



THE UNIVERSITY OF
NEWCASTLE
AUSTRALIA



ANNUAL REPORT

2015

Report objectives

This Annual Report is a summary of the University of Newcastle's achievements in 2015 and financial position at 31 December 2015. It reviews our activities against the objectives of our strategic plan, compares performance against previous years and outlines priorities for 2016.

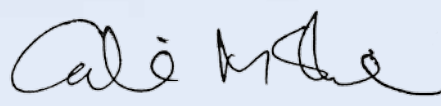
Letter of submission

29 April 2016

On behalf of the Council of the University of Newcastle, we have the honour of submitting our Annual Report to you for presentation to Parliament, following a resolution of the members of the Council of the University of Newcastle on 28 April 2016. 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

Four hundred graduates paraded through Newcastle's central business district in April 2015, led by the Australian Army Band, celebrating the 130,000 students who have graduated from UON throughout its 50 year history. Over 3,000 supporters lined the streets of Newcastle to witness the parade and cheer the graduates on.

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Glossary

Compliance index

Chancellor's message



2015 was a year of celebration as we recognised 50 years of achievement and success. The University of Newcastle (UON) continued its commitment to equity, great teaching and learning, to produce work-ready graduates, innovators and entrepreneurs, together with leading edge research and innovation which will enhance the economic and social wellbeing of the communities we serve. We have also continued to expand our international outreach in both education and research.

With an element of uncertainty facing the higher education sector, it is important for UON to continue to build on the strong foundation of the last 50 years, while driving a bold and inspiring future for our regions and beyond.

UON Council members and the executive team have worked together to prepare a strong decadal strategic plan, NeW Futures, and under the Vice-Chancellor's leadership we are focused on delivering the outcomes to ensure the success and sustainability of UON. With the development of the University's Long Term Financial Plan we are clear about

what is required to achieve our strategic direction.

Our 2015 financial result reflects a surplus consistent with the University's long term targets. During the year UON's financial position was bolstered by the strong performance of its investments and a number of one-off, non-recurring items of income. UON has clearly identified and maintained the balance sheet position it needs to ensure a sound and sustainable financial base. We have also continued to maintain a strong asset base which will enable UON to sustain its capital and strategic investment program over the next five years to support the NeW Futures strategy.

For 50 years we have been extremely fortunate to have the support of a community that continues to grow. In 2015 we extended our alumni community to 121 countries with a new network launched in Saudi Arabia and closer to home we saw the formal establishment of the Hunter Alumni Network. We are grateful to those in our community who continue to generously support UON. In 2015 UON received its largest single donation from two former students who have given generously to help disadvantaged children access higher education. We are extremely grateful for this level of generosity and for all those who support UON. While UON performs well above the sector average, with 24 per cent of students from low socio-economic backgrounds, there is still considerable work to do to provide greater equity and access to a quality education.

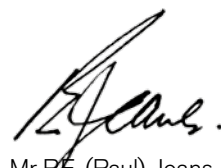
Our success will be determined by the quality of our graduates and we are committed to providing a unique teaching and learning experience for our students. The extensive inclusion of work integrated learning ensures that our University produces highly qualified, work-ready graduates. It has been a

great source of pride to see our staff and students recognised for their outstanding achievements during 2015.

Our research strength is helping to build collaborative engagement with industry, business and government partners - with UON positioned eighth in Australia for research ranked 'well above world standard' in the Excellence in Research for Australia (ERA) 2015 assessment. This recognition assists our goal to link UON's research expertise with industry to commercialise innovative technologies so that business, industry and the community can benefit and profit from our front line research.

UON will continue the momentum built in recent years under the leadership of Vice-Chancellor and President, Professor Caroline McMillen, with her reappointment through to October 2019. Professor McMillen's vision and determination has seen the University's identity grow as a world class institution and has firmly marked UON as a leader in equity, Indigenous education, regional transformation and global research.

I appreciate the commitment of my UON Council colleagues, our Vice-Chancellor and her executive, staff, students, alumni, partners and donors who have all contributed to our success this year.



Mr P.E. (Paul) Jeans
Chancellor

Vice-Chancellor's message



In 2015 we celebrated our 50th birthday, the stories behind our foundation, our unsung champions and the work of our remarkable staff. We reached out to our alumni across the world, connecting through events hosted in wonderful venues great and small. Our graduates walked with pride through the City of Newcastle to waves and cheers and our generous friends, donors and communities celebrated with us with many a cup of tea and a scone and some great reminiscing of times past - what a year!

The Governor of New South Wales, His Excellency General The Honourable David Hurley AC DSC (Ret'd), came to our Callaghan campus in August and shared a conversation at the Wollotuka Institute with a group of our Indigenous students, whose determination to make a difference to their world was inspiring.

In August we were privileged to award an honorary Doctorate to His Excellency Jakaya Mrisho Kikwete, President of Tanzania. In September, we hosted university, government and industry leaders from the United Kingdom,

Canada and Asia at an international UON Forum on the role of universities in the economic transformation of their cities and regions. In October, we were honoured when the United Nations (UN) formally recognised UON and the City of Newcastle as the hosts of one of only 15 UN Centres worldwide designated as 'International Training Centres for Authorities and Leaders'. Signing the agreement with the UN, together with Newcastle Lord Mayor Councillor Nuatali Nelmes, in the Palais des Nations in Geneva was a highlight of the year.

We were also delighted to welcome Chris Buck - the director of the Disney movie *Frozen* to UON as a President's Visiting Fellow. Chris came to Newcastle during the fierce April storms and he inspired an audience of more than 900 as he told the story of how creativity, disruptive innovation and hard work delivered the highest grossing animated movie of all time.

Staff across UON made their mark throughout 2015, with the recognition of the research achievements of Laureate Professor Scott Sloan when he was elected a Fellow of the Royal Society and an International Fellow of the Royal Academy of Engineering. Professor Sloan was also named as the 2015 New South Wales Scientist of the Year - rounding out an outstanding year. We had an evening of celebration in Parliament House in Canberra when Laureate Professor Graeme Jameson was awarded the inaugural Prime Minister's Prize for Innovation, highlighting how staff at UON have been leading in innovation since our foundation. And what a year it was for Professor Peter Stutchbury who was awarded an International Fellowship to the Royal Institute of British Architects and received the prestigious Australian Institute of Architects Gold Medal.

Our emerging leaders were also recognised by awards such as the Young Tall Poppy Science Award, invitations to global fora including the Australian Research Council (ARC) Global Young Scientists Summit in Singapore, and the award of prestigious scholarships and fellowships.

This Annual Report provides an insight into the educators and researchers who work every day at UON placing us among the top 300 universities in the world and in the top 10 in Australia for student satisfaction, good teaching, development of students' transferable skills and research excellence.

We also celebrate those students who have come to UON from across the world and contribute to our diversity and achievements and our Australian students who have secured New Colombo Plan Awards and prestigious international scholarships. There are also those who do us proud in many fields of endeavour, including sporting achievements at all levels such as the World University Games, the Commonwealth Games and future Olympians.

As we move forwards with our NeW Futures decadal plan we are well placed to deliver our 2025 vision to stand as a global leader, distinguished by a commitment to equity and excellence, creating a better future for our regions through innovation and impact.

A handwritten signature in black ink, reading 'Caroline McMillen'.

Professor Caroline McMillen
Vice-Chancellor and President

Overview

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 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 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 198 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 120 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 2014* we had the highest number of Indigenous students of any university in Australia with a participation rate of 2.9 per cent compared with the national participation rate of 1.5 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. Around 90 per cent of UON graduates are in full-time or part-time employment within four months of completing their degree.

UON is a research intensive university focused on tackling the major challenges confronting Australia and our world. UON was ranked in the top eight universities in Australia for research that is 'well above world standard' by the 2015 Excellence in Research for Australia (ERA) assessment. 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 50 year history, UON has built 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 including Newcastle, Central Coast, northern New South Wales, Sydney and Singapore. We work together with our partners to support the economic, social and cultural transformation of strong regional communities.

*At the time of publishing, the most recent national Indigenous participation data was 2014.

Our values

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.

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.

Innovation

We challenge standard practice and received wisdom. We are world leaders in generating new knowledge and translating innovative ideas into real benefits to 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 2015 vision

UON aspires to be a global leader in each of its spheres of achievement. Through engagement with partners, UON will deliver world class innovation to support the development of strong regional communities.

NeW Directions Strategic Plan 2013-2015

The NeW Directions Strategic Plan defined a clear set of goals and strategies to build UON's global and national performance and reputation in education and research and innovation. The Plan also focused on the development of our future workforce, our campuses and our physical and virtual infrastructure and ensuring financial sustainability. The achievements of UON in delivering the goals of the NeW Directions Strategic Plan in 2015 are recognised and celebrated in this Annual Report.

The Next Decade: NeW Futures Strategic Plan 2016-2025

During 2015, our staff, students and community contributed to the development of our new decadal plan, NeW Futures 2016-2025. The Plan provides a road map for the next 10 years captured in eight themes, covered below.

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 ensure we take account of the needs of the next generation.

Key statistics

Student enrolments

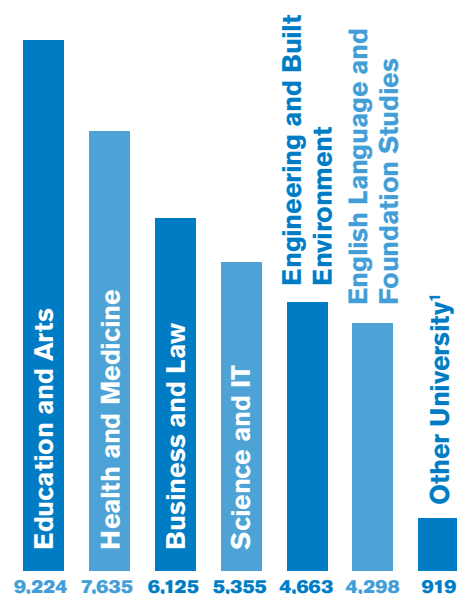
Enrolments at the University continue to reflect UON's reputation and appeal regionally and globally. The strength of our Education and Arts and Health and Medicine program offerings reflect UON's strategic focus on the student lifecycle, which includes pathways into higher education, engagement with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

Notes for graphs on pages 6 and 7:

1. Other University includes the Wollotuka Institute, non-award studies, exchange and study abroad
2. Equivalent Full-time Student Load
3. The 2015 Higher Education Research Data Collection (HERDC) Research Income return is due for submission to the Commonwealth by 30 June 2016. Data for 2015 was not available at the time of publishing this report.

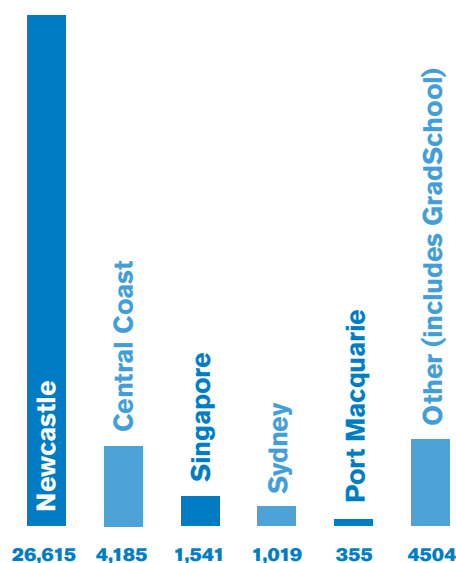
Rounding errors may apply

Student enrolments by faculty and area



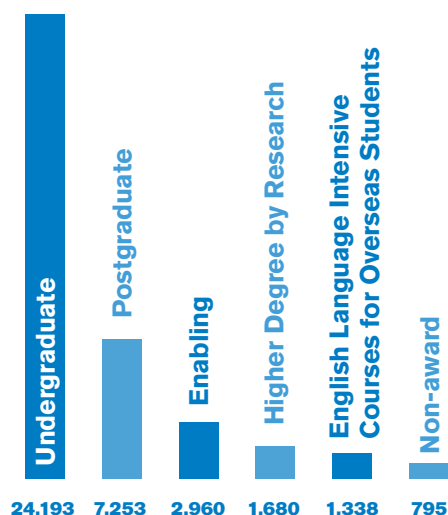
Source MIS 31 January 2016

Student enrolments by campus



Source MIS 31 January 2016

Student enrolments by program level



Source MIS 31 January 2016

Student load and enrolments

38,219

student enrolments

7,105

international enrolments

25,193

student load (EFTSL)²

4,352

international load (EFTSL)²

16,013

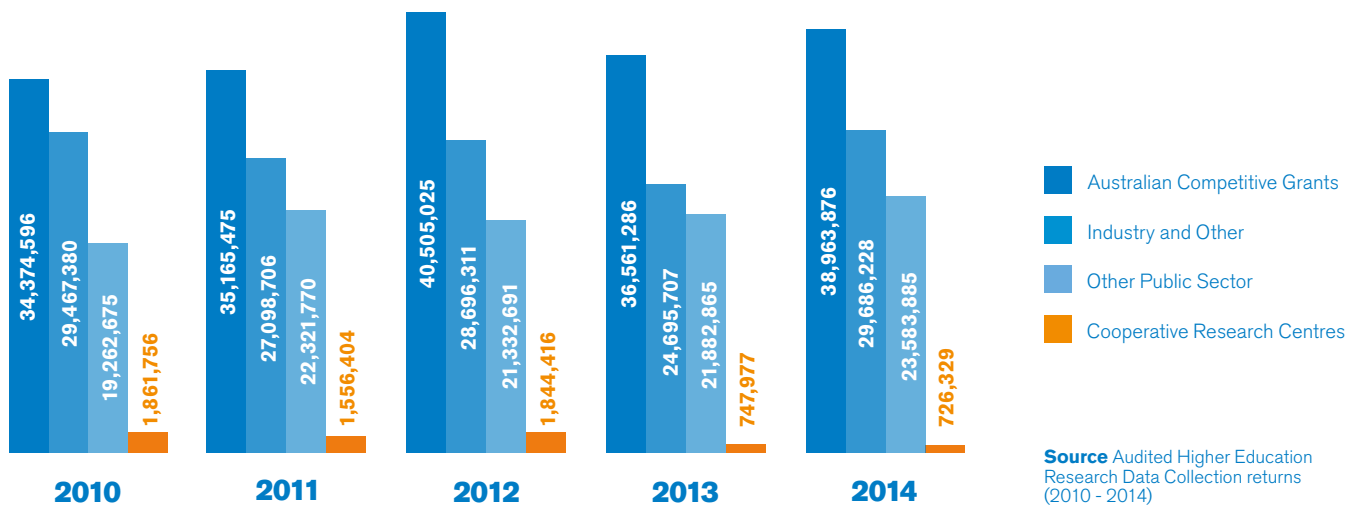
commencing enrolments

9,940

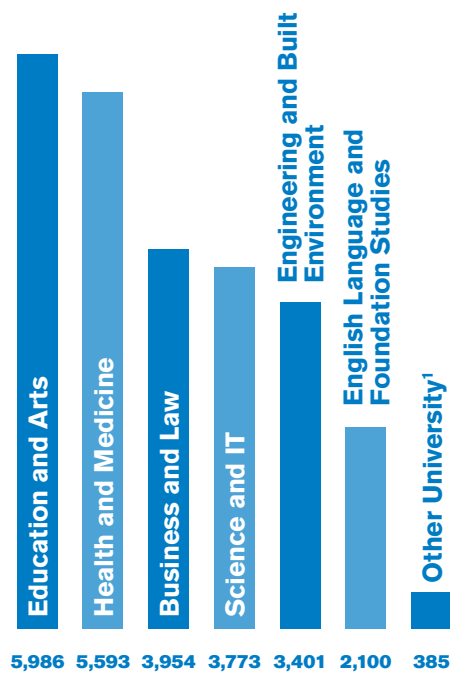
commencing load (EFTSL)²

Source MIS 31 January 2016

Research income by source 2010-2014³

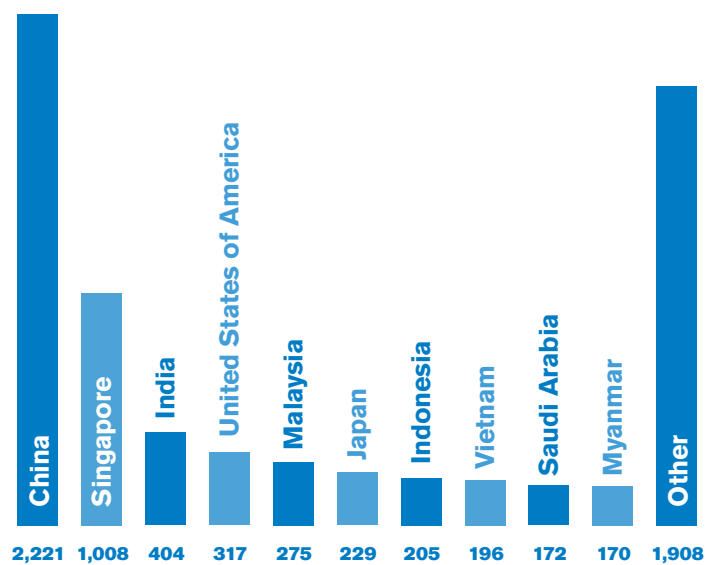


Student load (EFTSL)² by faculty and area



Source MIS 31 January 2016

Top 10 international enrolments by country



Source MIS 31 January 2016

Fixed term and ongoing staff FTE

Source Department of Education and Training Higher Education Staff Statistics


1,035
Academic


1,576
Professional


34
Teacher


2,644
Total staff FTE
(excludes casuals)

Rankings



Top 300

UNIVERSITIES
IN THE WORLD¹



Top 200

15 UON DISCIPLINES
RANKED IN TOP 200
IN THE WORLD²



Top 100

MOST INTERNATIONAL
UNIVERSITIES³



Top 10

IN AUSTRALIA FOR
RESEARCH INCOME⁴



Top 8

IN AUSTRALIA FOR RESEARCH
'WELL ABOVE WORLD STANDARD'⁵



5 Stars

IN HOBSON'S
GOOD UNIVERSITIES
GUIDE⁶



6th

IN AUSTRALIA FOR
OVERALL
SATISFACTION⁷



EQUAL 2nd

IN AUSTRALIA FOR
GENERIC SKILLS⁷



10th

IN AUSTRALIA FOR
GOOD TEACHING⁷

Sources

1. QS World University Rankings 2015
2. QS World University Rankings by Subject 2015
3. Times Higher Education Most International Universities 2015

4. Higher Education Research Data Collection 2014
5. Excellence in Research Australia 2015
6. Hobson's 2016 Good Universities Guide
7. Australian Graduate Survey 2015



Laureate Professor Graeme Jameson won the 2015 Prime Minister's Prize for Innovation

Awards and achievements

Our staff and our students have helped shape the remarkable institution that UON is today and in 2015, our 50th anniversary year, we celebrated and recognised the contribution of many of our outstanding achievers.

International achievements

- Laureate Professor Graeme Jameson was appointed a Fellow of the United States National Academy of Engineering, one of only 12 foreign members to join the elite group in 2015.
- Laureate Professor Scott Sloan was elected as a Fellow of the Royal Society and an International Fellow of the Royal Society of Engineering.
- Professor Peter Stutchbury was awarded an International Fellowship to the Royal Institute of British Architects and received the 2015 Australian Institute of Architects Gold Medal.
- Aunty Colleen Perry was awarded an honorary Doctor of Letters (Indigenous Knowledges) by the World Indigenous Nations University and was also recognised with a National Aboriginal and Torres Strait Islander Higher Education Advisory Council Elders Award for her contribution to Aboriginal and Torres Strait Islander higher education.

Awards and achievements



Dr Kate Ariotti



Laureate Professor Paul Foster



Professor John Forbes

National achievements

- Laureate Professor John Aitken and Vice-Chancellor Professor Caroline McMillen were elected as Fellows of the Australian Academy of Health and Medical Sciences (AAHMS) and were later joined by Professor Julie Byles, Laureate Professor Paul Foster and Conjoint Professor Chris Levi.
- Dr Kate Ariotti was awarded the prestigious C.E.W Bean Prize for Military History from the Australian Army History Unit.
- Associate Professor Kathleen Butler was awarded a National Teaching Fellowship by the Office for Learning and Teaching.
- Professor Julie Byles received the Council of Academic Public Health Institution Australia's 2015 Award for Excellence and Innovation in Public Health Teaching and Research.
- Professor Hugh Craig was elected as a Fellow of the Australian Academy of the Humanities.

- Laureate Professor Paul Foster received a Harvard Club of Australia Outbound Fellowship and is the first Australian recipient of this Fellowship.
- Dr Peter Howley received an Office for Learning and Teaching Citation for Outstanding Contributions to Student Learning.
- Dr Melanie James was named Australia's 'PR Educator of the Year' at the Public Relations Institute of Australia's National Golden Target Awards.
- Laureate Professor Graeme Jameson was awarded the inaugural Prime Minister's Prize for Innovation.
- Associate Professor Jim Jose was awarded the Australian Political Studies Association's Academic Leadership in Political Science Award.
- Professor John Maynard was appointed a Fellow of the Australian Academy of the Social Sciences.

- Professor Robert Melchers was presented with an Honorary Fellowship from Engineers Australia.
- Dr Liam Phelan was made a Fellow of the Higher Education Research and Development Society of Australasia.
- Laureate Professor Nicholas Talley was appointed President of the Royal Australasian College of Physicians.
- Dr Tamara Young received an Office for Learning and Teaching Citation for Outstanding Contributions to Student Learning.

State achievements

- Laureate Professor John Aitken was elected as a Fellow of the Royal Society of New South Wales.
- Dr Nikola Bowden received a New South Wales Young Tall Poppy Science Award.
- Professor John Forbes received the 2015 New South Wales Premier's Award for Outstanding Cancer Research.



**Laureate Professor
Nicholas Talley**



Dr Melanie James



Professor John Maynard

Awards and achievements



Julia Barton (L) and Montana Perkins (R)



Lisa Butson



Michael Wilds

- Dr Victoria Haskins was awarded a History Fellowship by the New South Wales Centenary of Anzac Commemoration (2014-2018).
- Professor Behdad Moghtaderi and Dr Elham Doroodchi won a Newcastle Engineering Excellence Award in the Engineers Australia Newcastle Division Awards and were named the overall Newcastle Division winners.

Student and graduate achievements

- Julia Barton and Montana Perkins represented Australia and were Gold Medal winners in the women's water polo at the 2015 World University Games in South Korea.
- Matthew Graham was awarded the Academic Excellence Award at the New South Wales Institute of Sport Annual Awards and the UON Sports Person of the Year after finishing the 2014/15 season ranked fourth in the world, which included winning a silver medal at the 2015 FIS Freestyle Skiing World Cup in Utah.

