university/annual-report

Design

Marketing and Public Relations, The University of Newcastle.

Photography

Cover image – Nicole Chaffey.

Additional images - Murray McKean Photography and sourced from existing UON projects.

ABN 15 736 576 735

ISSN 0313-007X (print)

ISSN 2200-4572 (online)

The Artist

Nicole Chaffey is a descendent of the Gadigal and Biripai peoples of Eastern NSW. She has been living on Awabakal land for the last fifteen years.

While her work is contained within the stylistic conventions of European painting, the visual connection to Aboriginality lies within subject matter, which is the relationship to the Australian landscape. Instinctual mark making charts concepts of discontinuity of culture, familial connection and emotional relationships to country. Her paintings explore issues of contemporary Aboriginality, memorial and emotional ties

to the country of her ancestors, and the intricate familial relationships that connect it all.

Chaffey completed a Masters of Philosophy at the Wollotuka Institute, the University of Newcastle, in 2015. She was also the 2013 Industry Post-Graduate Scholar in Arts Administration working with the University Gallery. She continues to work with the Gallery and with the Lake Macquarie Regional Gallery.



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