- Dr Ashleigh Guillaumier received the Council of Academic Public Health Institute Australia 2015 Award for PhD excellence in public health.
- Ruth Liou was invited to show her PhD Sculpture 'The Bell' at the 2015 Sculpture by the Sea exhibition at Bondi, New South Wales.
- Five outstanding UON undergraduates have received prestigious scholarships under the Australian Government's New Colombo Plan to study in the Philippines, Hong Kong, Singapore, and South Korea.
 - Ruby Bhavé, Bachelor of Engineering (Civil)/Bachelor of Engineering (Environmental), Hanyang University, South Korea.
 - Lisa Butson, Bachelor of Development Studies, De La Salle University, Philippines. As the top-ranked student in her host location, Lisa was also named a New Colombo Plan Fellow.
 - Jodie Cochrane, Bachelor of Engineering/Bachelor of

Mathematics, Nanyang Technological University, Singapore.

- Imogen Dean, Bachelor of Speech Pathology (Honours), Hong Kong University.
- Liam Jewell, Bachelor of Development Studies, Ateneo De Manila, Philippines.
- Andrew Styan, Bachelor of Fine Art student, won the National Tertiary Art Prize and the \$35,000 Dr Harold Schenberg scholarship for work exhibited at Perth Institute of Contemporary Arts.
- UON's men's and women's water polo representative teams ranked number one in Australia after both securing gold medals at the 2015 Australian University Games.
- Michael Wilds, Bachelor of Industrial Design graduate, received a national Bathroom Innovation Award for his sustainable tap design.



'The Bell' by Ruth Liou



UON's representative water polo teams

Year in review

CELEBRATING 50 YEARS

50

1965-2015

UON kicked off its 50th year with a comprehensive engagement program designed to activate the whole University and connect with our internal and external communities.

January

UON successfully renewed its registration to operate as a higher education provider under the Tertiary Education Quality and Standards Agency (TEQSA), following a process of application and assessment with reference to the Higher Education Standards Framework. Registration was renewed for the maximum period of 7 years, to January 2022.



First cohort of midwives graduated from UON Port Macquarie.

February

The inaugural Wanbil Lee and Becky Shiu Prize for 'Ethical and Socially Responsible Use of Technology' was announced. The prize, donated and established by alumni Professor Wanbil Lee and his wife, supports, recognises and encourages students to consider socially responsible and ethical use of technology in their chosen field of study and practice.



New student accommodation at Callaghan campus opened. The four multi-storey buildings almost doubled UON's residential community.

March



The Cooperative Research Centre for the Contamination Assessment and the Remediation of the Environment (CRC CARE), Australia's leading contamination and remediation research organisation, relocated to UON to capture fresh opportunities in industrial clean up through close collaboration with Newcastle Institute for Energy and Resources.

The Hon. Michael Kirby AC CMG delivered the annual Memorial John McPhee Lecture on human rights and health in North Korea.



**RANKED
40th**

ARCHITECTURE/
BUILT
ENVIRONMENT

UON's Architecture and Built Environment discipline ranked 40th in the world in the 2015 QS World University Rankings by Subject.

April



Creator of Disney's *Frozen*, Chris Buck, visited UON to share insights and advice from his stellar career in animation through a masterclass and lecture attended by over 900 alumni, staff and students. The lecture was part of the Disruptive Innovation Works lecture series introduced by UON in 2014.



Construction commenced on the NeW Space project - UON's \$95.0m landmark education precinct in Newcastle's central business district.

May



Design students from UON gained worldwide prominence with their rotoscoped version of Taylor Swift's *Shake It Off* video which featured in news around the world and reached around 1.3 million views on YouTube.

Above artwork by Renee McIntosh.

UON hosted the 20th National Indigenous Tertiary Education Student Games. Four-hundred and twenty students from 22 universities all around Australia competed - the largest number of students in the games' history and Wollotuka was crowned overall champion for the second time.

June



Year in review



Central Coast Innovation Summit was held to raise awareness of the need for innovation to drive the economy. The theme was 'Organisational Culture' and the program featured nationally renowned speakers Craig Rispin and Nick Bowditch.

July



UON alumnus Nigel Milsom won the Archibald prize for his portrait of Barrister Charles Waterstreet. Three years in the making, the work was described by the judges as a clear standout that captured the essence of its subject beautifully.

Nigel Milsom graduated with a Bachelor of Arts (Visual Arts) from UON in 1998.

UON welcomed the Governor of New South Wales, His Excellency General The Honourable David Hurley AC DSC (Ret'd), to Callaghan campus as part of our 50th anniversary celebrations.

A multi-institute research team led by Laureate Professor Rob Sanson-Fisher was awarded \$3.4m from the National Health and Medical Research Council to improve dementia care and outcomes.

August



UON Sydney opened after moving into brand new, purpose-built premises on Elizabeth Street, having been located on Bathurst Street since 2009.

The Elizabeth Street location is in the heart of Sydney's central business district and provides world class facilities and services that support innovation in learning and a next generation experience for our students and staff.



A team of 16 graduates, staff, students and community supporters took on the challenge of walking '50kms for 50 years' along the Great Wall of China, raising over \$80,000 for the Shaping Futures Scholarship Endowment Fund for disadvantaged students.

September



UON hosted 'Universities: Transforming Cities and their Regions' - an international forum that brought together international and national leaders from higher education, industry and government to discuss opportunities and strategies for regional transformation and the catalyst role of universities.

UON and the City of Newcastle signed a landmark agreement with the United Nations Institute for Training and Research (UNITAR), led by Associate Professor Graham Brewer, which will see Newcastle become the world's newest 'United Nations City'. As part of the relationship UON will establish an International Training Centre for Authorities and Leaders (CIFAL) for global capacity building in disaster risk reduction.

October



UON celebrated 50 years of late night study sessions, of forging lifelong friendships and of flying mortarboards with its Alumni Homecoming - three days of reunions, events and festivities. Highlights included the Homecoming Great Debate, the inspiring Alumni Awards and 'Back to the Bar', the first alumni reunion concert at Bar on the Hill headlined by ARIA Award winners, Regurgitator.

New research building officially opened at Newcastle Institute for Energy and Resources and launch of the ARC Industrial Transformation Research Hub for Advanced Technologies for Australian Iron Ore.

UON welcomed six parliamentarians from the Association of South East Asian Nations (ASEAN) Member States - Brunei, Laos, Malaysia, Singapore, Thailand and Vietnam. The ASEAN Parliamentarians were part of the 2015 Guest of Parliament of Australia Program.

November



UON's inaugural Bequest Morning Tea highlighted the impact of support for research and resulted in a \$10,000 donation to the Alan Roberts Scholarship and the doubling of scholarships made available by the Valsai Bleazard Trust in 2016.

UON's Laureate Professor Rob Sanson-Fisher and Professor John Wiggers from Hunter New England Health were awarded a total of \$4.4m in Cancer Council NSW funding to improve cancer service and prevention delivery.



Top 8

IN AUSTRALIA FOR RESEARCH
'WELL ABOVE WORLD STANDARD'

UON ranked eighth nationally for research 'well above world standard' in the Excellence in Research for Australia assessment. Ninety per cent of UON research was rated 'at world standard' or above.

December



UON formalised a new partnership with the Fulbright Commission to strengthen research impact and reach through two new scholarships: a Fulbright Distinguished Chair and the Inaugural Fulbright Postdoctoral Scholarship.



Global engagement

HEAD OF STATE HONoured BY UON

In July 2015, UON conferred the honorary degree of Doctor of Laws upon His Excellency Jakaya Mrisho Kikwete, fourth President of the United Republic of Tanzania. President Kikwete is the first head of state to be honoured in this way by UON.

The honorary Doctorate was awarded in recognition of President Kikwete's remarkable contribution to social cohesion in East Africa, and his administration's record of improving Tanzania's governance, its national economy, and Tanzanian society.

UON's engagement with Tanzania is built on a mutual focus on research in education, health, and energy and minerals.

In 2015 there was work across UON to deliver the key goals of our Global Partnership Plan and to engage and build sustainable international partnerships that deliver tangible outcomes for education, research and innovation.

New Colombo Plan

The Australian Government's New Colombo Plan supported eight UON projects across seven countries in 2015. Alumni mentors in Singapore and the Philippines played an instrumental role in welcoming and supporting UON's New Colombo Plan students.

Towards the end of 2015, five outstanding UON undergraduates received New Colombo Plan scholarships to study in the Philippines, Hong Kong, Singapore, and South Korea in 2016. These five UON scholars will help lift knowledge of the Indo-Pacific region in Australia and strengthen people-to-people and institutional relationships.

Confucius Institute

The Confucius Institute delivered Chinese language and culture classes to year three and four students at Newcastle Grammar School.

In another first, the Confucius Institute's partnership with Central China Normal University (CCNU), designated by Hanban Ministry of Education, saw 10 UON students studying a credit-bearing course in Chinese language in 2015 as part of the exchange agreement. The partnership and collaboration between UON and the Confucius Institute (Hanban) also saw four UON Professors being funded by the China Studies Program to undertake professional development in China.

Global educational achievements

UON's role as an educator of 'Australia Award' scholarship recipients was recognised by the Department of Foreign Affairs and Trade with UON receiving a score of 6 out of 6 against the defined KPIs.

UON's community spirit was further recognised in 2015 by winning the 2015 Education Provider Award at the New South Wales International Student of the Year Awards, held at the Sydney Opera House. The Award recognised UON's global partnership with Jesmond Park Uniting Church and its 'Cheap Chewsdays' initiative. Cheap Chewsdays is a monthly dinner that brings together students

of all faiths and nationalities, fostering a valuable sense of inclusion and community involvement.

In 2015, UON achieved accreditation of the Bachelor of Engineering (Surveying) program by the Malaysian Board of Land Surveyors. The accreditation has importantly enhanced recognition of UON's programs in Malaysia.

New education partnerships

UON is proud to operate within a global network of schools and partner agencies from Africa, the Middle East, and North America to the South Pacific. These networks and partner agencies are trusted by UON, alumni, students and parents in recommending and representing UON in-country.

A key achievement for UON's international education partnerships in 2015 was seeing the largest cohort to date undertaking overseas semester exchange programs, with 260 students attending exchange programs in collaboration with more than 120 partner institutions around the world.

Newcastle International College (NIC) at UON had over 100 students continue their undergraduate studies - NIC is the only Navitas College in the world which enables suitably qualified students to progress onto studying Medicine.

UON was pleased to welcome students from our new partner institutions - Wuhan University of Technology and Sichuan International Studies University in China, approved by the Ministry of Education in China.

Additionally, a group of 33 'Australia Award' students studying at UON under the De La Salle University, Philippines/UON agreement commenced at Callaghan campus.

UON continues to work with international partners to drive our research success and advance our global reputation.

2015 key figures



65
PARTNER
institutions in
16 countries



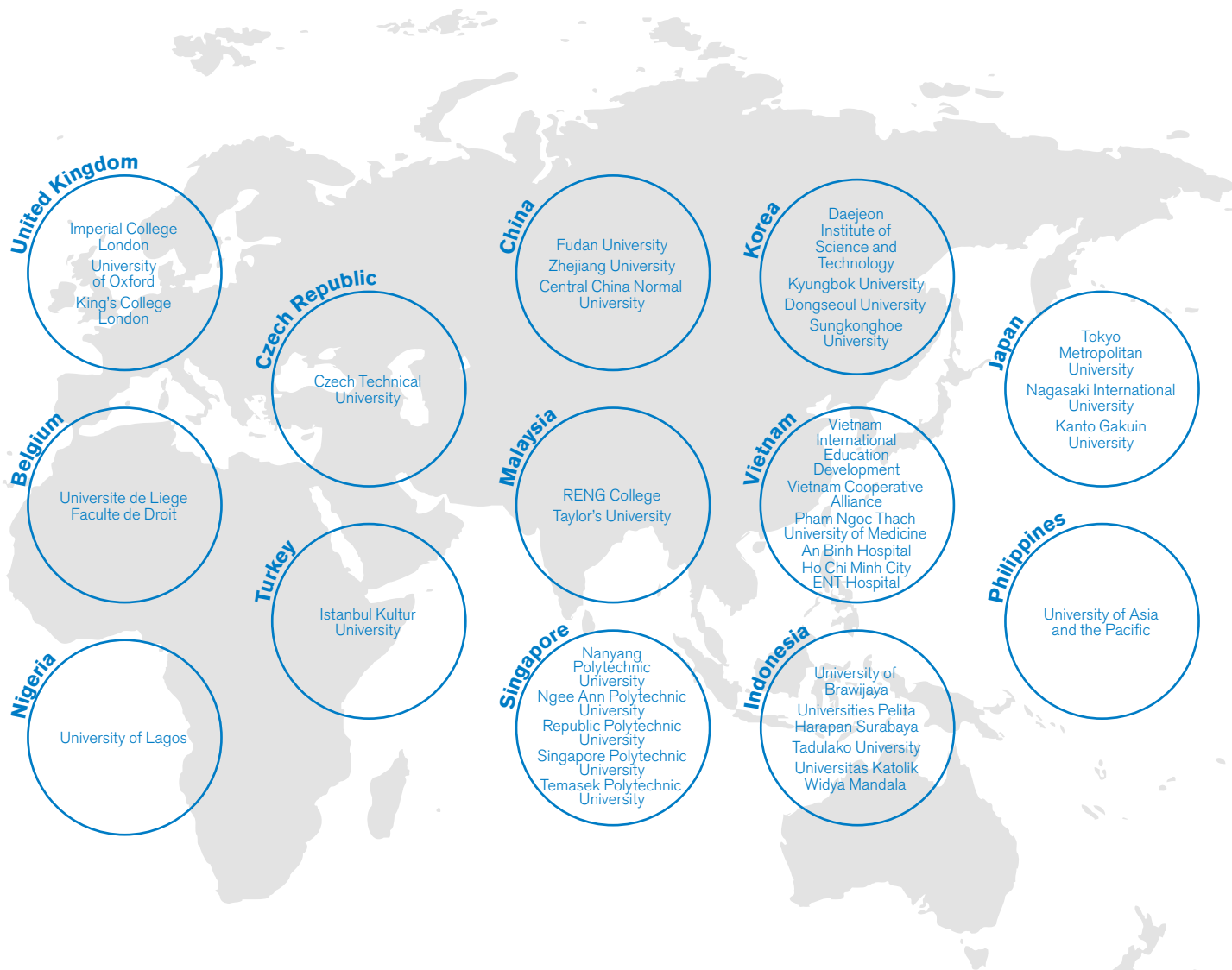
17%
increase in
UON students on
exchange programs
from 2014 to 2015



Top 100
Most International
Universities¹

Sources

1. Times Higher Education Most International Universities 2015



GLOBAL PARTNERSHIPS AND COLLABORATIONS

UON continues to build its global footprint with partnerships across the world. We work with international partners to drive our research success and advance our global reputation. We have particularly strong partnerships with Canada, United Kingdom, New Zealand, United States of America and Malaysia and we are investing particular effort into growing our partnerships with China and South Africa. Our partnerships offer course or program credit, articulation and pathway arrangements, study abroad and exchange programs and collaborations with research and education leaders.

iLead

Providing our students with an international perspective is key to the UON experience. In 2015, 2,775 students enrolled in iLead, UON's award-winning international leadership experience and development program. The program saw 21 students attend the University Scholars Leadership Symposium in Hong Kong. From undergraduate to postgraduate students, iLead enables exposure to international leaders and provides a unique experience in spending time overseas.

International student engagement

Through the award winning Student Experience Program (SEP) English language students engage with Australians through a range of non-classroom activities from day one. Our SEP program introduces a range of practical and real world opportunities for students to participate in the complete educational and social experience sought by international students.

Research and innovation partners

Our International Research Visiting Fellowship Scheme continued to foster high-quality research collaboration and knowledge exchange between UON and key international institutions. In 2015, 16 scholars visited from China, United States of America, Canada, Switzerland, the Netherlands, United Kingdom, Ireland, Scotland, Poland and Germany.



NEW MOU WITH LEADING MEDICAL UNIVERSITY



In July 2015, UON signed a MOU with Taipei Medical University (TMU).

TMU is one of the largest health care systems in the world and offers top-quality teaching, research and clinical services in the Taipei metropolitan area. This new partnership aims to strengthen bilateral collaboration between the two institutions to improve the quality of teaching, research and clinical services.

Witnessed by the Executive Director, Science and Technology Division, Taipei Economic and Cultural Office in Australia, the MOU has established the way for research partnerships in cancer, public health, telemedicine, neuroscience, nursing, ageing and rehabilitation.

Research training

In 2015, UON progressed its research training internationally. UON's Memorandum of Understanding (MOU) with Vietnam International Education Department and the Ministry of Education and Training on research higher degree training and scholarships was renewed in April 2015 and 14 UON Vietnam International Education Department scholars commenced their programs. There was further development of a China Scholarship Council (CSC) UON Partnership with the establishment of specific initiatives for prospective CSC students in Australia. Attendance by UON staff at CSC International Graduate Scholarship fairs in Beijing, Nanjing, Wuhan and Shanghai received an extremely positive response.

Internship for Chinese graduates

UON partnered with AustCham (Beijing) to establish an exclusive internship program for UON Chinese graduates in China. The UON-AustCham Internship Program offered 50 graduate placements of three months or more within AustCham member companies in China. In a first for an Australian university, the internship program was designed to help differentiate Chinese UON graduates in the highly competitive Chinese job market.

Looking forward

In 2016, the focus of our global engagement will include:

- Launching iLead Plus, a cornerstone of UON's Graduate Identity with a focus on enhancing global mobility, social responsibility and employability.
- Establishing a student peer-to-peer mentoring program to provide support that complements UON's embedded services.
- Enhancing the global reputation, standing and recognition of UON by strategic engagement with at least 20 world class universities and education and research partnerships with global education organisations.
- Increasing outbound student mobility across all program levels, on semester exchange, Work Integrated Learning, internship, research experiences, short courses and study tours.
- Increasing the global mobility of our academic and professional staff through strategic exchange and collaborations with trusted partners.



Student engagement

THE BENEFITS OF ENGAGING WITH ART

UON PhD candidate Bliss Cavanagh's Tourette's syndrome diagnosis led her to investigate the benefits of sensory environments. Bliss' interest in her PhD topic - *Art and Sensory Environments: an exploration of Tourette's syndrome and the art of abstract play to enhance mental health and inclusive quality of life* - grew from her Fine Arts Honours year at UON when she created a multi-sensory art installation called *Sensory Overload*.

Bliss' research is inspired by her personal experience and represents a new direction for creative arts students who are working on specific cross disciplinary engagement with researchers in areas such as health and science to drive arts health research outcomes.

UON is committed to supporting talented people from all walks of life to access, and succeed in, higher education. In 2015, we built on our outstanding reputation for excellence and equity with a strong focus on outreach to communities that have traditionally experienced educational disadvantage.

Our commitment to widening participation is reflected in our innovative approaches to learning and teaching, incorporating inclusive curriculum and responsive support structures to assist diverse groups of students to achieve their learning aspirations.

Strategic performance

The Education Plan objectives outlined in the NeW Directions Strategic Plan were:

1. Build access, participation and success for our students.
2. High quality academic programs that support the global competitiveness of the UON graduate.
3. An outstanding student experience on and off-campus that includes student engagement in research, work or community focused activities.
4. Innovative educational delivery models that place UON in the top quartile for teaching and learning performance in Australia by 2015.
5. An outstanding and dynamic teaching culture and workforce.

- Investment in refurbished learning and teaching spaces incorporating world class resources such as 360 degree panoramas, high resolution photo and drone imagery for virtual field trips, lab simulations and 3D printed teaching aids to help UON students engage in the classroom.

Engaging with our students

An enhanced student experience with increased opportunities for student engagement remained central to education activities in 2015.

2015 saw the full implementation of our revitalised Student Central unit, with a new service delivery model across campuses and an increase in the quality and richness of communication with students. A suite of successful events were held in 2015 including Autonomy Day, Stress Less Week, Create 2308 and Create 2444, all significantly increasing engagement with our students.

In addition, UON students involved in clubs, societies and organisations were provided access to a new program to assist them develop governance and leadership skills. 'Generation Governance' is an online governance course providing tips and tools for running a successful student organisation.

2015 highlights

- UON ranked 10th in Australia for good teaching, equal second for generic skills and sixth for overall satisfaction in the Australian Graduate Survey 2015.
- More than 90 per cent of UON programs included Work Integrated Learning (WIL) and placement arrangements for students to apply their learnings in professional environments.
- Over 16,000 WIL experiences were undertaken by undergraduate students in 2015 including Speech Pathology in Vietnam, Finance and Business placements in China, 'Rock Initiative' with aspiring musicians in local high schools, Living Arts collaboration in Cambodia, and Zen Calligraphy in San Francisco.
- A flipped classroom approach was introduced to all first year students in the Faculty of Business and Law to place active learning at the centre of student experience.

2015 key figures



38,219

students from 120 countries

**EQUAL
2nd**

**in Australia for
generic skills¹**



6th

**in Australia for
overall satisfaction¹**

10th

**in Australia for
good teaching¹**

89.8%

**of UON graduates in
full-time or part-time work¹**

90%

**of UON programs
incorporate work
integrated learning
opportunity**

Sources

1. Australian Graduate Survey 2015



WORLD INDIGENOUS NATIONS HIGHER EDUCATION CONSORTIUM ACCREDITATION

The Wollotuka Institute at UON received Australia's first World Indigenous Nations Higher Education Consortium (WINHEC) accreditation, recognised for its strong outcomes within Australian Indigenous higher education.

WINHEC accreditation ensures Wollotuka can work with Indigenous leaders across the world to highlight the importance of higher education while enhancing and protecting Indigenous beliefs. This achievement reflects our outstanding reputation for supporting Indigenous student success and highlights the capacity of Indigenous higher education in Australia as a contributor to global higher education agendas. The recognition validates an educational system grounded in Indigenous world views and knowledge systems.

New directions in learning

2015 marked the beginning of a significant change in the way education is delivered at UON. Flipped classes deliver content before class rather than in class and provide a more engaged form of learning. When students meet in class, they engage with the previously delivered content through discussion, analysis and collaborative work to deliver a deeper learning experience.

Course redesign is at the heart of transforming teaching from traditional to flipped modes. The Course and Program Engagement Renewal (CAPER) program offers a collaborative, team-based, holistic and comprehensive redesign of courses. The focus of the initiative is greater alignment of learning outcomes and assessment tools, and engaged activities in a blended mode of learning. In its inaugural year, 12 courses were improved through the CAPER program with a focus on student success.

Indigenous education

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.

UON continues to attract the highest number of Indigenous students across Australia with a 2.9 per cent participation rate in 2014 compared with 1.5 per cent across the sector. In 2015, UON's Indigenous participation rate increased to 3.2 per cent.

Engaging future leaders

We are national leaders in supporting students with diverse backgrounds to achieve success. We do this through innovative program design, engagement with industry and professional stakeholders and by breaking down the barriers between the classroom and the communities we operate in.

Graduate identity

In 2015, significant focus was given to the UON Graduate Identity, student experience and employment strategy. UON has identified three strategies to prepare graduates for the future: academically distinct yet career-ready; locally engaged and globally aware; and entrepreneurial with social responsibility.

Careers and student development

UON has introduced an integrated approach to careers advice, embedded career development learning, work integrated learning and the provision of industry scholarships with its Careers and Student Development team. Throughout 2015 the team hosted a range of events focused on connecting students with business and industry, and introduced a series of workshops to assist students completing an English Language Intensive Course for Overseas Students (ELICOS) to find part-time work in Australia.

Industry connections

Our strong connections with industry ensure our graduates are well positioned for graduate programs and other professional and technical opportunities. Our connections range from global mining giants such as BHP Billiton, to service providers like Hunter Water and NSW Health, to a range of other State and Federal Government departments.

Engaging future students

Our outstanding reputation for equity was further strengthened in 2015 as we continued our focus on outreach to communities that have traditionally experienced educational disadvantage.

Enabling programs

In 2015, 18 per cent of domestic, commencing undergraduate enrolments were students who had completed an enabling program at UON. UON's Open Foundation program is the oldest and largest continuously operating enabling program in Australia along with our successful NewStep and Yapug programs.

Centre of Excellence for Equity in Higher Education

UON's Centre of Excellence for Equity in Higher Education (CEEHE) conducts interdisciplinary collaborative research that informs equity practice with colleagues across Australia and the world.

In March 2015, Professor Penny Jane Burke, a leading international scholar in the field of access and equity in higher education, was appointed Co-Director of CEEHE and Global Innovation Chair of Equity. Professor Burke joined our first Global Innovation Chair in Equity, Professor Geoff Whitty, to build a strong research partnership to improve the evidence base for successful programs in the area of student equity and success.

Research funding

UON's CEEHE was successful in securing eight Higher Education Participation and Partnership (HEPP) National Priority Pool project grants totalling over \$1.3m in 2015. The successful projects showcase the diverse nature and high standard of the work of CEEHE and highlight UON's position as a national leader in equity research and

practice. Projects that secured funding covered a range of topics, including:

- Guiding Futures: The Role of Teachers in the Formation of Students' Aspirations for Higher Education
- Indigenous Enabling: What Works?
- Building Statistical Literacy for Success in Higher Education
- Enhancing University Retention and Success for First-in-family, Low SES Students through a Flipped Classroom Learning Model.

AIM High

UON is amongst the most active in the sector in school outreach work. Our AIM High program strives to increase aspiration for higher education among low socio-economic status schools and communities by offering a suite of tertiary education experiences to primary and high school students. The program uses innovative approaches to demonstrate the links between students' lived experiences, classroom learning, and career and study options. In 2015, AIM High worked with 10,038 young people in partnership with 62 schools across the Hunter, Central Coast and mid North Coast and was as far reaching as Brisbane Waters Secondary College to Upper Lansdowne Public School.

Children's University

In 2015, UON launched the Children's University Newcastle which is a program that encourages children aged between 7-14 years, and their families, to access a variety of extra-curricular learning opportunities.

A number of learning destinations across the Hunter, Newcastle and Central Coast regions support the initiative including museums, libraries and art galleries. Each participating student receives a passport that is stamped to validate their learning. When a threshold number of hours has been reached, students are invited to a formal graduation ceremony to celebrate their achievements in a process that aims to develop confidence and aspiration.

My Big Tomorrow

My Big Tomorrow is an online resource targeted at high school students that aims to demonstrate the importance of developing sound literacy and numeracy

skills for future careers. Students from local high schools helped shape the resource and worked to produce profiles on over 90 different career choices. The resource allows students to search for careers based on their hobbies and interests. My Big Tomorrow was funded by the Commonwealth Government's HEPP National Priorities Pool.

My Big Tomorrow won the NEWi Award for Best Education Solution, the Australian Web Award for the Education Category and the International UX Award Silver Prize for the Most Inspirational User Experience for Educational Advancement.

Summer Schools - Girls' Choices and LIVE IT!

Our Summer Schools offer a five day residential university experience for students in Year 9 from equity target groups across New South Wales. Students participate in a program of activities, lectures, workshops and industry visits which are designed to inspire them to build upon their potential and to expose them to a wide range of study and career options.

Looking forward

As UON transitions to the NeW Futures Strategic Plan 2016-2025 the focus in 2016 is:

- 'Your pathway to a UON Degree' which will provide greater opportunities for students from a range of educational and social backgrounds to fulfil their education aspirations.
- 'Access to success' initiative which aims to ensure the educational journey is rewarding and ultimately leads to a quality outcome.
- 'UON Entrepreneur' is aimed at ensuring that our graduates are equipped to participate in the innovation agenda and create employment opportunities of the future.
- Updating our curriculum and learning experiences and providing contemporary education to future proof our graduates with 'UON Next Generation Degree'.

A portrait of Laureate Professor Scott Sloan, a middle-aged man with grey hair, wearing a dark blue suit, white shirt, and patterned tie. He is standing with his arms crossed in front of a stone wall. The text 'Engagement through research and innovation' is overlaid in large white letters on the lower part of the image.

Engagement through research and innovation

UON LAUREATE PROFESSOR NAMED NEW SOUTH WALES SCIENTIST OF THE YEAR

Eminent UON geotechnical engineer, Laureate Professor Scott Sloan, was named the 2015 New South Wales Scientist of the Year at the Premier's Prizes for Innovation and Science.

Laureate Professor Sloan is the third UON researcher to receive the top honour in the last four years of the award's eight-year history - building on UON's reputation as a high quality research intensive university.

2015 was an outstanding year of accomplishment for Laureate Professor Sloan who was also elected as a Fellow of the Royal Society, a fellowship of the world's most eminent scientific minds, and was one of only three International Fellows elected to the Royal Academy of Engineering.

Research and innovation at UON goes from strength to strength underpinned by the facilitation of strong international partnerships. This positions UON as a driver of economic growth across the region and helps to build our connections with industry, business, government and the community.

The year ended on a high note with the release of the Excellence in Research for Australia (ERA) assessment where 90 per cent of UON research was rated 'at world standard or above' and 38 fields of research were rated either 'above world standard' or 'well above world standard'. This placed UON in the top eight universities for research that is 'well above world standard' and positions UON as one of the top research universities in the country.

Strategic performance

The Research and Innovation Plan objectives outlined in the NeW Directions Strategic Plan were:

1. Build areas of research strength and impact, and achieve a world university ranking in the top 200.
2. Deliver world class innovation through collaborative engagement in research projects with industry, business and government partners in our regions and across Australia.
3. Increase the world standing of our research through new collaborative arrangements with first-rate international partners.
4. Build the next generation of research leaders at UON.
5. Support our staff to build success in research.

2015 highlights

- \$8.0m in funding secured for a total of 21 projects under the Australian Research Council's (ARC's) Discovery Projects, Linkage Infrastructure Equipment and Facilities (LIEF) scheme, Discovery Early Career Researcher Awards (DECRA) and Discovery Indigenous scheme.
- UON was one of only nine universities nationwide to be awarded funding under the Discovery Indigenous scheme for Professor Dennis Foley's project which will provide Australia's first assessment of Aboriginal economic impact.
- \$13.5m in National Health and Medical Research Council (NHMRC) funding was secured for 21 projects and eight fellowships.

Innovation and research excellence

UON's global reputation is built on areas of disciplinary strength including science and engineering, health and medicine, and energy and resources. Fields of emerging excellence include applied mathematics, social work, creative industries, earth sciences and nutrition and dietetics.

The exceptional quality and breadth of research at UON was recognised in 2015 with our continued success in the ARC and NHMRC major grant rounds. Our new generation of researchers received recognition for their work including Dr Kirsty Pringle, School of Biomedical Sciences and Pharmacy, who was awarded a highly prestigious ARC Future Fellowship, worth more than \$690,000, for her research investigating the mechanism underlying successful development of the placenta.

Four early career researchers received more than \$1.3m in funding under the ARC's DECRA scheme: Dr Elizabeth Roberts-Pedersen, School of Humanities and Social Science, Dr James Hambleton, School of Engineering (Civil Engineering), Dr David Farrugia, School of Humanities and Social Science and Dr Guo Chen, School of Electrical Engineering and Computer Science.

Professor Dennis Foley, School of Humanities and Social Science, was awarded Discovery Indigenous funding and Associate Professor Andrew Fleming, School of Electrical Engineering and Computer Science, was awarded LIEF funding. A further 15 UON research projects received funding under the ARC Discovery Projects scheme.

We recognise that research, discovery and access to new knowledge are at the heart of world class education.

2015 key figures

**RANKED
8th**

**in Australia across the
higher education sector for
NHMRC funding¹**

Top 8

**in Australia for research
'well above world standard'²**

Top 10

**in Australia for research
income³**

11th

**in Australia for
ARC grants⁴**

Sources

1. National Health and Medical Research Council Projects Funding Scheme 2015 for projects to commence in 2016
2. Excellence in Research for Australia 2015
3. Higher Education Research Data Collection 2014
4. Australian Research Council, Discovery Programme 2015 Funding for projects to commence in 2016



UON TO ESTABLISH AUSTRALIA'S FIRST VENOM AND ANTI VENOM CENTRE OF RESEARCH EXCELLENCE

Researchers from UON will establish Australia's first Centre of Research Excellence (CRE) for venom and anti venom with \$2.5m funding from the NHMRC. Led by renowned toxicologist, Professor Geoffrey Isbister from Calvary Mater Newcastle, the CRE for venom and anti venom represents a major advancement for venom research in Australia. The CRE will also bring together leading venom scientists from around the globe to conduct clinical trials, improve understanding of anti venom dosage and investigate envenoming in high risk countries such as Sri Lanka.

Grants

UON's outstanding educators were successful in being awarded learning and teaching research grants from the Office for Learning and Teaching (OLT), the National Centre for Student Equity in Higher Education (NCSEHE) and the Leslie Family Foundation.

Four OLT Innovation and Development Grants totalling \$624,000 were awarded to support research, development and innovation related to the enhancement of learning and teaching.

Professor Penny Jane Burke was awarded \$80,660 from the Leslie Family Foundation - a collaboration between the Centre of Excellence for Equity in

Higher Education (CEEHE), the Wollotuka Institute and the Gomeroi Gaaynggal Centre - for the research project *Wiser Women: Educational Aspirations and Participation of Indigenous Women of Reproductive Age in Regional, Rural and Remote Communities*. Professor Burke also received a grant from the NCSEHE for her research project, *Belonging and Equity in Higher Education: Developing Inclusive Approaches*.

Dr Anna Bennett, Centre for English Language and Foundation Studies, received a grant from the Commonwealth Department of Education's Higher Education Priority Pool (HEPP) valued at \$205,262 as part of the Critical Interventions Framework.

Building strong partnerships with industry, business and government

In 2015, there was continued emphasis on building and enhancing relationships with key industry and business partners in areas of strategic priority through the work of our flagship research institutes - Newcastle Institute for Energy and Resources and Hunter Medical Research Institute. Their activities were complemented by the efforts of our commercialisation arm, Newcastle Innovation Ltd.



DR NIKOLA BOWDEN NAMED ONE OF AUSTRALIA'S 'TALL POPPIES' IN SCIENCE



Outstanding UON researcher Dr Nikola Bowden was named one of Australia's 'Tall Poppies' in science at the prestigious New South Wales Young Tall Poppy Science Awards. Honouring Australia's brightest young scientific researchers and communicators, the award recognises both scientific achievement and engagement with the community to raise awareness of science.

A molecular biologist, Dr Bowden's breakthrough research interest is DNA repair in cancer; particularly melanoma and ovarian cancer. Her research project is supported by the Cure Cancer Australia Foundation and HMRI. Dr Bowden was the first to report on the relationship between DNA repair pathways and chemotherapy resistance in melanoma and uses next-generation profiling techniques to unlock the mysteries of melanoma.

Hunter Medical Research Institute

Hunter Medical Research Institute (HMRI) is a partnership of UON and Hunter New England Health Local Health District and supports the Hunter's internationally recognised health and medical researchers to produce leading research for life changing results. UON staff at HMRI continue to translate scientific advances into better clinical care, competitive commercial products and improved health care guidelines. Highlights in 2015 included:

- \$1.4m in funding from the New South Wales Office of Health and Medical Research to develop research capacity in health services research and health informatics.
- Hosting a visit from Professor John Mattick, Director of the Garvan Institute, and his executive team to explore opportunities for ongoing collaboration with the Garvan and the \$24.0m New South Wales Genomics Research Collaborative which utilises the Illumina HiSeq X Ten high speed genome sequencing system.
- At the 2015 HMRI Awards Night, successful researchers were awarded \$651,000 for 23 projects and 12 researchers received awards/prizes.
- Hosting Professor Carl Johan Sundberg from the Karolinska Institute in Stockholm, Sweden to pursue collaborations with respiratory, physical activity, gastrointestinal and stroke/neuroscience researchers.

- A visit by the Director HMRI to Singapore with the Deputy Vice-Chancellor Research and Innovation to progress links with the National University of Singapore, the Nanyang Technological University and A* STAR, to explore formal linkages between research in cancer, bioinformatics and immunology.

- An open day which brought in excess of 1,000 community members to engage directly with approximately 180 HMRI researchers through a series of public lectures, information booths and interactive research activities.

Newcastle Innovation

The integration of Newcastle Innovation's (NI's) business development and technology transfer operations to UON on 1 November paved the way for a culture of innovation and entrepreneurship to be embedded across all research fields. NI will continue its mission to maximise the potential economic, social and environmental benefits of UON's expertise, inventions and facilities as an organisational unit rather than as a controlled entity.

In 2015, NI's work in facilitating industry collaboration included projects with Johnson & Johnson Eyecare, Tara Energy, PepsiCo, African Explosives Limited, Chem Rite Global, South Australian Health and NUSEP Holdings.

SUSTAINABLE ENERGY RESEARCH POWERS DEVELOPING WORLD



Through collaboration with industry we can apply research knowledge to real world problems with great impact. A breakthrough in sustainable energy technology at UON could help solve the global challenge of rural electrification in developing countries.

The project is aimed at solving a missing link in the gasification of biomass - using agricultural waste and by-product to generate heat and electricity. This technology could have implications for almost two billion people globally who do not have access to modern fuels such as oil and gas.

The \$1.1m project, led by Dr Kalpit Shah and Professor Behdad Moghtaderi, both based at UON's NIER, is funded by Industry partner VTara Energy Group Pty Ltd and will involve establishing a demonstration site of the technology in India.



Newcastle Institute for Energy and Resources

Newcastle Institute for Energy and Resources (NIER) brings together leading researchers in a multidisciplinary model for transformational research. Highlights in 2015 included:

- The establishment of the ARC Industrial Transformation Research Hub for Advanced Technologies for Australian Iron Ore, which engages with mining and mining services companies to support the development of new separation and handling technologies to sustain and grow value in iron ore production and exports.
- NIER's Centre for Water, Climate and Land-Use was awarded an Australian Awards Fellowship: *Strengthening Capacity for Innovation in Agriculture/Fisheries and Rural Development in Vietnam* via engagement with Vietnam's Ministry for Agriculture and Rural Development.
- \$6.0m in funding from BHP Billiton to continue research undertaken by the Centre for Ironmaking Materials Research.
- NIER selected as the New South Wales node for the Mineral Equipment, Technology and Services Industry Growth Centre.
- Signing of a Memorandum of Understanding (MOU) with China Steel, China Machinery and China Construction around collaborative activities in abatement technologies, remediation and balanced land use, and alternate use of materials. A further MOU was signed with the Indian School of Mines to develop bilateral relations and explore research collaborations.
- Collaborative activities with industry including the establishment of a joint international research laboratory with the University of Changsha for electric transportation and intelligent distribution network control; and hosting a symposium *Providing Health Care Across Diverse Regions - Challenges for the Resource Sector* in partnership with Aspen Medical and featuring speakers from UON, Department of Primary Industries, Minerals Council of Australia and NSW Minerals Council.
- NIER hosted and coordinated the NSW Energy and Resources Knowledge Hub, which is a platform through which institutions in the energy industry can capture opportunities for growth, development, collaboration and innovation across the sector and close the gap between research and business.



ARC FUTURE FELLOWSHIP



Dr Kirsty Pringle, School of Biomedical Sciences and Pharmacy, was awarded a highly prestigious ARC Future Fellowship, worth more than \$690,000, for her research investigating the mechanism underlying successful development of the placenta.

Enhancing our international research standing

A key outcome of the NeW Directions Research and Innovation Plan is UON's Global Innovation Chairs (GICs).

UON's GICs are responsible for leading the development of research and evidence-based translational practice and policy across the University and within faculties and schools. They facilitate greater engagement with international partners, drive stronger models of collaboration (through centres, hubs and clusters) and maximise the impact of UON research.

The 2015 appointments of Professor Ravi Naidu to the Global Centre for Environmental Remediation and Professor Richard Bush to the International Centre for Balanced Land Use brings the total number of GICs to four and highlights the calibre of world-leading academics contributing to UON's ongoing research success. Their efforts are seeing UON's research provide measurable benefits to society and receive attention on the world stage.

The next generation of researchers

UON is committed to ensuring a strong pipeline of Higher Degree by Research (HDR) graduates into academia and supporting the ongoing development of early and mid-career researchers

as a way to secure our future research success.

In 2015, we built on earlier successful initiatives to meet our NeW Directions goal of building HDR load and completions through the introduction of streamlined applications, strong supervision and mentoring processes, industry and business linkages and the development of comprehensive training packages. Other notable activities during the year were:

- The progression of jointly awarded HDR programs, in particular with University Putra Malaysia and Francois Rabelais University.
- A two-day HDR Completion Symposium to support HDR students.
- Fifteen additional 50:50 scholarships were created for HDR candidates whose research is directly linked to a business or industry partnership.
- An increase in the number of formally advertised scholarship rounds to increase flexibility in recruitment, attract new markets and improve student experience.

Research Advantage Program

In 2015, we focused on building leadership capability in UON researchers, and particularly Early Career Researchers (ECRs), by developing a Research Advantage Program (RAP) to competitively support researchers at all stages of their research career. The program will be launched in early 2016

and will provide researchers with:

- A comprehensive research orientation.
- Support and direction to connect with a suitable mentor.
- Multidisciplinary networking opportunities.
- High quality ongoing professional educational learning opportunities.
- Research related skill development opportunities.

Looking forward

In 2016, UON will drive a strategic research vision and approach which will include:

- Implementing and supporting innovative HDR programs and training.
- Support for researchers at all stages of their careers with a specific focus on lifting performance.
- Establishing Global Impact Clusters which will provide an integrative multidisciplinary platform linking institutes, PRCs, Clusters and Centres together to engage more effectively and connect globally with strong research partners in both universities and industry.
- Embedding a culture of innovation and entrepreneurship at UON through targeted short courses, embedded curricula and the development of a suite of innovation/acceleration programs as well as a greater realisation of research potential.



Community engagement

Our 50th year was a 12-month celebration of the relationship between the University and our community. Our program of activities connected our community across dozens of events and engagements throughout 2015, drawing on our shared history and heritage.

We also introduced a range of new initiatives to build engagement with all of our stakeholders including students, alumni, education and research partners, generous donors and sponsors, Friends of the University and members of the broader community.

Image: Newcastle China Week, led by the Confucius Institute, showcased the growing cultural, social and economic relationship between China and the Hunter region, through a program of educational, cultural and business events.



Celebrating 50 years

In 1965, UON started with 1,700 students and 140 academic staff. Today, UON is a global institution with close to 40,000 students enrolled in programs in Australia and overseas, and 2,500 staff including researchers who are in the top one per cent in their field in the world.

Celebrate 50 launch

The 50th birthday celebrations were launched by the Chancellor Mr P.E. (Paul) Jeans and Vice-Chancellor Professor Caroline McMillen using a 1965 Ford Thames truck as a recreation of an iconic image from one of UON's 1960's Autonomy Day parades.



Celebrate 50 Community Festival

Families and friends were invited to join UON's Community Festival held at Newcastle Museum. More than 1,000 people turned out to enjoy the free entertainment, face painting, balloons, interactive workshops and demonstrations and of course, some birthday cake.

Living Cultures - The Corroboree

The World Indigenous Nations Higher Education Consortium Accreditation visit was held at UON's Wollotuka Institute. Over 200 community members attended the Living Cultures Corroboree, which celebrated the significance of the living cultures within the local Aboriginal community.



Our Community, Your University exhibition

This multimedia exhibition showcased the remarkable efforts of visionary leaders, notable graduates and generous community members in creating a world class university. Over 40 linear metres of archival images and footage revealed UON's first 50 years, showcased over 250 outstanding alumni, and an interactive Futures Wall called on visitors to share their vision for the next 50 years. The exhibition spent time in Newcastle and the Central Coast and attracted more than 31,000 visitors.

The number of individual UON alumni donors more than tripled in 2015. We would like to express our gratitude to the UON community for its wonderful generosity in supporting our students, researchers and community.

2015 key figures

135,000

alumni in 121 countries

250%

growth in donor base

20%

increase in the number
of externally funded
prizes

Source Internal Office of Alumni and Philanthropy



50th Anniversary Appeal launch and *Gifted: 50* exhibition

UON's 50th Anniversary Appeal saw a record number of donations made to benefit the Shaping Futures Scholarship Endowment Fund, which supports academically dedicated students who are facing significant hardship or challenges.

The launch of the 50th Appeal also celebrated the opening of the University's *Gifted: 50* an exhibition of artworks and artefacts donated to UON over the past 50 years. This included the donation of a rare Joseph Dall'Aglio violin by the Sisters of Mercy Convent at Singleton.



Staff Gala Reunion

Over 400 current and past staff came 'back to campus' for a once-in-a-lifetime opportunity to celebrate with friends old and new at the UON Staff Gala Reunion. Held at UON's own Great Hall, guests dressed in their best with 'golden jubilee' accents and enjoyed a night of laughter, food, wine and music.



Celebrating our leaders

University Chancellor's Council Conference in Newcastle

UON hosted the University Chancellor's Council Conference which was attended by Chancellors from 25 universities. The event provided UON with an opportunity to showcase the remarkable impact UON has had in the region and around the world.

Celebrating our past - 50 years of building strong communities

On 1 January 1965, the Governor of New South Wales proclaimed the University of Newcastle Act, marking the foundation of the University of Newcastle as an independent institution. This momentous occasion was the end of a long wait for our community, which had lobbied for its own University since the mid-19th century - and it triggered the start of a rich history that has built the University into the leading institution that it is today. In 2015, as we celebrated our 50th year, we remembered past and present milestones:

2015

50 year anniversary

2014

Number 1 University in Australia in both the QS 'Top 50 Under 50' and the Times Higher Education's rankings of the world's 'Top 100 Universities under 50 years old'

2012

Hunter Medical Research Institute's \$90.0m five-storey, 16,000m² building officially opened after receiving funding from the Australian and New South Wales governments

2011

Newcastle Institute of Energy and Resources is launched with the assistance of a \$30.0m Federal Government grant and is supported by the New South Wales Government



Transforming Cities and their Regions

In September, UON hosted Universities: Transforming Cities and their Regions - a forum that brought together international and national leaders from higher education, industry and government to discuss opportunities and strategies for regional transformation and the catalyst role of universities.

International keynote presenters included Professor Chris Brink, Vice-Chancellor and President, Newcastle University, United Kingdom, Dr Tom Corr, CEO, Ontario Centres of Excellence, Canada, Ms Caroline Haynes, Director Magnet Cities, KPMG, United Kingdom and Professor Mark Nordenburg, Chancellor Emeritus, Pittsburgh University, United States of America.



Public Lecture Program

UON's Public Lecture Program forms part of the University's efforts to contribute knowledge, thought-leadership and innovative ideas to the region. In 2015, the program showcased dynamic speakers through a number of community-focused talks across a range of disciplines and encouraged constructive debate on issues of regional and global relevance. Record numbers attended the series in 2015.

UON presented its newly appointed professors through a dynamic public lecture series, New Professors Talk. This series introduced new people in UON's community and shared the knowledge and expertise of leading commentators and thinkers.



Morpeth Lecture

UON's annual Morpeth Lecture provided a unique opportunity for more than 200 people to hear from world-renowned expert, Professor George J. Brooke, Rylands Professor of Biblical Criticism and Exegesis at the University of Manchester, United Kingdom, where he has taught Biblical Studies and Early Judaism since 1984. Professor Brooke presented on The Dead Sea Scrolls and the Authority of the Bible and provided guests with a private viewing of the Dead Sea Scrolls.

2009

UON Sydney opens its doors

2005

Law on the Beach, free legal advice for the community commences

2004

UON commences delivering world class programs in Port Macquarie

2002

UON Singapore campus established



Global Insights Series

Our Global Insights Series featured prominent thought leaders who shape, inform, and influence the world we live in. In 2015, Dr Ezekiel Emanuel, award-winning American bioethicist, medical oncologist, author and Special Advisor to the White House on health policy and architect of President Obama's healthcare law - covered the topic, *End of Life: Ethics, Dilemmas, and Decisions*.



Reception at Parliament House, Canberra

Over 100 people gathered - from UON staff and students to Ministers, Shadow Ministers, MPs, Senators and Canberra alumni - in the remarkable setting of the Mural Hall in the Federal Parliament to celebrate our half century.



Celebrating our graduates

UON Graduation Parade

Four hundred graduates paraded through Newcastle's central business district, led by the Australian Army Band, commemorating the 130,000 students who have graduated from UON throughout its 50 year history. Over 3,000 supporters lined the streets of Newcastle to witness the parade and cheer the graduates on.

Celebrating our past - 50 years of building strong communities

1998

Hunter Medical Research Institute was formed with the assistance of Federal and State Government funding

1985

Central Coast campus opened

1983

Wollotuka began as a support program for Indigenous Australian students at the campus of Newcastle College of Advanced Education

1975

The Faculty of Medicine was founded



Alumni Homecoming

UON celebrated 50 years of late night study sessions, of forging lifelong friendships and of flying mortarboards with its Alumni Homecoming - three days of reunions, events and festivities. Highlights included the Homecoming Great Debate, the inspiring Alumni Awards and 'Back to the Bar', the first alumni reunion concert at Bar on the Hill headlined by ARIA Award winners, Regurgitator.

Singapore Alumni Donor Thank You

UON thanked its most generous Singapore alumni for their support of scholarship recipients at the Singapore Alumni Donor Thank You lunch. The event also launched the Dr Tan Chin Nam and Colleen Excellence Fund which was established through a generous donation from Dr Tan Chin Nam.



Celebrating our future

A Remarkable 50 Years Singapore book launch

UON and the Australian High Commissioner hosted the launch of - *A Remarkable 50 Years* - a book produced by UON graduates in Singapore. The book documents the experiences of Singapore alumni as students of UON and is a record of the significant relationship between UON and Singapore. The book launch was attended by over 100 staff, students and alumni.



50th Anniversary China Reception

UON's 50th anniversary was celebrated with a reception in Beijing to acknowledge China's contribution to UON's milestone. The event was attended by 150 people and recognised UON in Beijing as a young, but high achieving institution. Distinguished guests included Presidents, Vice-Presidents, representatives from the Australian Embassy, Australian Chamber of Commerce, Heads of School and Professors from over 20 partner universities, research institutions and international schools including the Confucius Institute headquarters in China.

1974

UON's Enabling Programs were among the first to show an alternative pathway to university education for people with ability and determination

1971

Foundations laid for The Great Hall following the successful community 'buy-a-brick' campaign

1968

The Colombo Plan scholarship was established by a group of Colombo Plan students from Singapore who studied at UON from 1968 within the then Faculty of Engineering

1965

Autonomy Day (19 July) procession along Hunter Street Newcastle



2015 Alumni Awards recipients

135,000 alumni in 121 countries

UON's alumni community continued to grow in 2015. This great network of talented graduates, staff and friends remain connected through personal friendships, professional relationships and UON alumni chapters throughout Australia and overseas, including in China, Hong Kong, Indonesia, Malaysia, Singapore, South Korea and the United Kingdom.

Alumni events were held across the globe throughout 2015 with a number of key events to mark UON's 50th anniversary celebrations. One of the highlights in 2015 was the continued and generous support of the Singapore alumni who raised a further \$180,000 through their 50th anniversary fundraising effort, the Golden Jubilee campaign.

The incredible support of the Singapore alumni was acknowledged and celebrated at the Business/Higher Education Round Table National Awards, where the alumni received an Honourable Mention in the Outstanding Philanthropic Support for Higher Education category.

The extraordinary efforts of Dr Peter Tay (Tay Buan Huat), who led and personally supported a series of peer-to-peer fundraising approaches resulted in more

than \$900,000 being raised for UON in less than eight years.

More than 400 people gathered at UON's Great Hall, as part of the Alumni Homecoming, to celebrate the 2015 Alumni Awards, hosted by comedian and UON graduate John Doyle, aka 'Rampaging Roy Slaven'. The Alumni Awards, presented annually by the Alumni Advisory Committee, recognise innovation, creativity, exceptional leadership and those who inspire others through their local, national and international achievements. In 2015, there were 30 finalists across nine categories. The award recipients included:

- Laureate Professor Kevin Galvin, for establishing a major breakthrough in fine particle beneficiation via the Reflux Classifier technology.
- Jonathan Biggins, an acclaimed director, actor, playwright, journalist and social commentator.
- Sein-Way Tan, an environmentally-motivated businessman, championing the cause for green cities and sustainability on a global scale at the highest levels of politics and business.
- Neima Candy, an accomplished health professional whose work has had a positive impact on the provision of health services, disease treatment and prevention across Liberia and beyond.
- Stewart Dowrick, who has consistently supported the development and improvement of health services across the North Coast region of New South Wales.
- Dr William Tan, who became a wheelchair athlete at the age of 15 and represented Singapore at the 1988 Paralympics in Seoul, as well as the Commonwealth Games and the Asia Pacific Games.
- Professor Sandra Eades, a Noongar woman from Mount Barker, Western Australia, who has demonstrated a longstanding commitment to improving the health of Indigenous Australians.
- Dr Natalie Beveridge, a young researcher whose studies have resulted in two patents, a book chapter and 15 published manuscripts in top-ranking medical journals.
- Rhys Courtney, a Senior Associate Architect whose career highlights to date include his role as lead designer and project architect for the Stade de France, leading the design for the New York Cosmos Soccer Club, and feasibility studies for Chelsea Football Club and Queens Park Rangers Football Club.



UON 'CHAMPIONS' WALK THE GREAT WALL



As part of UON's 50th anniversary celebrations a team of 16 passionate alumni, community members, UON staff and students took part in an adventure of a lifetime - walking 50 kilometres along the Great Wall of China to raise funds for scholarships to help disadvantaged students.

The UON Great China Walk 'champions' raised more than \$80,000 for the Shaping Futures Scholarship Endowment Fund, which supports gifted students facing hardship from factors such as being from a low socio-economic background, coming from a rural or remote area, living with disabilities, or having carer or parenting responsibilities.

This innovative initiative, the first of its kind for UON, inspired over 700 donations from 589 supporters across 10 countries. Over 540 of these donations were received from first time donors to the University.

The Great China Walk culminated in Beijing at UON's 50th Anniversary China Reception where more than 150 partners, alumni and University friends gathered to mark 50 years of success.

A year of support

In 2015 UON received unprecedented generosity from its supporters. The number of individual UON alumni donors more than tripled in 2015 thanks to the generosity of the UON community who supported our students, researchers and community work by giving through initiatives such as the 50th Anniversary Alumni Appeal, the Singapore Alumni Golden Jubilee Appeal and the Great Wall of China Walk.

UON also received a donation of \$1.0m from two graduates to support the work of the University's globally renowned Centre of Excellence for Equity in Higher Education (CEEHE). The graduates understand the importance of education and the difference it made to their lives and felt compelled to assist disadvantaged children in accessing higher education.

The funds have been used to establish an endowment fund to support scholarships, as well as research and outreach programs enabling equitable access to higher education. This is the single largest donation received by UON.

Bequest Morning Tea

In 2015, we held the inaugural UON Bequest Morning Tea at Callaghan campus to acknowledge the remarkable difference bequest donations make to our UON community. A group of UON supporters attended and were treated to a special performance by UON student Lucy Knagg on the rare Joseph Dall'Aglio violin gifted to UON by the Sisters of Mercy Convent at Singleton.

Friends of the University Book Fair

The biennial Book Fair, made possible through the tireless efforts of the Friends of the University, offered over 500,000 books and 11,000 vinyl records for sale, with 20 rare books for auction. In 2015, \$89,000 was raised with the proceeds supporting scholarships, prizes and special projects including the Shaping Futures Scholarship Endowment Fund.



Building the future - people and infrastructure

UON WINS CHANGE CHALLENGE AWARD

In 2015 UON was announced the winner of the 2015 Australian Higher Education Industrial Association (AHEIA) Voice Project 'Change Challenge' Awards, for achieving the highest level of positive change among all Australian universities in the 'Your Voice' employee survey. This award highlights UON's active commitment to responding effectively to staff feedback and to creating a positive environment for staff.

Throughout 2015 we continued to invest in our workforce and our physical and digital environments as we delivered the strategic objectives of our NeW Directions Strategic Plan.

Engaging our people

In most organisations the capability, composition and culture of the workforce are critical determinants of whether organisational objectives are achieved. UON is no exception and has invested significantly in the attraction, development and retention of its workforce throughout 2015.

Strategic performance

The Future Workforce objectives outlined in the NeW Directions Strategic Plan were:

1. Staff are supported to perform at world class levels and to be innovative in their practice.
2. UON has the leadership capacity and capability to deliver the 2025 vision, performance targets and lead strategies.
3. Staff are clear about their roles and the performance required to support career aspirations in the context of the 2025 vision.
4. Staff actively engage with international, national and regional communities, and our conjoints, alumni, friends and benefactors.
5. UON is a vibrant and dynamic community, and a healthy and rewarding place to work.

2015 highlights

- UON was one of only 90 organisations across Australia to receive the Employer of Choice for Gender Equity citation.
- UON was selected to participate in the Science in Australia Gender Equity (SAGE) Initiative as a pilot institution.
- Research Advantage Program (RAP) developed to build research capability in all levels of research staff.
- Staff leadership programs developed to support the Leadership Framework capabilities.

- Academic Women in Leadership Program coordinated for senior academic women participants.

Staff development

Leadership development and enhancement of research capabilities were particular areas of focus for staff development during 2015.

UON's suite of leadership programs were further developed to support staff to demonstrate the Leadership Framework which describes the capabilities required of leaders at all levels. This included the launch of the Emerging Leaders and Managers Program (e-LAMP), which in its inaugural year had 50 staff participants, and the introduction of Mind Tools, an on-line self-directed learning system.

The Centre for Teaching and Learning delivered UON's flagship professional development program for new teaching academics. This introduction to UON and to contemporary and engaged teaching practice is supplemented by two professional certificate programs:

- Fundamentals in University Teaching, which introduces sessional academics and Research Higher Degree students to teaching. Over 40 participants received their certificate in 2015.
- University Assessment, which is designed to promote best practice in assessment design at a practical level. Over 65 staff registered to participate in single modules offered within the certificate program in 2015.

Staff engagement

The UON Academy creates a culture of recognition by providing targeted support in the areas of recruitment, career development, performance management and professional support for sessional, conjoint and casual academic staff. In 2015, the Academy implemented improved access to IT and library systems as well as piloting a streamlined casual appointment process.

UON has invested significantly in the attraction, development and retention of its workforce throughout 2015.

2015 key figures



**101
STAFF**

**awarded
Vice-Chancellor's
Staff Awards for
Excellence**



**755
STAFF**

**attended wellness
programs¹**



**7,618
job applicants¹**

Sources

1. Alesco HR Database

EMPLOYER OF CHOICE FOR GENDER EQUITY

In 2015, UON received an Employer of Choice for Gender Equity citation from the Workplace Gender Equality Agency, one of only 90 organisations including 11 universities nationally, to receive the citation.

UON's commitment to gender equity was also demonstrated with UON selected as one of the pilot institutions to participate in the Science in Australia Gender Equity (SAGE) Initiative – a first in Australia. Formed by the Australian Academy of Science as a pilot of The Athena SWAN Charter, the SAGE Initiative aims to reach gender parity in science leadership by supporting the hiring, promotion, participation and retention of women in science, technology, engineering, mathematics and medicine (STEMM).

UON has some of the most capable women scientists in Australia and our participation in this initiative will assist to introduce interventions which narrow the gap in gender equity in STEMM disciplines.

UON continues to attract leading researchers and outstanding leaders from around the world. Senior appointments made in 2015 included:

Professor Morris Altman

Dean and Head of School, Newcastle Business School

Professor Penny Jane Burke

Global Innovation Chair of Equity and Co-Director Centre of Excellence for Equity in Higher Education

Professor Catharine Coleborne

Head of School, Humanities and Social Science

Professor Shin-Chan Han

Professor of Surveying/Geodesy

Professor Alan Hayes

Distinguished Professor of Family Studies and Director Family Action Centre

Mrs Elizabeth Horbach

Director, Marketing and Communications

Professor Shelly Lane

Professor of Occupational Therapy

Professor Ravi Naidu

Global Innovation Chair and Director Global Centre for Environmental Remediation

Professor Brett Ninness

Pro Vice-Chancellor, Faculty of Engineering and Built Environment

Professor SueAnne Ware

Head of School, Architecture and Built Environment

Valuing diversity

Throughout 2015, we continued to demonstrate our commitment to diversity and equity for staff of different backgrounds. The Aboriginal and Torres Strait Islander Employment Committee was formed to support UON's goal of further increasing the proportion of staff from Indigenous backgrounds. A range of strategies and opportunities were identified and implemented including Indigenous cadetships for students, modified recruitment processes to support Indigenous applicants and retention initiatives for existing staff.

UON continued to support female staff to progress their careers with the Academic Women in Leadership (AWiL) program. In 2015, an AWiL network of all previous program participants was established to provide ongoing support, mentoring and development.

Work health and safety

UON's work health and safety framework and procedures were revised in 2015 to ensure a greater focus on practical guidance and clear expectations for leaders. Managers and supervisors led a focused campaign to emphasise the importance of safety in the workplace resulting in a significant increase in proactive hazard and near-miss reporting by staff.

Health and wellness

UON places great importance on the wellness of staff and students. The Healthy University Steering Committee oversees the activities and programs offered to encourage physical and mental health. In 2015, these activities included a popular Health Fair with health and wellness providers invited to run stalls promoting their services.

Mental Health Day in October was supported across UON campuses by promoting the mental health and wellness programs on offer, which include mental health awareness training for managers, aggression minimisation training, managing change, grief and loss, mindfulness meditation, an employee assistance program and workplace ergonomics.

Looking forward

During 2016, UON will continue to build on its successful staff management strategies. Particular areas of focus include:

- Building five-year workforce plans to support the NeW Futures Strategic Plan outcomes.
- Continuing to improve health and safety performance through leadership workshops, risk reduction and staff engagement.
- Shaping UON culture to align to the NeW Futures Strategic Plan focus on agility, change orientation and delivering the best outcomes possible for our students, partners and communities.



Ourimbah campus library

Major capital works and information technology initiatives have further enhanced the learning and teaching environment across UON campuses.

2015 key figures

During 2015 we delivered on our commitment to creating a vibrant, engaging and sustainable University underpinned by a strong service culture. Our campus and work environment were further enhanced with initiatives and programs that position us well to respond to changes in our external environment and to meet future challenges.

Campus, capital and information technology

Strategic performance

The Campus, Capital and Information Technology (CCIT) objectives outlined in the NeW Directions Strategic Plan were:

1. UON provides a unified virtual and physical environment supporting the attainment of excellence and innovation in education and research.
2. UON provides infrastructure for all modes of study and at all campuses and locations that supports world class education and research.
3. Our identified and emerging areas of research strength are supported through targeted renewal and development of best practice research infrastructure.
4. Quality physical and virtual environments across UON provide a vibrant student experience and staff culture.

5. Quality infrastructure and services support the attainment of excellence in education.

2015 highlights

- Delivered new student accommodation at Callaghan campus, adding 778 new beds.
- Opened new premises for UON Sydney, comprising leading technology enabled teaching and learning spaces.
- Completed the final stage of the \$30.0m research facilities at Newcastle Institute for Energy and Resources.
- Delivered new office and laboratory accommodation for 80 Global Centre for Environmental Remediation researchers.
- Commenced implementation of UON's second Environmental Sustainability Plan (2015-2017).
- Implemented a single maintenance head contractor model in line with our Strategic Asset Management Plan.
- Construction commenced on the \$95.0m NeW Space project in the City of Newcastle.



778
NEW BEDS
in student
accommodation at
Callaghan campus



OVER
1,250
additional wireless
access points



99%
WIRELESS
connectivity at
Callaghan campus

NEW SPACE: NEW WAYS OF LEARNING



UON's NeW Space project is a \$95.0m landmark education precinct in the heart of Newcastle's central business district.

The precinct will drive revitalisation in the city and make higher education more visible and accessible to the community. It will host a range of UON supported activities including Business and Law programs, digital library services and information commons and facilities for engaging with industry, business and the community.

The project received state development approval in February 2015 and a commencement ceremony was held on site in May marking the official 'turning of the sod' to signify the commencement of the construction phase of the project. The building is on schedule to open in 2017.



World class infrastructure

Major capital works and Information Technology (IT) initiatives undertaken in 2015 have further enhanced the learning and teaching environment across UON campuses.

Student accommodation

The opening of new student accommodation buildings in 2015 almost doubled UON's residential community. The four residential buildings at Callaghan campus enable student living in a variety of configurations.

Digital infrastructure

A comprehensive IT program of work was completed in 2015. Activities delivered included a series of 'fix and modernise' initiatives to improve the performance, resilience, capacity and capability of services provided to our researchers. A number of IT security related activities were also undertaken during 2015 including a planned disaster recovery exercise to test UON's preparedness to respond to, and recover from, any major

disruptive event affecting our primary data centre operations.

IT Digital 2020 Strategy

To enable UON to fully harness the potential of digital technology a Digital 2020 Strategy was developed in 2015. This strategy will guide our digital technology decisions and investments and will ultimately provide a competitive differentiator for our students, educators, researchers, staff and our community.

Increased Wi-Fi

During the first half of 2015 over 2,200 Wi-Fi points were deployed at Callaghan campus, extending coverage to 99 per cent of the campus and achieving saturation levels of Wi-Fi connectivity at all campus locations.

Major storm event tests processes and infrastructure

The coast of New South Wales was impacted by a strong east-coast low in April 2015. Fierce winds and significant rain caused disruption from Sydney to north of Newcastle, with extensive wind damage and flooding.



UON EXPANDS PRESENCE IN THE HEART OF SYDNEY



UON's position in Sydney has been significantly enhanced with the opening of new premises in the heart of the central business district. The new premises are a showcase for the way we use space to deliver next generation learning experiences. The new location has expanded floor space, interactive classrooms, informal study spaces, break out areas, collaborative study spaces, meeting and consulting rooms, library and reception areas.

Callaghan campus at Newcastle and Ourimbah campus on the Central Coast suffered significant damage with more than 200 fallen trees, power outages impacting 1,700 student residents and flooding which closed the campuses. Due to the bushland setting of UON's Callaghan campus, significant planning work had been undertaken for the risk of a bushfire. The emergency preparedness work was ultimately tested in response to the 'super storm' and proved extremely effective with a quick response resulting in campuses reopening within 48 hours. The speed of recovery enabled UON to offer accommodation to the out-of-area State Emergency Service (SES) crews allowing them to focus on responding to the 8,500 Hunter based requests for assistance.

The efforts of all involved were later recognised by Hunter SES with a certificate of appreciation for UON's contribution to the recovery effort during and following the April 2015 storms.

Looking forward

We recognise that building a sustainable future for UON is critical to support the NeW Futures Strategic Plan 2016-2025. In 2016 we will focus on:

- Financial sustainability provided through UON's Long Term Financial Plan (2016-2020), continued refinement of UON's budget model, program viability analysis and a continuing focus on ensuring efficiency and effectiveness of our structures, systems and business processes to provide agility in service delivery.
- Shaping UON's future digital environment through the implementation of the first phase of the IT Digital 2020 Strategy.
- Developing our campus estates and physical infrastructure through implementation of UON's Estate Strategy, the delivery of the strategic capital investment plan for new teaching, learning and research and innovation initiatives, the ongoing campus upgrade and replacement program, the implementation of new retail and place-making strategies and the 'intelligent campus' strategy.
- Environmental sustainability through implementation of initiatives outlined in UON's Environmental Sustainability Plan (2015-2017).



Governance and management

COUNCIL MEMBERS AS AT 31 DECEMBER 2015

Back Row (L to R): Ms Jann Gardner, Deputy Chancellor Ms Dianne Allen, Mr Brian Kennaugh, Vice-Chancellor Professor Caroline McMillen, Chancellor Mr P.E. (Paul) Jeans, Conjoint Professor Geoff Lilliss, Dr Roslyn Larkin, President of Academic Senate Professor Mark Jones.

Front Row (L to R): Mr Doug Dean, Mr Michael Robertson, Ms Deborah Wright, Mr Bhavi Ravindran, Mr John Bowers, Ms Michelle McPherson, Professor Pablo Moscato.

Absent: Mr Robert Kennedy.

At UON we are committed to ensuring our governance practices embody our purpose, strategy and values, fulfil our statutory functions effectively, and meet public expectations of probity, accountability and transparency.

We foster a culture that values high ethical standards, personal and institutional integrity and respect for others. We live our values and adhere to the standards set by our Code of Conduct when dealing with each other, our students and other stakeholders.

Good governance is the responsibility of Council and our senior management team, and good governance principles are embedded throughout the University community.

Basis of authority

The University of Newcastle is a statutory body established under the *University of Newcastle Act 1989 NSW* (the Act). The Act and the University of Newcastle By-law 2005 NSW (the By-law) set out the powers and functions of the University and how these must be performed.

Under Section 6 of the Act, the object of the University is the promotion, within the limits of the University's resources, of scholarship, research, free enquiry, the interaction of research and teaching, and academic excellence. In the provision of these educational and research facilities the University has particular regard to the needs of the Hunter region, the Central Coast and surrounding areas.

University Council

In 2015, the Council members governed and represented the interests of the University to be a global leader in its spheres of achievement. Council contributed to the University's vision, engaged with partners, supported the world class innovation and strengthened relationships with its regional communities through its expertise in a diverse range of areas including higher education, strategy, financial, commercial, international, risk, legal and major project oversight.

Council member vacancies are filled by appointment or election.

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(CNAA, UK), FIMechE,
CEng, FIEAust, CPEng

External members appointed by the Minister for up to 4 years

Conjoint Professor Geoff Lilliss
BE (Hons), MBA(Merit)(Newcastle),
FIEAust, MAICD
Council member appointed to
31/8/2018

Mr Robert Kennedy
BEc (ANU), FCPA
Council member appointed to
31/1/2017

External members appointed by Council for up to 4 years

Ms Dianne Allen
Deputy Chancellor
BCom(Newcastle), FCA, GAICD,
AMICDA
Council member appointed to
31/12/2018

Mr Peter Cockbain AM
BScEng(Newcastle), Hon FIE Aust,
CPEng, FTSE
Council member resigned
9/2/2015

Ms Jann Gardner
BA, LLB(Sydney), MBA(Newcastle),
GAICD
Council member appointed to
31/12/2016

Mr Brian Kennaugh
BBus(Newcastle), MAICD
Council member term concluded
31/12/2015

Ms Michelle McPherson
BBus(Accounting)(UTS), CA, GAICD
Council member appointed to
31/12/2017

Ms Deborah Wright
MBA(SCU), DipTeach(Newcastle), FAMI,
CPM, AIMM, MAICD
Council member appointed to
31/12/2018

Mr John Bowers
BCom(Hons 1), MCom(Newcastle),
AM(Harvard), CFA
Council member appointed to
13/8/2017

Mr Doug Dean AM
BCom(Newcastle), FCPA, FAIM, FICD
Council member appointed to
13/8/2017

Academic staff members - elected for up to 2 years

Professor Pablo Moscato
BSc(La Plata, Argentina),
PhD(UNICAMP, Brazil)
Council member appointed to
31/8/2016

Dr Roslyn Larkin
BBus(Hons), PhD(Newcastle)
Council member appointed to
31/8/2016

Non-academic staff members - elected for up to 2 years

Ms Nerida Lithgow
BA(Newcastle)
Council member resigned
12/2/2015

Mr Michael Robertson
MTEM (Melb), B.Ed(Music)(Honours
Class I), DipMgmt, AdvDipMgmt
Council member appointed to
31/8/2016

Student member - elected for a term of 1 year

Mr Vivak Bhavitheren (Bhavi)
Ravindran
GAICD
Council member term concluded
31/12/2015

Council and its committees

The UON Council has an established committee structure to assist with exercising its authority, including monitoring the performance of UON to gain assurance that the organisation is meeting its strategic and overall performance objectives.

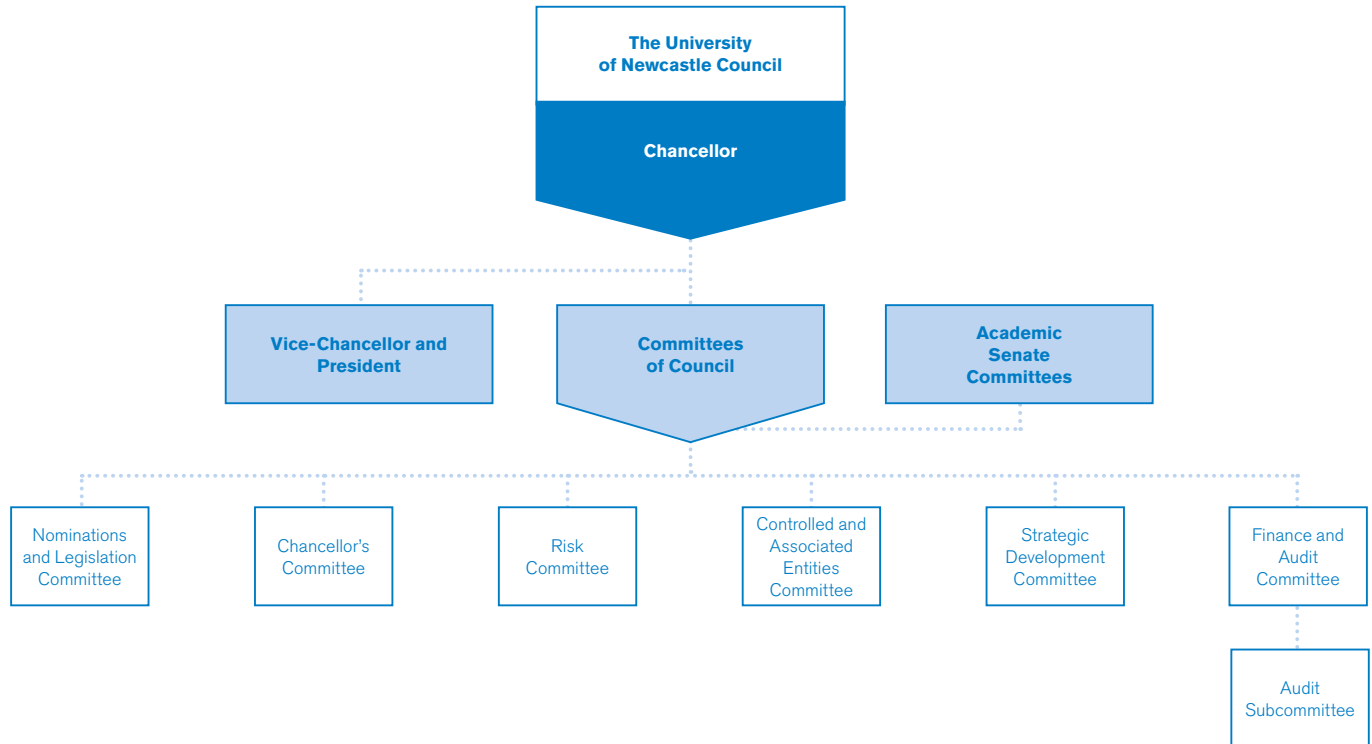
Members may attend all committee meetings with rights of audience and debate with the exception of the Chancellor's Committee.

Members	Council Ordinary Meetings	Nominations and Legislation	Strategic Development	Audit Subcommittee	Chancellor's Committee	Controlled and Associated Entities	Finance and Audit	Risk	Strategic Development and Finance and Audit	Finance and Audit and Audit Subcommittee
Mr P.E. (Paul) Jeans	6/6	5/5	6/6	4*	3/3	6*	4*	4/5	1/1	2*
Professor Caroline McMillen	6/6	5/5	6/6	5*	3/3	6/6	5/5	5/5	1/1	2/2
Ms Dianne Allen	6/6	5/5	4*	5/5	3/3	6/6	5/5	5/5	1/1	2/2
Mr John Bowers	2/2	-	-	-	-	-	1/1	-	-	-
Mr Doug Dean AM	2/2	-	1/1	-	-	-	-	-	-	-
Ms Jann Gardner	6/6	4/5	-	-	-	4/6	-	-	-	-
Professor Mark Jones	6/6	3/5	4/6	-	2/3	-	-	-	1/1	-
Mr Brian Kennaugh	5/6	-	-	-	-	-	-	3/5	-	-
Mr Robert Kennedy	5/6	-	5/6	5/5	-	6/6	5/5	-	1/1	2/2
Dr Roslyn Larkin	6/6	-	1*	-	-	-	-	5/5	-	-
Conjoint Professor Geoff Lilliss	5/6	-	6/6	-	3/3	1*	1*	-	1/1	-
Ms Nerida Lithgow	1/1	-	-	-	-	-	-	-	-	-
Ms Michelle McPherson	5/6	-	-	5/5	-	-	5/5	5/5	0/1	2/2
Professor Pablo Moscato	6/6	-	5/6	-	-	4*	-	-	1/1	-
Mr Bhavi Ravindran	5/6	-	4/6	-	-	5/6	-	-	1/1	1*
Mr Michael Robertson	3/3	1*	-	-	-	-	2/2	-	-	-
Ms Deborah Wright	6/6	-	3/6	-	-	-	-	-	1/1	-

* Attended meeting with rights of audience and debate

Governance framework

31 December 2015



Academic Senate

Academic Senate is established under Part 3, Division 2, Section 15 of the Act.

The Academic Senate is the principal academic body of UON and is the primary forum for debate on academic issues in the University.

The principal responsibility of the Academic Senate is to promote and enhance the excellence of the core academic activities in our institution -

teaching and research. It approves and amends academic policies, and has a major role in academic quality assurance processes.

Academic Senate is supported by committees in specialised areas to ensure that ongoing consideration is given to key issues.

These committees are the Program and Course Approval Committee, the Teaching

and Learning Committee, the Research Committee and the five Faculty Boards. Each committee is made up of faculty representatives. People with expertise in the focus areas of the committee are also invited to participate.

Professor Mark Jones commenced his term of President of Academic Senate on 1 January 2014.



EXECUTIVE COMMITTEE AS AT 31 DECEMBER 2015

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 Professor Caroline McMillen, Professor Kevin Hall, Professor Deborah Hodgson.

Absent: Professor Eileen McLaughlin.

Management of the University

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

Senior Executives

Professor Caroline McMillen
Vice-Chancellor and President
MA(Oxon), DPhil(Oxon), MB,
BChir(Cantab), FAHMS

Laureate Professor John Aitken
Pro Vice-Chancellor
Health and Medicine
BSc, MSc, PhD(Cantab), ScD(Cantab),
FSRB, FRSE, FAA

Professor Liz Burd
Pro Vice-Chancellor
Learning and Teaching
BEd(Hons)(CNA), PG Cert, MSc,
DPhil(York) PhD(Dunelm), FHEA,
SMIEEE

Professor Richard Dunford
Pro Vice-Chancellor
Business and Law
BCA, BA(Hons)(Well) PhD(ANU)

Mr Paul Dunn
Chief Financial Officer
BCom(Newcastle), FCPA

Mrs Winnie Eley
Pro Vice-Chancellor
International and Advancement
BEd(Hons), MBA(Nottingham)

Professor John Germov
Pro Vice-Chancellor
Education and Arts
BA(Chisholm), MA(Sociology)(Monash),
PhD(Newcastle)

Professor Kevin Hall
Deputy Vice-Chancellor
Research and Innovation
BSc(Hons), MSc(Queens), PhD(UNSW)

Professor Deborah Hodgson
Pro Vice-Chancellor
Research and Innovation
BA(Hons), MSc(Macquarie),
PhD(Macquarie), Registered Psychologist

Mr Nat McGregor
Chief Operating Officer
BCom(Newcastle), MBA(Deakin),
DipFinSvs(Risk Mgt), GAICD, CPA

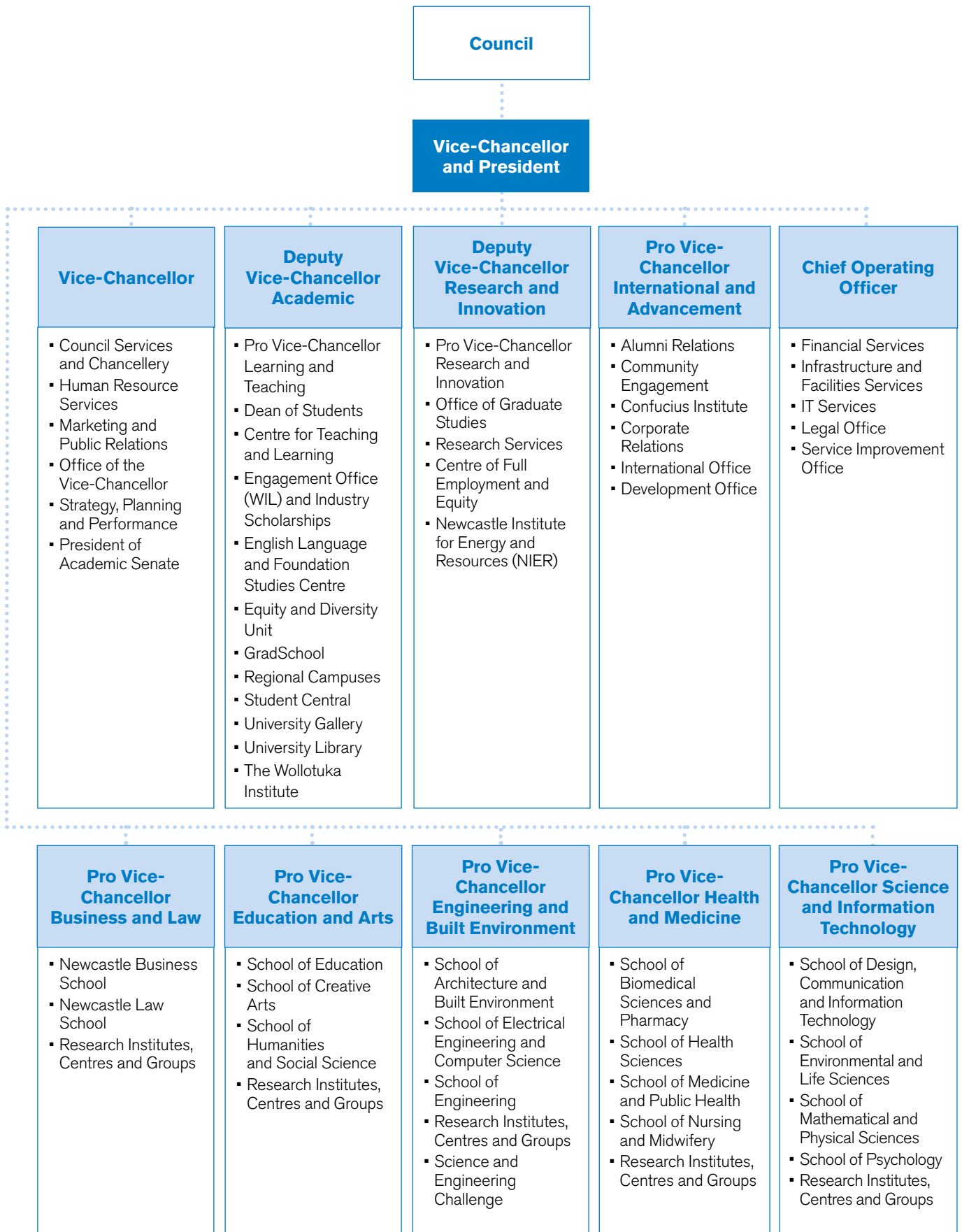
Professor Eileen McLaughlin
Interim Pro Vice-Chancellor
Science and IT
BSc(Hons)(Glasgow) PhD(Bristol), FSRB
Term as PVC concluded 6/11/2015

Professor Mick McManus
Interim Pro Vice-Chancellor
Science and IT
B.Pharm(Curtain), PhD(UWA)

Professor Brett Ninness
Pro Vice-Chancellor
Engineering and Built Environment
BEng, MEng, PhD(Newcastle)

Professor Andrew Parfitt
Deputy Vice-Chancellor
Academic
BE(Hons), PhD, FIEAust, SMIEEE, GAICD

Organisation chart



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Income statement

For the year ended 31 December 2015

		Consolidated		Parent	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
Notes					
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	300,535	298,246	300,535	298,246
HELP - Australian Government payment	2	142,858	142,534	142,858	142,534
State and local government financial assistance	3	13,709	2,162	13,709	2,162
HECS-HELP - Student payments		7,623	8,167	7,623	8,167
Fees and charges	4	118,292	112,296	111,442	105,667
Investment revenue	5	22,740	21,803	25,390	21,182
Royalties, trademarks and licences	6	144	323	114	117
Consultancy and contracts	7	79,697	78,181	65,458	63,846
Other revenue	8	32,577	30,605	37,728	34,223
Other investment income	5	199	-	199	-
Total income from continuing operations		718,374	694,317	705,056	676,144
Expenses from continuing operations					
Employee related expenses	9	382,036	380,102	372,594	364,043
Deferred superannuation expense	9/36	978	728	978	728
Depreciation and amortisation	10	39,223	36,703	38,951	36,440
Repairs and maintenance	11	31,647	27,996	31,552	27,588
Borrowing costs		4,569	5,086	4,569	5,086
Impairment of assets	12	653	(511)	437	(536)
Loss on disposal of assets		2,082	10,386	1,935	8,741
Other expenses	13	195,459	189,777	187,507	184,148
Total expenses from continuing operations		656,647	650,267	638,523	626,238
Net result before income tax		61,727	44,050	66,533	49,906
Income tax expense	14	99	211	-	-
Net result after income tax for the year		61,628	43,839	66,533	49,906
Net result attributable to members of the University of Newcastle		61,628	43,839	66,533	49,906

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

Statement of comprehensive income

For the year ended 31 December 2015

		Consolidated		Parent	
		2015	2014	2015	2014
	Notes	\$000	\$000	\$000	\$000
Net result after income tax for the year		61,628	43,839	66,533	49,906
<i>Items that may be reclassified to profit or loss</i>					
Gain/(loss) on value of available-for-sale financial assets, net of tax		5,687	7,178	5,504	7,171
Exchange differences on translation of foreign operations		409	252	-	-
Cash flow hedges, net of tax		1,393	(74)	1,393	(74)
Total		7,489	7,356	6,897	7,097
<i>Items that will not be reclassified to profit or loss</i>					
Gain/(loss) on revaluation of land and buildings, net of tax	19/26	(8,953)	12,345	(8,953)	10,952
Net actuarial (losses)/gains recognised in respect of defined benefit plans	36(e)	86	(2,985)	86	(2,985)
Total		(8,867)	9,360	(8,867)	7,967
Total other comprehensive income		(1,378)	16,716	(1,970)	15,064
Total comprehensive income		60,250	60,555	64,563	64,970
Total comprehensive income attributable to members of the University of Newcastle		60,250	60,555	64,563	64,970

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

Statement of financial position

As at 31 December 2015

		Consolidated		Parent	
		2015	2014	2015	2014
	Notes	\$000	\$000	\$000	\$000
ASSETS					
Current assets					
Cash and cash equivalents	15	25,201	19,328	16,842	11,234
Receivables	16	36,241	39,587	35,968	38,955
Inventories	17	18	20	18	20
Other financial assets	18	229,460	170,978	226,929	160,778
Total current assets		290,920	229,913	279,757	210,987
Non-current assets					
Receivables	16	416,077	392,794	416,577	392,794
Other financial assets	18	256,596	270,085	255,708	269,689
Property, plant and equipment	19	990,959	974,744	990,573	974,426
Intangible assets	20	5,274	2,399	5,186	1,934
Total non-current assets		1,668,906	1,640,022	1,668,044	1,638,843
Total assets		1,959,826	1,869,935	1,947,801	1,849,830
LIABILITIES					
Current liabilities					
Trade and other payables	21	44,999	40,578	42,566	35,984
Current tax liabilities		99	232	-	-
Borrowings	22	85,000	-	85,000	-
Provisions	23	95,854	95,858	94,896	93,912
Derivative financial instruments	24	2,201	-	2,201	-
Other liabilities	25	17,128	10,412	13,919	6,807
Total current liabilities		245,281	147,080	238,582	136,703
Non-current liabilities					
Trade and other payables	21	151	273	151	273
Borrowings	22	-	85,000	-	85,000
Provisions	23	461,298	441,142	461,100	440,855
Derivative financial instruments	24	-	3,594	-	3,594
Total non-current liabilities		461,449	530,009	461,251	529,722
Total liabilities		706,730	677,089	699,833	666,425
Net assets		1,253,096	1,192,846	1,247,968	1,183,405
EQUITY					
Restricted funds		-	-	-	-
Reserves	26	554,147	555,525	552,739	554,709
Retained earnings	26	698,949	637,321	695,229	628,696
Total equity		1,253,096	1,192,846	1,247,968	1,183,405

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 2015

	Consolidated				Parent			
	Restricted Funds	Reserves	Retained earnings	Total	Restricted Funds	Reserves	Retained earnings	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 January 2014	-	538,809	593,482	1,132,291	-	539,645	578,790	1,118,435
Net result	-	-	43,839	43,839	-	-	49,906	49,906
Gain/(loss) on revaluation of available-for-sale financial assets	-	7,178	-	7,178	-	7,171	-	7,171
Exchange differences on translation of foreign operations	-	252	-	252	-	-	-	-
Gain/(loss) on cash flow hedges	-	(74)	-	(74)	-	(74)	-	(74)
Gain/(loss) on revaluation of land and buildings	-	12,345	-	12,345	-	10,952	-	10,952
Remeasurements of defined benefit plans	-	(2,985)	-	(2,985)	-	(2,985)	-	(2,985)
Total	-	16,716	-	16,716	-	15,064	-	15,064
Total other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	16,716	43,839	60,555	-	15,064	49,906	64,970
Balance at 31 December 2014	-	555,525	637,321	1,192,846	-	554,709	628,696	1,183,405
Balance at 1 January 2015	-	555,525	637,321	1,192,846	-	554,709	628,696	1,183,405
Net result	-	-	61,628	61,628	-	-	66,533	66,533
Gain/(loss) on revaluation of available-for-sale financial assets	-	5,687	-	5,687	-	5,504	-	5,504
Exchange differences on translation of foreign operations	-	409	-	409	-	-	-	-
Gain/(loss) on cash flow hedges	-	1,393	-	1,393	-	1,393	-	1,393
Gain/(loss) on revaluation of land and buildings	-	(8,953)	-	(8,953)	-	(8,953)	-	(8,953)
Remeasurements of defined benefit plans	-	86	-	86	-	86	-	86
Total	-	(1,378)	-	(1,378)	-	(1,970)	-	(1,970)
Total other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	(1,378)	61,628	60,250	-	(1,970)	66,533	64,563
Balance at 31 December 2015	-	554,147	698,949	1,253,096	-	552,739	695,229	1,247,968

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 2015

	Notes	Consolidated		Parent	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
Cash flows from operating activities					
Australian Government grants	2(i)	447,247	443,568	447,247	443,568
State Government grants		13,709	2,162	13,709	2,162
HECS-HELP – Student payments		7,624	8,167	7,624	8,167
Receipts from student fees and other customers		244,065	232,939	225,714	206,819
Dividends received		1,148	1,164	4,148	1,164
Payments to suppliers and employees (inclusive of GST)		(633,515)	(618,050)	(611,116)	(592,079)
Interest received		10,587	8,611	10,062	8,075
Interest paid		(4,649)	(5,050)	(4,649)	(5,050)
GST recovered		13,062	17,009	13,532	17,489
Income taxes paid		(243)	(158)	-	-
Net cash provided by operating activities	33	99,035	90,362	106,271	90,315
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		264	180	213	175
Proceeds from sale of available-for-sale financial assets		-	13,936	-	14,106
Proceeds from redemption of held to maturity investments		474,365	204,808	452,765	201,480
Payments for purchase of property, plant and equipment		(66,004)	(93,725)	(65,756)	(93,627)
Payments for purchase of available-for-sale financial assets		(13,000)	(6,440)	(13,000)	(6,438)
Payments for purchase of held to maturity investments		(488,700)	(202,379)	(474,800)	(201,751)
Proceeds from repayment of interest bearing loans		65	61	65	61
Payments for purchase of intellectual property		(357)	(385)	-	-
Proceeds from repayment of other loans		-	57	-	57
Net cash used in investing activities		(93,367)	(83,887)	(100,513)	(85,937)
Cash flows from financing activities					
Proceeds from borrowings		-	-	-	-
Repayment of borrowings		(150)	(150)	(150)	(150)
Net cash used in financing activities		(150)	(150)	(150)	(150)
Net increase/(decrease) in cash and cash equivalents held					
Cash and cash equivalents at the beginning of the financial year		19,328	12,716	11,234	7,006
Effects of exchange rate changes on cash and cash equivalents		355	287	-	-
Cash and cash equivalents at the end of the financial year	15	25,201	19,328	16,842	11,234

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 2015

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Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies

(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 in accordance with Australian Accounting Standards. The University of Newcastle applies Tier 1 reporting requirements.

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

- *Higher Education Support Act 2003* (Cwth) (Financial Statement Guidelines)
- *ACNC Act 2012* (Cwth)
- *Public Finance and Audit Act 1983* (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 30 March 2016.

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 and loss and certain classes of property, plant and equipment.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University 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).

- 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(w).
- 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(w). These benefits are independently valued by an actuary where certain key assumptions are taken into account as outlined in note 36(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, artworks and rare books are independently valued as outlined in note 1(o). Certain key assumptions are taken into account as outlined in note 19.

Change in estimate of contract severance provision

The University changed an accounting estimate for the contract severance provision at 31 December 2015. The revised estimate is based on a review of historical patterns of payments and the experience of past contractor separations. The change in estimate has been applied prospectively in accordance with *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors*. As a result of the change in estimate the University's provision for contract severance decreased by \$2,969,400 and employee related expenses decreased by the same amount at 31 December 2015. It is impracticable to estimate the effect of this change in estimate on future periods. The estimate relates to the parent entity alone and there was no impact on the University's subsidiaries.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(b) Principles 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 2015 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 '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.

(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 or the equity method. 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 accounted 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

Joint operations

Where relevant, the Group's share of assets, liabilities, revenue and expenses of a joint operation are incorporated into the financial statements under the appropriate headings.

(iv) Joint ventures

The interest in a joint venture 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 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.

(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.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(c) Foreign currency translation (continued)

If gains or losses on non-monetary items are recognised in other comprehensive income, translation of 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 of 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 end of the reporting period;
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); 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:

(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) Consultancy and contracts

Contract revenue is recognised in accordance with the percentage of completion method. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

Other human resources revenue is recognised when the service is provided.

(v) Lease income

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

(vi) Royalties, trademarks and licences

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

(vii) Interest

Interest income is recognised as it accrues.

(viii) Other revenue

Other revenue is recognised as income in the year of receipt.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(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.

The income tax expense or revenue for the period is the tax payable or 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 substantially enacted by the reporting date 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(b)). 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.

(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, goodwill gained, a 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: Presentation* and AASB139 *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.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(g) Business combinations (continued)

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 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 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.

(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 after end of month from the date of recognition.

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

(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 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.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(l) Investments and other financial assets (continued)

(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 reporting date 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.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally of marketable equity securities, 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 reporting date.

Initial recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, being 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. 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.

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).

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(m) Derivatives (continued)

(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.

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 reporting date (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 or 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 reporting date. The level in the fair value hierarchy shall be 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 2015

1. Summary of significant accounting policies (continued)

(o) Property, plant and equipment

Land, buildings and infrastructure, artworks and rare books 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. 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, artworks and rare books are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of property, plant and equipment revaluation reserve. 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 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; 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:

	2015	2014
Buildings and infrastructure	40-70 years	40-70 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 Global Valuation Services Pty Ltd in November 2015.

(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.

(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 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.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(q) Intangible assets (continued)

(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) Unfunded superannuation

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for the University of Newcastle's beneficiaries of the NSW State Superannuation Scheme (SSS), the NSW State Authorities Superannuation Scheme (SASS) and the NSW State Authorities Non-Contributory Superannuation Scheme (SANCS) on an emerging cost basis. Accordingly the liabilities have been recognised in the Statement of Financial Position under provisions (note 23) with a corresponding asset recognised under receivables (note 16).

(s) 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.

(t) 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 recognised 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.

(u) 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.

(v) 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.

(w) 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 twelve 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 twelve 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.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(w) Employee benefits (continued)

(ii) Other long-term obligations (continued)

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 twelve months after the reporting date, in which case it would be classified as a non-current liability.

(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 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 proportion 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 retained earnings in the statement of changes in equity and in the statement of financial position.

Past service costs are recognised in income 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 (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 36 for specific treatment.

(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 AASB137 *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 twelve months are measured at the undiscounted amount expected to be paid. Benefits not expected to be settled before twelve months after the end of the reporting period are discounted to present value.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(x) Rounding of amounts

The University of Newcastle financial statements have been rounded off in accordance with Class Order 98/100, issued by the Australian Securities and Investments Commission. Amounts have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

(y) 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 and contingencies are disclosed net of the amount of GST recoverable from or payable to tax authorities.

(z) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

(aa) 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.

(ab) New Accounting Standards and Interpretations not yet mandatory or early adopted

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2015 reporting periods. The University's assessment of the impact of these new standards and interpretations is set out below:

- AASB 9 (2014) *Financial instruments*, was issued on 17 December 2014 (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.

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.

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 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation* (effective 1 January 2016)

This standard amends AASB 116 *Property, Plant and Equipment* and AASB 138 *Intangible Assets* to:

- establish the principle that the basis of depreciation and amortisation is the expected pattern of consumption of the future economic benefits of an asset
- clarify it is not appropriate to use revenue based methods to calculate depreciation of assets

Notes to the financial statements (continued)

For the year ended 31 December 2015

1. Summary of significant accounting policies (continued)

(ab) New Accounting Standards and Interpretations not yet mandatory or early adopted (continued)

- clarify that it is not appropriate to use revenue based methods to measure the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

There is no significant impact expected upon adoption of these amendments.

- 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 2018)

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 continue to apply to contracts that are non-exchange transactions.

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 2015. Management are currently assessing and quantifying the impact thereof.

(ac) New, revised or amending Accounting Standards and Interpretations adopted

The University has applied all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Boards ('AASB') that are mandatory for the current reporting year. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group.

Notes to the financial statements (continued)

For the year ended 31 December 2015

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

	Notes	Consolidated		Parent	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
(a) Commonwealth Grants Scheme and other grants					
Commonwealth Grants Scheme ^{#1}		216,176	213,300	216,176	213,300
Indigenous Support Program		2,401	2,246	2,401	2,246
Disability Support Program		113	148	113	148
Learning and Teaching Performance Fund		590	259	590	259
Partnership and Participation Program ^{#2}		8,229	6,160	8,229	6,160
Total Commonwealth Grants Scheme and other grants	37(a)	227,509	222,113	227,509	222,113
(b) Higher Education Loan Programs (HELP)					
HECS-HELP		122,506	121,349	122,506	121,349
FEE-HELP ^{#3}		17,436	18,209	17,436	18,209
SSAF-HELP		2,916	2,976	2,916	2,976
Total Higher Education Loan Programs	37(b)	142,858	142,534	142,858	142,534
(c) Scholarships					
Australian Postgraduate Awards		6,378	6,110	6,378	6,110
International Postgraduate Research Scholarships		505	499	505	499
Commonwealth Education Costs Scholarship		249	301	249	301
Commonwealth Accommodation Scholarships ^{#4}		211	280	211	280
Indigenous Access scholarships		191	95	191	95
Indigenous Staff Scholarships		-	(2)	-	(2)
Total Scholarships	37(c)	7,534	7,283	7,534	7,283
(d) Education research					
Joint Research Engagement Program		8,837	8,877	8,837	8,877
Research Training Scheme		15,292	15,179	15,292	15,179
Research Infrastructure Block Grants		5,629	5,737	5,629	5,737
Sustainable Research Excellence in Universities		4,441	4,111	4,441	4,111
Total Education research	37(d)	34,199	33,904	34,199	33,904
(e) Australian Research Council					
<i>Discovery</i>					
Projects		7,299	7,178	7,299	7,178
Fellowships		3,693	4,696	3,693	4,696
Indigenous Researchers Development		461	271	461	271
Total discovery	37(f)(i)	11,453	12,145	11,453	12,145

^{#1} Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

^{#2} Includes Equity Support Program.

^{#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 2015

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

	Notes	Consolidated		Parent	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
(e) Australian Research Council (continued)					
<i>Linkages</i>					
Infrastructure		-	150	-	150
Projects		1,567	1,709	1,567	1,709
Total linkages	37(f)(ii)	1,567	1,859	1,567	1,859
<i>Networks and Centres</i>					
Centres		3,749	4,237	3,749	4,237
Total Networks and Centres	37(f)(iii)	3,749	4,237	3,749	4,237
Total Australian Research Council		16,769	18,241	16,769	18,241
(f) Other Australian Government financial assistance					
<i>Non-capital</i>					
Indigenous Tutorial Assistance Scheme		572	557	572	557
Miscellaneous government grants		13,952	14,731	13,952	14,731
Total non-capital		14,524	15,288	14,524	15,288
<i>Capital</i>					
Miscellaneous government grants		-	1,417	-	1,417
Total capital		-	1,417	-	1,417
Total other Australian Government financial assistance		14,524	16,705	14,524	16,705
Total Australian Government financial assistance		443,393	440,780	443,393	440,780
(g) Reconciliation					
Australian Government Grants		300,535	298,246	300,535	298,246
Higher education loan programs (HELP)	2(b)	142,858	142,534	142,858	142,534
Total Australian Government financial assistance		443,393	440,780	443,393	440,780
(h) Australian Government grants received – cash basis					
CGS and Other Education Grants		227,688	222,170	227,688	222,170
Higher Education Loan Programs (HELP)		142,786	142,263	142,786	142,263
Scholarships		7,535	7,283	7,535	7,283
Education research		34,199	33,904	34,199	33,904
ARC grants – Discovery		11,453	12,145	11,453	12,145
ARC grants – Linkages		1,567	1,859	1,567	1,859
ARC grants – Networks and Centres		3,749	4,237	3,749	4,237
Other Australian Government financial assistance		14,525	16,394	14,525	16,394
Total Australian Government grants received – cash basis		443,502	440,255	443,502	440,255
OS HELP (Net)		3,745	3,313	3,745	3,313
Total Australian Government funding received – cash basis		447,247	443,568	447,247	443,568

Notes to the financial statements (continued)

For the year ended 31 December 2015

3. State and Local Government financial assistance

	Notes	Consolidated		Parent	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
Non-capital					
State Government contributions		1,209	1,162	1,209	1,162
Total		1,209	1,162	1,209	1,162
Capital					
State Government capital contributions		12,500	1,000	12,500	1,000
Total		12,500	1,000	12,500	1,000
Total State and Local Government financial assistance		13,709	2,162	13,709	2,162

4. Fees and charges

Course fees and charges					
Fee-paying onshore overseas students		70,992	68,525	70,992	68,525
Fee-paying offshore overseas students		8,277	10,660	1,356	4,067
Fee-paying domestic postgraduate students		9,399	11,169	9,399	11,169
Fee-paying domestic undergraduate students		5	46	5	46
Fee-paying domestic non-award students		335	424	335	424
Course and conference fees		1,655	1,656	1,622	1,627
Course materials		559	619	559	619
Total course fees and charges		91,222	93,099	84,268	86,477
Other non-course fees and charges					
Student accommodation		17,445	10,058	17,441	10,052
Other fees and charges		5,552	4,943	5,660	4,942
Student services and amenities fees from students		4,073	4,196	4,073	4,196
Total other fees and charges		27,070	19,197	27,174	19,190
Total fees and charges		118,292	112,296	111,442	105,667

5. Investment revenue

Distributions*		11,917	10,191	11,917	10,191
Interest		10,558	11,603	10,209	10,981
Other investment revenue		265	9	3,264	10
Total investment revenue		22,740	21,803	25,390	21,182
Net gain arising on held to maturity investments		199	-	199	-
Total other investment income		199	-	199	-

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

Notes to the financial statements (continued)

For the year ended 31 December 2015

6. Royalties, trademarks and licences

	Notes	Consolidated		Parent	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
Licence fees		144	323	114	117
Total royalties, trademarks and licences		144	323	114	117

7. Consultancy and contracts

Consultancy		1,206	1,259	1,204	1,237
Contract research					
National Health & Medical Research Council		15,122	12,531	15,122	12,531
Hunter Medical Research Institute		6,818	6,049	6,818	6,049
Co-operative research centre		765	968	765	968
Industry research		15,849	16,452	1,821	2,218
Other contract revenue		39,937	40,922	39,728	40,843
Total contract research		78,491	76,922	64,254	62,609
Total consultancy and contracts		79,697	78,181	65,458	63,846

8. Other revenue

Cost recoveries		10,483	9,947	10,515	10,303
Donations and bequests		2,025	1,026	5,635	5,977
Insurance recoveries		2,026	822	2,026	796
Other related party revenue		-	-	1,681	3,547
Scholarships and prizes		1,371	1,190	1,381	1,206
Sponsorship		3,101	3,226	3,097	3,290
Advertising		1,475	1,292	1,475	1,292
Sale of goods		1,425	2,048	1,425	146
Rents		2,486	2,140	2,486	859
Other revenue		8,185	8,914	8,007	6,807
Total other revenue		32,577	30,605	37,728	34,223

9. Employee related expenses

Academic					
Salaries		142,442	134,227	140,482	132,639
Contributions to funded superannuation schemes		21,496	21,555	21,424	21,498
Payroll tax		9,251	9,040	9,251	9,040
Workers compensation		907	978	907	978
Long service leave		4,792	5,392	4,792	5,392
Annual leave		7,762	10,308	7,662	10,300
Other					
Parental leave		1,765	1,585	1,765	1,585
Contract severance		(1,185)	398	(1,185)	398
Voluntary separation		(69)	771	(69)	770
Total academic		187,161	184,254	185,029	182,600

Notes to the financial statements (continued)

For the year ended 31 December 2015

9. Employee related expenses (continued)

	Notes	Consolidated		Parent	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
Professional and teaching					
Salaries		140,520	140,091	134,821	128,985
Contribution to funded superannuation schemes		20,998	20,783	20,407	19,704
Payroll tax		9,744	9,487	9,410	9,026
Workers compensation		984	1,360	937	951
Long service leave		3,284	4,929	3,151	4,684
Annual leave		13,019	10,965	12,513	9,959
Other					
Parental leave		1,774	1,563	1,774	1,561
Contract severance		(1,138)	399	(1,138)	399
Voluntary separation		5,690	6,271	5,690	6,174
Total professional and teaching		194,875	195,848	187,565	181,443
Total employee related expenses		382,036	380,102	372,594	364,043
Deferred superannuation expense	36(e)	978	728	978	728
Total employee related expenses, including deferred government employee benefits for superannuation		383,014	380,830	373,572	364,771

10. Depreciation and amortisation

Depreciation					
Buildings and infrastructure		23,856	22,462	23,855	22,429
Plant and equipment		13,883	12,599	13,752	12,676
Total depreciation		37,739	35,061	37,607	35,105
Amortisation					
Intangibles		1,484	1,642	1,344	1,335
Total depreciation and amortisation		39,223	36,703	38,951	36,440

11. Repairs and maintenance

Buildings		9,873	8,826	9,872	8,760
Cleaning		5,573	6,615	5,502	6,396
Repairs and maintenance – general		16,201	12,555	16,178	12,432
Total repairs and maintenance		31,647	27,996	31,552	27,588

12. Impairment of assets

Impairment losses – financial assets					
Trade receivables		1,163	1,152	967	1,122
Other financial assets – Available-for-sale		-	-	-	-
Reversal of impairment losses – financial assets					
Trade receivables		(444)	(1,566)	(464)	(1,561)
Recovery of receivables written off in prior years		(66)	(97)	(66)	(97)
Total impairment of assets		653	(511)	437	(536)

Notes to the financial statements (continued)

For the year ended 31 December 2015

13. Other expenses

	Consolidated		Parent	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000
Advertising, marketing and promotions	4,039	4,467	3,927	4,352
Consumables	25,603	25,965	25,006	24,864
Insurances	2,206	2,170	2,072	2,041
Minor equipment	15,487	16,407	14,697	15,342
Operating lease rental	3,858	3,931	3,843	3,915
Professional services	50,578	47,951	45,524	47,047
Scholarships, grants and prizes	39,525	37,763	39,484	37,596
Telecommunications	3,991	4,008	3,922	3,846
Travel, staff development and entertainment	20,223	17,904	19,149	17,137
Utilities	6,195	6,678	6,183	6,708
Related party expenses	-	-	152	193
Other expenses	23,754	22,533	23,548	21,107
Total other expenses	195,459	189,777	187,507	184,148

14. Income tax expense

(a) Income Tax Expense

Current tax	99	211	-	-
Total	99	211	-	-
Income tax expense is attributable to:				
Net result from continuing operations	99	211	-	-
Aggregate income tax expense	99	211	-	-

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

Net results from continuing operations before income tax expense	61,727	44,050	66,533	49,906
Tax at the Australian rate of 30% (2014: 30%)	18,518	13,215	19,960	14,972
Tax effect of amounts which are not (taxable) deductible in calculating taxable income	(18,282)	(12,800)	(19,960)	(14,972)
Difference in overseas tax rates	(137)	(204)	-	-
Income tax expense	99	211	-	-

15. Cash and cash equivalents

Cash at bank on hand	6,380	7,723	971	1,129
Short-term deposits at call	18,821	11,605	15,871	10,105
Total cash and cash equivalents	25,201	19,328	16,842	11,234

(a) Reconciliation to cash

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

Balance as above	25,201	19,328	16,842	11,234
Balance as per Statement of cash flows	25,201	19,328	16,842	11,234

(b) Cash at bank

Cash on hand is non-interest bearing. Cash at bank earns floating interest rates between 1.65% and 2.50% (2014: 2.35% and 2.50%).

Notes to the financial statements (continued)

For the year ended 31 December 2015

16. Receivables

16. Receivables		Consolidated		Parent		
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	
Notes						
Current						
	Trade receivables	19,050	22,889	15,943	19,337	
	Provision for impairment	(1,163)	(1,152)	(967)	(1,122)	
	Prepayments	15,670	15,067	15,596	14,984	
	Related party receivables	-	-	2,631	2,880	
	Other receivables	2,684	2,783	2,765	2,876	
	Total current receivables	36,241	39,587	35,968	38,955	
Non-current						
	Deferred government benefit for superannuation*	1 (r)/36	413,926	392,201	413,926	392,201
	Related party receivables	-	-	500	-	
	Other receivables	2,151	593	2,151	593	
	Total non-current receivables	416,077	392,794	416,577	392,794	

* This meets the definition of a reimbursement right under AASB 119 *Employee Benefits*. Refer to note 36 (d) for details of the relationship between the reimbursement right and the related obligation.

(a) Impaired receivables

As at 31 December 2015 current receivables of the Group with a nominal value of \$1,163,318 (2014: \$1,152,476) were impaired. The amount of the provision was \$1,163,318 (2014: \$1,152,476). The individually impaired receivables mainly relate to student fees.

The aging of these receivables is as follows:

Less than 3 months	121	-	-	-
Over 3 months	1,042	1,152	967	1,122
	1,163	1,152	967	1,122

As at 31 December 2015 trade receivables of the Group with a nominal value of \$6,019,157 (2014: \$6,044,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The aging of these receivables is as follows:

Less than 3 months	4,123	4,585	3,600	3,960
Over 3 months	1,896	1,459	1,723	1,459
	6,019	6,044	5,323	5,419

Movements in the provision for impaired receivables are as follows:

At 1 January	1,152	2,141	1,122	2,123
Provision for impairment recognised during the year	1,163	1,152	967	1,122
Receivables written off during the year as uncollectible	(708)	(575)	(658)	(562)
Reversal of previously impaired receivables	(444)	(1,566)	(464)	(1,561)
	1,163	1,152	967	1,122

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.

Notes to the financial statements (continued)

For the year ended 31 December 2015

17. Inventories

	Consolidated		Parent	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000
Current				
Retail stock on hand	18	20	18	20
Total current inventories	18	20	18	20

18. Other financial assets

Current				
Held to maturity investments	229,460	170,978	226,929	160,778
Total current other financial assets	229,460	170,978	226,929	160,778
Non-current				
Available-for-sale financial assets	242,632	213,861	241,744	213,495
Held to maturity investments	13,964	56,224	13,964	56,194
Total non-current other financial assets	256,596	270,085	255,708	269,689

19. Property, plant and equipment

Land				
At independent valuation	61,413	54,210	61,413	54,210
Total land	61,413	54,210	61,413	54,210
Buildings				
At independent valuation	766,383	701,417	766,383	701,417
At cost	4,346	2,231	4,346	2,231
Accumulated depreciation and impairment	(5,068)	(3,209)	(5,068)	(3,209)
Total buildings	765,661	700,439	765,661	700,439
Infrastructure				
At independent valuation	63,057	60,121	63,057	60,121
At cost	72	1,244	72	1,244
Accumulated depreciation and impairment	(397)	(592)	(397)	(592)
Total Infrastructure	62,732	60,773	62,732	60,773
Capital works in progress				
At cost	48,713	108,784	48,713	108,784
Total capital works in progress	48,713	108,784	48,713	108,784
Plant and equipment				
At cost	124,363	122,903	123,366	122,075
Accumulated depreciation and impairment	(77,585)	(77,878)	(76,974)	(77,368)
Total plant and equipment	46,778	45,025	46,392	44,707
Artworks and library				
At fair value	5,347	5,347	5,347	5,347
At cost	315	166	315	166
Accumulated depreciation and impairment	-	-	-	-
Total artworks and library	5,662	5,513	5,662	5,513
Total property, plant and equipment	990,959	974,744	990,573	974,426

Notes to the financial statements (continued)

For the year ended 31 December 2015

19. Property, plant and equipment (continued)

	Land \$000	Build- ings \$000	Infra- structure \$000	Capital Works in Progress \$000	Plant & Equip- ment \$000	Artwork and Libraries \$000	Total \$000
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current year:							
Consolidated							
Balance at 1 January 2014	51,530	702,794	58,877	46,026	50,869	5,395	915,491
Additions	-	-	-	92,252	-	-	92,252
Transfers in (out)	-	11,365	2,299	(29,494)	15,710	120	-
Asset disposals	-	(289)	(1,360)	-	(8,955)	(2)	(10,606)
Depreciation expense	-	(20,076)	(2,386)	-	(12,599)	-	(35,061)
Revaluation increase (decrease) recognised in equity	2,680	6,645	3,343	-	-	-	12,668
Balance at 31 December 2014	54,210	700,439	60,773	108,784	45,025	5,513	974,744
Balance at 1 January 2015	54,210	700,439	60,773	108,784	45,025	5,513	974,744
Additions	5,650	-	-	59,247	-	-	64,897
Transfers in (out)	-	98,587	3,743	(119,318)	16,828	160	-
Assets disposals	-	-	(787)	-	(1,192)	(11)	(1,990)
Depreciation expense	-	(21,438)	(2,418)	-	(13,883)	-	(37,739)
Revaluation increase (decrease) recognised in equity	1,553	(11,927)	1,421	-	-	-	(8,953)
Balance at 31 December 2015	61,413	765,661	62,732	48,713	46,778	5,662	990,959
Parent							
Balance at the 1 January 2014	51,530	702,794	58,877	46,026	49,653	5,393	914,273
Additions	-	-	-	92,002	-	-	92,002
Transfers in (out)	-	11,365	2,299	(29,244)	15,460	120	-
Assets disposals	-	(289)	-	-	(7,730)	-	(8,019)
Depreciation expense	-	(20,076)	(2,353)	-	(12,676)	-	(35,105)
Revaluation increase (decrease) recognised in equity	2,680	6,645	1,950	-	-	-	11,275
Balance at 31 December 2014	54,210	700,439	60,773	108,784	44,707	5,513	974,426
Balance at 1 January 2015	54,210	700,439	60,773	108,784	44,707	5,513	974,426
Additions	5,650	-	-	58,999	-	-	64,649
Transfers in (out)	-	98,587	3,743	(119,070)	16,580	160	-
Assets disposals	-	-	(788)	-	(1,143)	(11)	(1,942)
Depreciation expense	-	(21,438)	(2,417)	-	(13,752)	-	(37,607)
Revaluation increase (decrease) recognised in equity	1,553	(11,927)	1,421	-	-	-	(8,953)
Balance at 31 December 2015	61,413	765,661	62,732	48,713	46,392	5,662	990,573

(a) Valuations of land and buildings

The University's land and buildings were revalued at 1 November 2015 by independent valuers Global Valuation Services Pty Ltd. Valuations were made on the basis of open market value. The revaluation surplus net of applicable deferred income taxes was credited to an asset revaluation reserve in equity. The valuation basis of land 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.

Notes to the financial statements (continued)

For the year ended 31 December 2015

20. Intangible assets

	Consolidated		Parent	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000
Computer software				
Cost	21,504	24,669	21,428	24,592
Accumulated amortisation and impairment	(16,748)	(22,735)	(16,672)	(22,658)
Net carrying value	4,756	1,934	4,756	1,934
Intellectual property				
Cost	1,053	3,642	445	-
Accumulated amortisation and impairment	(535)	(3,177)	(15)	-
Net carrying value	518	465	430	-
Total intangibles	5,274	2,399	5,186	1,934

Movement in the carrying amounts for each class of intangible assets between the beginning and the end of the current year:

	Computer software \$000	Intellectual property \$000	Total \$000
Consolidated			
Balance at 1 January 2014	3,132	370	3,502
Additions	892	385	1,277
Disposals	(85)	-	(85)
Transfer in (out) of work in progress	(653)	-	(653)
Amortisation expense	(1,352)	(290)	(1,642)
Closing value at 31 December 2015	1,934	465	2,399
Balance at 1 January 2015	1,934	465	2,399
Additions (i)	2,479	357	2,836
Disposals	(217)	-	(217)
Transfer in (out) of work in progress	1,889	-	1,889
Amortisation expense	(1,329)	(304)	(1,633)
Closing value at 31 December 2015	4,756	518	5,274

Parent

Balance at 1 January 2014	3,113	-	3,113
Additions	892	-	892
Disposals	(83)	-	(83)
Transfer in (out) of work in progress	(653)	-	(653)
Amortisation expense	(1,335)	-	(1,335)
Closing value at 31 December 2014	1,934	-	1,934
Balance at 1 January 2015	1,934	-	1,934
Additions (i)	2,478	446	2,924
Disposals	(217)	-	(217)
Transfer in (out) of work in progress	1,889	-	1,889
Amortisation expense	(1,329)	(15)	(1,344)
Closing value at 31 December 2015	4,755	431	5,186

(i) On 31 October 2015, intellectual property assets with a fair value of \$445,855 were reassigned from Newcastle Innovation Ltd to the University by way of donation.

Notes to the financial statements (continued)

For the year ended 31 December 2015

21. Trade and other payables

	Consolidated		Parent	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000
Current				
<i>Unsecured liabilities</i>				
Trade creditors	39,773	33,559	38,326	32,741
OS-HELP liability to Australian Government	1,617	1,042	1,617	1,042
Other payables	3,609	5,977	2,623	2,201
Total current trade and other payables	44,999	40,578	42,566	35,984
Non-current				
<i>Unsecured liabilities</i>				
Other non-current payables	151	273	151	273
Total non-current trade and other payables	151	273	151	273

The carrying amounts (in currencies as detailed per the below table to the nearest thousand) of the Group's and parent entity's trade and other payables are denominated in the following currencies:

Australian dollar	44,890	40,484	42,521	36,027
Canadian dollar	2	-	2	-
Euro	2	28	2	28
Great British pound	38	58	38	58
Singaporean dollar	521	387	-	-
Swedish krona	18	-	18	-
US dollar	78	64	78	64

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 34.

22. Borrowings

Current				
<i>Unsecured liabilities</i>				
Bank loans	85,000	-	85,000	-
Total current borrowings	85,000	-	85,000	-
Non-current				
<i>Unsecured liabilities</i>				
Bank loans	-	85,000	-	85,000
Total non-current borrowings	-	85,000	-	85,000

(a) Financing arrangements

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

Credit card facility				
Total facilities	10,000	10,000	10,000	10,000
Used at balance date	(1,643)	(1,321)	(1,643)	(1,321)
Unused at balance date	8,357	8,679	8,357	8,679
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

Notes to the financial statements (continued)

For the year ended 31 December 2015

22. Borrowings (continued)

(a) Financing arrangements (continued)

	Consolidated		Parent	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Bank loan facilities				
Total facilities	85,000	85,000	85,000	85,000
Used at balance date	(85,000)	(85,000)	(85,000)	(85,000)
Unused at balance date	-	-	-	-

(b) Fair value

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

	2015		2014	
	Carrying amount \$000	Fair value \$000	Carrying amount \$000	Fair value \$000
Consolidated				
Recorded in the statement of financial position				
<i>Non-traded financial liabilities</i>				
Unsecured bank loan	85,000	85,000	85,000	85,000
Total non-current borrowings	85,000	85,000	85,000	85,000

(i) Recorded in the statement of financial position

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant.

23. Provisions

		Consolidated		Parent	
	Notes	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Current provisions expected to be settled within 12 months					
Employee benefits					
Annual leave		18,487	21,112	18,035	20,316
Long service leave		14,931	14,220	14,837	14,002
Redundancy		3,493	2,350	3,493	2,350
Contract severance		377	400	377	400
Defined benefit obligation	36	1,740	1,924	1,740	1,924
Other provisions					
Parental leave		1,556	1,525	1,556	1,525
Unused sick leave		900	834	900	834
		41,484	42,365	40,938	41,351

Notes to the financial statements (continued)

For the year ended 31 December 2015

23. Provisions (continued)

23. Provisions (continued)		Consolidated		Parent	
		Notes	2015 \$000	2014 \$000	2015 \$000
Current provisions expected to be settled after more than 12 months					
Employee benefits					
Annual leave		5,283	3,398	5,235	3,307
Long service leave		46,703	44,906	46,339	44,065
Contract severance		2,384	5,189	2,384	5,189
		54,370	53,493	53,958	52,561
Total current provisions		95,854	95,858	94,896	93,912
Non-current provisions					
Employee benefits					
Long service leave		13,995	14,653	13,797	14,366
Pension entitlements		33,377	34,288	33,377	34,288
Defined benefit obligation	36	413,926	392,201	413,926	392,201
Total non-current provisions		461,298	441,142	461,100	440,855

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(w) 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(w).

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

Provision for pension entitlements

A provision has been recognised for employee pension entitlements. Refer to note 36 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 36 for detail.

Movements in each class of provision during the year, are set out on the following page:

Notes to the financial statements (continued)

For the year ended 31 December 2015

23. Provisions (continued)

	Annual Leave \$000	Long Service Leave \$000	Redun- dancy \$000	Contract severance \$000	Pensions \$000	Other \$000	Total \$000
Consolidated							
Current							
Balance at 1 January 2015	24,510	59,126	2,349	5,589	1,924	2,359	95,857
Additional provisions	20,709	8,009	5,804	(2,323)	1,740	3,605	37,544
Provisions used	(21,449)	(5,501)	(4,660)	(505)	(1,924)	(3,508)	(37,547)
Balance at 31 December 2015	23,770	61,634	3,493	2,761	1,740	2,456	95,854

	Long Service Leave \$000	Pensions \$000	Deferred Superannuation \$000	Total \$000
Consolidated				
Non-current				
Balance at 1 January 2015	14,653	34,288	392,201	441,142
Additional provisions	(658)	(825)	21,725	20,242
Amounts transferred to reserves	-	(86)	-	(86)
Balance at 31 December 2015	13,995	33,377	413,926	461,298

24. Derivative financial instruments

	Consolidated		Parent	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Current				
Interest rate swap – cash flow hedge	2,201	-	2,201	-
Total current derivative financial instruments	2,201	-	2,201	-
Non-current				
Interest rate swap – cash flow hedge	-	3,594	-	3,594
Total non-current derivative financial instruments	-	3,594	-	3,594

(i) 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 is 4.52% (2014: 5.4%) and the variable rate is at the end of the reporting period was 3.09% (2014: 3.6%).

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				
Income received in advance	17,128	10,412	13,919	6,807
Total current other liabilities	17,128	10,412	13,919	6,807

Notes to the financial statements (continued)

For the year ended 31 December 2015

26. Reserves and retained surplus

	Notes	Consolidated		Parent	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
(a) Reserves					
Available-for-sale investments revaluation		41,824	36,137	41,502	35,998
Foreign currency translation surplus		1,086	677	-	-
Restricted funds		-	-	-	-
Cash flow hedge		(2,201)	(3,594)	(2,201)	(3,594)
Property, plant and equipment revaluation		515,437	524,390	515,437	524,390
Defined benefit actuarial remeasurements		(1,999)	(2,085)	(1,999)	(2,085)
Total reserves		554,147	555,525	552,739	554,709
(b) Movements in reserves					
Available-for-sale investments revaluation					
Balance 1 January		36,137	28,959	35,998	28,827
Revaluation increment (decrement)		5,687	6,220	5,504	6,213
Transfers to income statement		-	958	-	958
Balance 31 December		41,824	36,137	41,502	35,998
Foreign currency translation surplus					
Balance 1 January		677	425	-	-
Currency translation differences arising during the year		409	252	-	-
Balance 31 December		1,086	677	-	-
Cash flow hedge					
Balance 1 January		(3,594)	(3,520)	(3,594)	(3,520)
Revaluation increment (decrement)		1,393	(74)	1,393	(74)
Balance 31 December		(2,201)	(3,594)	(2,201)	(3,594)
Property, plant and equipment revaluation					
Balance 1 January		524,390	512,045	524,390	513,438
Revaluation increment (decrement)	19	(8,953)	12,668	(8,953)	11,275
Transfers to net profit gross		-	(323)	-	(323)
Balance 31 December		515,437	524,390	515,437	524,390
Defined benefit actuarial remeasurements					
Balance 1 January		(2,085)	900	(2,085)	900
Revaluation increment (decrement)	36	86	(2,985)	86	(2,985)
Balance 31 December		(1,999)	(2,085)	(1,999)	(2,085)
Total reserves		554,147	555,525	552,739	554,709
(c) Retained earnings					
Retained earnings 1 January		637,321	593,482	628,696	578,790
Net result for the year		61,628	43,839	66,533	49,906
Retained earnings at 31 December		698,949	637,321	695,229	628,696

Notes to the financial statements (continued)

For the year ended 31 December 2015

26. Reserves and retained surplus (continued)

(d) Nature and purpose of reserves

Available-for-sale investment 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.

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.

Cash flow hedge – 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.

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

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 Pablo Moscato
Professor Caroline McMillen	Dr Roslyn Larkin
Ms Dianne Allen	Ms Nerida Lithgow
Professor Mark Jones	Mr Vivak Bhavitheren
Mr Brian Kennaugh	Ravindran
Conjoint Professor Geoff Lilliss	Ms Jann Gardner
Ms Deborah Wright	Mr John Bowers
Mr Robert Kennedy	Mr Doug Dean AM
Mr Peter Cockbain	Mr Michael Robertson
Ms Michelle McPherson	

(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 Paul Dunn
Mr Nat McGregor	Mrs Winnie Eley
Professor Andrew Parfitt	Professor John Germov
Professor Kevin Hall	Professor Deborah Hodgson
Laureate Professor John Aitken	Professor Brett Ninness
Professor Liz Burd	Professor Eileen McLaughlin
Professor Richard Dunford	Professor Michael McManus

(c) Remuneration of key management personnel

	Consolidated		Parent	
	2015 Number	2014 Number	2015 Number	2014 Number
Remuneration of Council Members				
\$nil	3	-	3	-
\$1 to \$9,999	1	3	1	3
\$10,000 to \$19,999	7	8	7	8
\$30,000 to \$39,999	-	2	-	2
\$40,000 to \$49,999	1	1	1	1
\$60,000 to \$69,999	-	1	-	1
\$80,000 to \$89,999	-	1	-	1
\$100,000 to \$109,999	1	1	1	1

Notes to the financial statements (continued)

For the year ended 31 December 2015

27. Key management personnel disclosures (continued)

	Consolidated		Parent	
	2015 Number	2014 Number	2015 Number	2014 Number
(c) Remuneration of key management personnel (continued)				
Remuneration of Council Members (continued)				
\$110,000 to \$119,999	-	1	-	1
\$130,000 to \$139,999	1	-	1	-
\$140,000 to \$149,000	1	-	1	-
\$190,000 to \$199,999	1	-	1	-
\$240,000 to \$249,999	-	1	-	1
\$250,000 to \$259,999	1	-	1	-
\$700,000 to \$709,999	-	1	-	1
\$760,000 to \$769,999	1	-	1	-
	18	20	18	20
Remuneration of executive officers				
\$10,000 to \$19,999	1	-	1	-
\$20,000 to \$29,999	-	2	-	2
\$70,000 to \$79,999	-	1	-	1
\$150,000 to \$159,999	-	1	-	1
\$200,000 to \$209,999	-	1	-	1
\$270,000 to \$279,999	-	1	-	1
\$280,000 to \$289,999	1	-	1	-
\$320,000 to \$329,999	-	2	-	2
\$330,000 to \$339,999	-	1	-	1
\$340,000 to \$349,999	2	1	2	1
\$350,000 to \$359,999	4	-	4	-
\$400,000 to \$410,999	-	2	-	2
\$410,000 to \$419,999	2	2	2	2
\$430,000 to \$439,999	1	2	1	2
\$450,000 to \$459,999	1	-	1	-
\$480,000 to \$489,999	1	-	1	-
\$700,000 to \$709,999	-	1	-	1
\$760,000 to \$769,999	1	-	1	-
	14	17	14	17

Remuneration bands for the Vice-Chancellor appear in both tables above as this position is a member of both Council and Executive Committee.

(d) Key management personnel compensation	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Short-term employee benefits	5,402	5,393	5,402	5,393
Post-employment benefits	828	794	828	794
Termination benefits	126	267	126	267
Total key management personnel compensation	6,356	6,454	6,356	6,454

Notes to the financial statements (continued)

For the year ended 31 December 2015

28. Remuneration of auditors

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

	Consolidated		Parent	
	2015 \$	2014 \$	2015 \$	2014 \$
Audit of the financial statements				
Fees paid to Audit Office of NSW	345,500	355,765	275,900	273,800
Fees paid to BDO Singapore	18,770	16,188	-	-
Total paid for audit	364,270	371,953	275,900	273,800
Other services				
Fees paid to Audit Office of NSW	16,395	-	16,395	-
Fees paid to BDO Singapore	3,870	3,500	-	-
Total paid for other services	20,265	3,500	16,395	-

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

29. Contingencies

Contingent liabilities

- (i) Bank guarantee
The University has a \$2,700,000 bank guarantee as security for a rental bond which expires on 31 May 2027 (2014: \$2,700,000).
- (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 2015 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 2015 is \$268,380 (2014: \$nil).

Contingent assets

- (i) Efficiency dividend
The Commonwealth Government has to date failed to pass legislation to support its plan to withhold a 3.25% efficiency dividend from Universities. The estimated amount withheld from the University of Newcastle in 2015 was \$6,869,974. The payment of the efficiency dividend to the University is contingent on legislation not being passed before Commonwealth Grant funding for 2015 is finalised later in 2016.
- (ii) Insurance claim
The University has an insurance claim of \$1,600,000 pending for damage which occurred during the April 2015 storms. The claim is expected to be settled by September 2016 (2014: \$nil).

30. Commitments

(a) Capital commitments

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

	Consolidated		Parent	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Property, plant and equipment				
Within one year	68,229	8,752	68,229	8,752
Between one year and five years	-	1,264	-	1,264
Total	68,229	10,016	68,229	10,016

Notes to the financial statements (continued)

For the year ended 31 December 2015

30. Commitments (continued)

(b) Lease commitments

Operating leases

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

	Consolidated		Parent	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Within one year	5,411	2,622	5,059	2,360
Between one year and five years	11,149	11,371	11,016	11,028
Later than five years	3,047	5,522	3,047	5,522
Total future minimum lease payments	19,607	19,515	19,122	18,910

31. Interests in other entities

(a) Material subsidiaries

The group's principal subsidiaries at 31 December 2015 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	Place of business/ country of incorporation	Class of shares	Ownership interest held by the group	
			2015 %	2014 %
Newcastle Innovation Ltd (Company limited by guarantee)	Australia	Not applicable	100	100
UON Singapore Pte Ltd	Singapore	Ordinary	100	100

(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 \$4,876,528 (2014: \$6,496,417).

(b) Interests in associates

Set out below are the associates of the group as at 31 December 2015 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	Place of business/ country of incorporation	Class of shares	Ownership interest held by the group		Nature of relationship	Measurement method	Carrying amount	
			2015 %	2014 %			2015 \$000	2014 \$000
Hunter Medical Research Institute	Australia	N/A	27	27	Associate ¹	Equity method	-	-

The following associates of the Group are not material to the group:

NUSport	Australia	N/A	30	27	Associate ²	Equity method	-	-
Mineral Carbonation International	Australia	Ordinary	30	30	Associate ³	Equity method	3	3
ResTech	Australia	Ordinary	30	30	Associate ⁴	Equity method	191	177

Notes to the financial statements (continued)

For the year ended 31 December 2015

31. Interests in other entities (continued)

(b) Interests in associates (continued)

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 Mineral Carbonation International Pty Limited is an associate acquired in 2013. For the purposes of the University's financial statements and due to the lack of audited or published accounts, the University's equity interest is based on management's unaudited financial statements for the year ended 30 September 2015.

⁴ 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 2015.

32. Events occurring after reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could 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 flows from operating activities

	Consolidated		Parent	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000
Net result for the year	61,628	43,839	66,533	49,906
Add non-cash items:				
Depreciation and amortisation	39,223	36,703	38,951	36,440
Net (gain) loss on sale of property, plant and equipment	2,082	9,431	1,935	7,781
Net (gain) loss on disposal of financial assets	(199)	955	(199)	961
Fair value of assets donated to the Group	-	(88)	-	(88)
Net exchange differences	85	(30)	-	-
Net amortisation of bond premiums (discounts)	16	4	16	4
Non-cash donation from subsidiary	-	-	(446)	(4,485)
Changes in operating assets and liabilities:				
(Increase) decrease in trade debtors	3,962	(892)	3,395	(764)
(Increase) decrease in other receivables	(23,127)	(83,693)	(23,550)	(83,771)
(Increase) decrease in related party receivables	-	-	(251)	(152)
(Increase) decrease in inventories	2	83	2	(20)
(Increase) decrease in other financial assets	(11,448)	(10,768)	(11,448)	(10,768)
Increase (decrease) in trade creditors	3,296	3,930	5,585	4,673
Increase (decrease) in other operating liabilities	3,411	4,920	4,433	4,444
Increase (decrease) in provision for income taxes payable	(133)	68	-	-
Increase (decrease) in other provisions	20,237	85,900	21,315	86,154
Net cash provided by operating activities	99,035	90,362	106,271	90,315

Notes to the financial statements (continued)

For the year ended 31 December 2015

34. 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. It has therefore not been included in the sensitivity analysis.

(ii) Price risk

The Group and the parent entity are exposed to equity securities price risk. This arises from investments held by the Group and classified on the statement of financial position either as available-for-sale or at fair value through the income statement. Neither the Group nor the parent entity is exposed to commodity price risk.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The majority of the Group's and the parent entity's equity investments are publicly traded and are included either in the ASX200 Index or NYSE International 100 index.

The price risk for unlisted securities is immaterial in terms of the possible impact on the income statement or total equity. It has therefore not been included in the sensitivity analysis.

(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 2015 and 2014, the Group's borrowings at variable rate 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.

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 2015, 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 $\pm \$2,686$ million (2014: $\pm \$2,465$ million), mainly as a result of the impact on interest income from cash and cash equivalents.

Notes to the financial statements (continued)

For the year ended 31 December 2015

34. Financial risk management (continued)

(a) Market risk (continued)

(iv) Summarised sensitivity analysis

The following table summarises 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 Rate Risk				Other price risk			
		-1%		+1%		-1%		+1%		-1%		+1%	
		Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000
31 December 2015													
Financial assets													
Cash and cash equivalents	25,201	(252)	(252)	252	252	(49)	(49)	48	48	-	-	-	-
Trade and other receivables	436,648	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets – Available-for-sale	242,632	-	-	-	-	-	-	-	-	-	(2,426)	-	2,426
Financial assets – Held to maturity	243,424	(2,434)	(2,434)	2,434	2,434	-	-	-	-	-	-	-	-
Financial liabilities													
Trade and other payables	45,150	-	-	-	-	(116)	(116)	117	117	-	-	-	-
Bank loans	85,000	850	850	(850)	(850)	-	-	-	-	-	-	-	-
Derivative financial instruments	2,201	(22)	(22)	22	22	-	-	-	-	-	-	-	-
Total increase (decrease)		(1,858)	(1,858)	1,858	1,858	(165)	(165)	165	165	-	(2,426)	-	2,426
31 December 2014													
Financial assets													
Cash and cash equivalents – at bank	19,328	(193)	(193)	193	193	(66)	(66)	65	65	-	-	-	-
Trade and other receivables	417,314	-	-	-	-	(1)	(1)	1	1	-	-	-	-
Financial assets – Available-for-sale	213,861	-	-	-	-	-	-	-	-	-	(2,139)	-	2,139
Financial assets – Held to maturity	227,202	(2,272)	(2,272)	2,272	2,272	-	-	-	-	-	-	-	-
Financial liabilities													
Trade and other payables	40,851	-	-	-	-	(2)	(2)	2	2	-	-	-	-
Bank loans	85,000	850	850	(850)	(850)	-	-	-	-	-	-	-	-
Derivative financial instruments	3,594	(850)	(850)	850	850	-	-	-	-	-	-	-	-
Total increase (decrease)		(2,465)	(2,465)	2,465	2,465	(69)	(69)	69	69	-	(2,139)	-	2,139

Notes to the financial statements (continued)

For the year ended 31 December 2015

34. 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 sub note (c) below) 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 assets and financial liabilities:

	Average interest rate %	Variable interest rate \$000	Within 1 year \$000	1 – 5 years \$000	Greater than 5 years \$000	Non- interest \$000	Total \$000
31 December 2015							
Financial assets							
Cash and cash equivalents	1.9%	25,201	-	-	-	-	25,201
Trade and other receivables		-	-	-	-	436,648	436,648
Other financial assets		-	229,460	13,964	-	242,631	486,056
Total financial assets		25,201	229,460	13,964	-	679,279	947,905
Financial liabilities							
Trade and other payables		-	-	-	-	45,150	45,150
Borrowings	4.5%	85,000	-	-	-	-	85,000
Derivative financial instruments		-	2,201	-	-	-	2,201
Total financial liabilities		85,000	2,201	-	-	45,150	132,351
31 December 2014							
Financial assets							
Cash and cash equivalents	2.4%	19,238	-	-	-	-	19,238
Trade and other receivables		-	-	-	-	417,314	417,314
Other financial assets		-	170,978	56,224	-	213,861	441,063
Total financial assets		19,238	170,978	56,224	-	631,175	877,615
Financial liabilities							
Trade and other payables		-	-	-	-	40,851	40,851
Borrowings	5.4%	85,000	-	-	-	-	85,000
Derivative financial instruments		-	-	3,594	-	-	3,594
Total financial liabilities		85,000	-	3,594	-	40,851	129,445

Notes to the financial statements (continued)

For the year ended 31 December 2015

35. Fair value measurements

(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.

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

	Carrying amount		Fair value	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Financial assets				
Cash and cash equivalents	25,201	19,328	25,201	19,328
Receivables	436,648	417,314	436,648	417,314
Other financial assets				
Available-for-sale	242,632	213,861	242,632	213,861
Held-to-maturity	243,424	227,202	243,424	227,202
Total financial assets	947,905	877,705	947,905	877,705
Financial liabilities				
Trade and other payables	45,150	40,851	45,150	40,851
Borrowings	85,000	85,000	85,000	85,000
Derivative financial instruments	2,201	3,594	2,201	3,594
Total financial liabilities	132,351	129,445	132,351	129,445

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

- Available-for-sale financial assets
- Land, buildings, infrastructure and artworks and library
- 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 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)

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2015.

Notes to the financial statements (continued)

For the year ended 31 December 2015

35. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

(i) Recognised fair value measurements (continued)

	Notes	2015 \$000	Level 1 \$000	Level 2 \$000	Level 3 \$000
Fair value measurements at 31 December 2015					
Recurring fair value measurements					
Financial assets					
Other Financial assets	18				
Available-for-sale		242,632	233,034	9,628	-
Total financial assets		242,632	233,034	9,628	-
Non-financial assets					
Property, plant and equipment	19				
Land		61,413	-	61,413	-
Buildings		766,383	-	766,383	-
Infrastructure		63,057	-	63,057	-
Artworks and library		5,347	-	5,347	-
Total non-financial assets		896,200	-	896,200	-
Financial liabilities					
Derivative financial instruments	24	2,201	-	-	-
Total financial liabilities		2,201	-	-	-
	Notes	2014 \$000	Level 1 \$000	Level 2 \$000	Level 3 \$000
Fair value measurements at 31 December 2014					
Recurring fair value measurements					
Financial assets					
Other Financial assets	18				
Available-for-sale		213,861	208,550	5,311	-
Total financial assets		213,861	208,550	5,311	-
Non-financial assets					
Property, plant and equipment	19				
Land		54,210	-	54,210	-
Buildings		701,417	-	701,417	-
Infrastructure		60,121	-	60,121	-
Artworks and library		5,347	-	5,347	-
Total non-financial assets		821,095	-	821,095	-
Financial liabilities					
Derivative financial instruments	24	3,594	3,594	-	-
Total financial liabilities		3,594	3,594	-	-

Notes to the financial statements (continued)

For the year ended 31 December 2015

35. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

(i) Recognised fair value measurements (continued)

There were no transfers between levels 1 and 2 for recurring fair value measurements 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.

(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 and available-for-sale 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 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 best evidence of fair value is current prices in an active market for similar properties. 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 for properties are included in level 2.

36. Defined benefits plans

(a) Fund specific disclosures

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(r).

The University expects to make a contribution to the NSW State schemes during the next financial year as follows: SSS \$nil (2014: \$nil), SASS \$nil (2014: \$nil), SANCS \$2.2m (2014: \$2.5m).

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

The weighted average duration of the defined benefit obligation is 11.2 years (2014: 11.3 years) and the pension benefit obligation is 11.1 years (2014: 11.5 years). The expected maturity analysis of undiscounted pension benefit obligations is as follows:

Notes to the financial statements (continued)

For the year ended 31 December 2015

36. Defined benefits plans (continued)

(a) Fund specific disclosures (continued)	Less than 1 year \$000	Between 1-2 years \$000	Between 2-5 years \$000	Over 5 years \$000	Total \$000
Defined benefit obligations – 31 Dec 2015	29,096	29,979	89,188	476,246	624,509
Defined benefit obligations – 31 Dec 2014	28,946	29,095	89,922	512,615	660,578
Pension benefit obligations – 31 Dec 2015	1,804	2,212	6,692	31,352	42,060
Pension benefit obligations – 31 Dec 2014	1,734	2,066	6,521	32,522	42,843

(b) Categories of plan assets

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

	2015 Active Market	2014 Active Market
Australian equities	24.0%	26.9%
International equities	31.4%	30.5%
Australian fixed interest	6.7%	6.7%
International fixed interest	2.1%	2.5%
Property	8.7%	8.8%
Short term securities	7.5%	7.2%
Alternatives	19.6%	17.4%
Total	100%	100%

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

	2015	2014
Discount rate(s)	2.9%	2.8%
Expected rate(s) of salary increase	2.5%	2.3%
Expected rate(s) of CPI increase	2.3%	2.5%

(c) Actuarial assumptions and sensitivity

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

		Impact on defined benefit obligation	
Change in assumptions		Increase in assumptions	Decrease in assumptions
Discount rate	1.0%	Decrease by 9.9%	Increase by 11.8%
Salary growth rate	0.5%	Increase by 0.4%	Decrease by 0.4%
CPI growth rate	0.5%	Increase by 5.1%	Decrease by 4.7%

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 2015

36. Defined benefits plans (continued)

(d) Statement of financial position amounts	Pension \$000	SANCS \$000	SSS \$000	SASS \$000	Total \$000
Present value of obligation – 2015					
Defined benefit obligation at the start of the year	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
	32,075	9,816	453,286	62,839	558,016
Remeasurements					
Actuarial (gains)/losses 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)
Actuarial losses /(gains) arising from liability experience	-	(146)	(3,131)	1,272	(2,005)
	(86)	(207)	9,445	2,260	11,412
Contributions					
Contributions from plan participants	-	-	323	684	1,007
	-	-	323	684	1,007
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
	(1,833)	(1,055)	(18,652)	(8,587)	(30,127)
Defined benefit obligation at end of year	30,156	8,554	444,402	57,196	540,308
Present value of plan assets – 2015					
Fair value of plan assets at the start of the year	-	5,113	58,568	53,295	116,976
Interest income	-	138	1,370	1,436	2,944
	-	5,251	59,938	54,731	119,920
Remeasurements					
Return on plan assets, excluding amounts included in net interest expense	-	34	608	851	1,493
	-	34	608	851	1,493
Contributions					
Employers	-	370	295	1,434	2,099
Plan participants	-	-	323	684	1,007
	-	370	618	2,118	3,106
Payments from plan					
Benefits paid	-	(1,212)	(20,356)	(8,477)	(30,045)
Taxes, premiums and expenses paid	-	157	1,704	(108)	1,753
	-	(1,055)	(18,652)	(8,585)	(28,292)
Fair value of plans assets at the end of the year	-	4,600	42,512	49,115	96,227

Notes to the financial statements (continued)

For the year ended 31 December 2015

36. Defined benefits plans (continued)

	Pension \$000	SANCS \$000	SSS \$000	SASS \$000	Total \$000
Net liability – 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
Amounts recognised in the statement of financial position – 2015					
Liabilities					
Provision for deferred government benefits superannuation	-	3,954	401,891	8,081	413,926
Provision for pension entitlements	30,156	-	-	-	30,156
Total liabilities	30,156	3,954	401,891	8,081	444,082
add: On-costs on pension entitlements	4,961	-	-	-	4,961
Total pension entitlements (incl on-costs)	35,117	-	-	-	35,117
Total liabilities recognised in statement of financial position	35,117	3,954	401,891	8,081	449,043
Assets					
Receivable for deferred government contribution for superannuation (Reimbursement right)	-	3,954	401,891	8,081	413,926
Total assets recognised in statement of financial position	-	3,954	401,891	8,081	413,926
Net liability recognised in the statement of financial position	35,117	-	-	-	35,117
Present value of obligation – 2014					
Defined benefit obligation at the start of the year	29,307	9,081	379,375	57,687	475,450
Current service cost	-	390	497	1,948	2,835
Interest expense	728	366	15,768	2,316	19,178
	30,035	9,837	395,640	61,951	497,463
Remeasurements					
Return of plan assets, excluding amounts included in net interest expense					
Actuarial losses /(gains) arising from changes in financial assumptions	2,985	826	66,258	3,574	73,643
Actuarial losses /(gains) arising from liability experience	-	288	(2,346)	1,233	(825)
	2,985	1,114	63,912	4,807	72,818
Contributions					
Contributions from plan participants	-	-	421	783	1,204
	-	-	421	783	1,204
Payments from plan					
Benefits paid	(1,924)	(1,494)	(20,374)	(7,786)	(31,578)
Taxes, premiums and expenses paid	-	(262)	959	(330)	367
	(1,924)	(1,756)	(19,415)	(8,116)	(31,211)
Defined benefit obligation at end of year	31,096	9,195	440,558	59,425	540,274

Notes to the financial statements (continued)

For the year ended 31 December 2015

36. Defined benefits plans (continued)

	Pension \$000	SANCS \$000	SSS \$000	SASS \$000	Total \$000
Present value of plan assets – 2014					
Fair value of plan assets at the start of the year	-	6,027	72,474	55,403	133,904
Interest income	-	244	2,671	2,253	5,168
	-	6,271	75,145	57,656	139,072
Remeasurements					
Actual return on plan assets less interest income	-	176	2,035	1,382	3,593
	-	176	2,035	1,382	3,593
Contributions					
Employers	-	422	382	1,590	2,394
Plan participants	-	-	421	783	1,204
	-	422	803	2,373	3,598
Payments from plan					
Benefits paid	-	(1,494)	(20,374)	(7,786)	(29,654)
Taxes, premiums and expenses paid	-	(262)	959	(330)	367
	-	(1,756)	(19,415)	(8,116)	(29,287)
Fair value of plans assets at the end of the year	-	5,113	58,568	53,295	116,976
Net liability – 2014					
Defined benefit obligation	31,097	9,196	440,555	59,426	540,274
Fair value of plan assets	-	(5,113)	(58,568)	(53,295)	(116,976)
Net liability	31,097	4,083	381,987	6,131	423,298
Amounts recognised in the statement of financial position – 2014					
Liabilities					
Provision for deferred government benefits for superannuation	-	4,083	381,987	6,131	392,201
Provision for pension entitlements	31,097	-	-	-	31,097
Total liabilities	31,097	4,083	381,987	6,131	423,298
add: On-costs on pension entitlements	5,115	-	-	-	5,115
Total pension entitlements (incl on-costs)	36,212	-	-	-	36,212
Total liabilities recognised in statement of financial position	36,212	4,083	381,987	6,131	428,413
Assets					
Receivable for deferred government contribution for superannuation (Reimbursement right)	-	4,083	381,987	6,131	392,201
Total assets recognised in statement of financial position	-	4,083	381,987	6,131	392,201
Net liability recognised in the statement of financial position	36,212	-	-	-	36,212

Notes to the financial statements (continued)

For the year ended 31 December 2015

36. Defined benefits plans (continued)

(e) Amounts recognised in other statements	Pension \$000	SANCS \$000	SSS \$000	SASS \$000	Total \$000
Amounts recognised in the Income statement – 2015					
The amounts recognised in the income statement are restricted to Pension scheme in accordance with note 1(r). The amounts are included in employee benefits expense (note 9).					
Current service cost	978	-	-	-	978
Total expense recognised in the Income statement	978	-	-	-	978
Amounts recognised in the Statement of comprehensive income – 2015					
The amounts recognised in the statement of comprehensive income are restricted to Pension scheme in accordance with note 1(r). The amounts are included in reserves (note 26(b)).					
Remeasurements					
Actuarial losses (gains) arising from changes in financial assumptions	(86)	-	-	-	(86)
Total remeasurements	(86)	-	-	-	(86)
Total remeasurements recognised in the Statement of comprehensive income	(86)	-	-	-	(86)
Amounts recognised in the Income statement – 2014					
The amounts recognised in the income statement are restricted to Pension scheme in accordance with note 1(r). The amounts are included in employee benefits expense (note 9).					
Current service cost	728	-	-	-	728
Total expense recognised in the Income statement	728	-	-	-	728
Amounts recognised in the Statement of comprehensive income – 2014					
The amounts recognised in the statement of comprehensive income are restricted to Pension scheme in accordance with note 1(r). The amounts are included in reserves (note 26(b)).					
Remeasurements					
Actuarial losses (gains) arising from changes in financial assumptions	2,985	-	-	-	2,985
Total remeasurements	2,985	-	-	-	2,985
Total remeasurements recognised in the Statement of comprehensive income	2,985	-	-	-	2,985

Notes to the financial statements (continued)

For the year ended 31 December 2015

37. Acquittal of Australian Government financial assistance

(a) Education – CGS and other Education grants

		Common-wealth Grants Scheme ¹		Indigenous Support Program		Partnership & Participation Program ²	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Parent (University) only	Note						
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		216,356	213,357	2,401	2,246	8,229	6,160
Net accrual adjustments		(180)	(57)	-	-	-	-
Revenue for the period	2(a)	216,176	213,300	2,401	2,246	8,229	6,160
Surplus (deficit) from the previous year		-	-	-	-	198	800
Total revenue including accrued revenue		216,176	213,300	2,401	2,246	8,427	6,960
Less expenses including accrued expenses		(216,176)	(213,300)	(2,401)	(2,246)	(8,232)	(6,761)
Surplus (deficit) for the reporting period		-	-	-	-	195	199

		Disability Support Program		Promotion of Excellence in Learning and Teaching		Total ³	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
	Note						
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		113	148	590	259	227,689	222,170
Net accrual adjustments		-	-	-	-	(180)	(57)
Revenue for the period	2(a)	113	148	590	259	227,509	222,113
Surplus (deficit) from the previous year		-	-	293	(5)	491	795
Total revenue including accrued revenue		113	148	883	254	228,000	222,908
Less expenses including accrued expenses		(113)	(148)	(224)	39	(227,146)	(222,416)
Surplus (deficit) for the reporting period		-	-	659	293	854	492

¹ Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

² Includes Equity Support Program.

³ No amounts have been brought forward, received, utilised or carried forward during 2014 and 2015 for the following: Capital Development Pool, Diversity and Structural Adjustment Fund (including Collaboration and Structural Adjustment Program), Transitional Cost Program.

Notes to the financial statements (continued)

For the year ended 31 December 2015

37. Acquittal of Australian Government financial assistance (continued)

(b) Higher education loan programmes (excl OS-HELP)		HECS-HELP (Australian Government payments only)		FEE-HELP ⁴		SSAF-HELP		Total	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Parent (University) only	Note								
Cash payable (receivable) at the beginning of the year		-	-	-	-	-	-	-	-
Financial assistance received in cash during the reporting period		122,480	121,118	17,334	18,228	2,972	2,917	142,786	142,263
Cash available for the period	2(b)	122,480	121,118	17,334	18,228	2,972	2,917	142,786	142,263
Revenue earned		(122,506)	(121,349)	(17,436)	(18,209)	(2,916)	(2,976)	(142,858)	(142,534)
Cash payable (receivable) at the end of the year		(26)	(231)	(102)	19	56	(59)	(72)	(271)

⁴ Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

(c) Scholarships		Australian postgraduate awards		International postgraduate research scholarships		Common- wealth Education Cost Scholarship ⁵		Common- wealth Accommodation Scholarships ⁵	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Parent (University) only	Note								
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		6,378	6,110	505	499	249	301	211	280
Net accrual adjustments		-	-	-	-	(118)	-	(155)	-
Revenue for the period	2(c)	6,378	6,110	505	499	131	301	56	280
Surplus (deficit) from the previous year		847	915	51	(6)	130	98	164	123
Total revenue including accrued revenue		7,225	7,025	556	493	261	399	220	403
Less expenses including accrued expenses		(6,064)	(6,178)	(624)	(442)	(249)	(269)	(214)	(239)
Surplus (deficit) for the reporting period		1,161	847	(68)	51	12	130	6	164

		Indigenous access scholarship		Indigenous staff scholarships		Total	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
	Note						
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		191	95	-	(2)	7,534	7,283
Net accrual adjustments		-	-	-	-	(273)	-
Revenue for the period	2(c)	191	95	-	(2)	7,261	7,283
Surplus (deficit) from the previous year		-	79	-	43	1,192	1,252
Total revenue including accrued revenue		191	174	-	41	8,453	8,535
Less expenses including accrued expenses		(212)	(174)	-	(41)	(7,363)	(7,343)
Surplus (deficit) for the reporting period		(21)	-	-	-	1,090	1,192

⁵ Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

Notes to the financial statements (continued)

For the year ended 31 December 2015

37. Acquittal of Australian Government financial assistance (continued)

(d) Education research

		Joint Engagement Research ⁶		Joint Engagement Research Engineering Cadetship		Research Training Scheme	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Parent (University) only⁷	Note						
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)	2(d)	8,697	8,772	140	105	15,292	15,179
Surplus (deficit) from the previous year		16	410	209	104	15	48
Total revenue including accrued revenue		8,713	9,182	349	209	15,307	15,227
Less expenses including accrued expenses		(8,343)	(9,166)	-	-	(15,297)	(15,212)
Surplus (deficit) for the reporting period		370	16	349	209	10	15

		Research Infrastructure Block Grants		Sustainable Research Excellence in Universities		Total ⁷	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Parent (University) only⁷	Note						
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)	2(d)	5,629	5,737	4,441	4,111	34,199	33,904
Surplus (deficit) from the previous year		116	647	994	-	1,350	1,209
Total revenue including accrued revenue		5,745	6,384	5,435	4,111	35,549	35,113
Less expenses including accrued expenses		(5,442)	(6,268)	(5,435)	(3,117)	(34,517)	(33,763)
Surplus (deficit) for the reporting period		303	116	-	994	1,032	1,350

⁶ Includes Institutional Grants Scheme.

⁷ The reported surplus for Joint Research Engagement, Research Training Scheme, Research Infrastructure Block Grants, Commercialisation Training Scheme and Sustainable Research Excellence in Universities for 2015 are expected to be rolled over for future use by the University.

		Education Investment Fund		Total	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000
Parent (University) only					
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		-	-	-	-
Surplus (deficit) from the previous year		18,008	30,068	18,008	30,068
Total revenue including accrued revenue		18,008	30,068	18,008	30,068
Less expenses including accrued expenses		(18,008)	(12,060)	(18,008)	(12,060)
Surplus (deficit) for the reporting period		-	18,008	-	18,008

Notes to the financial statements (continued)

For the year ended 31 December 2015

37. Acquittal of Australian Government financial assistance (continued)

(f) Australian Research Council Grants		Projects		Fellowships		Indigenous Researchers Development		Total	
		2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Parent (University) only	Note								
(i) Discovery									
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)		7,299	7,178	3,693	4,696	461	271	11,453	12,145
Surplus (deficit) from the previous year		5,477	5,995	2,932	2,374	96	130	8,505	8,499
Total revenue including accrued revenue	2(f)	12,776	13,173	6,625	7,070	557	401	19,958	20,644
Less expenses including accrued expenses		(7,734)	(7,696)	(3,873)	(4,138)	(452)	(305)	(12,059)	(12,139)
Surplus (deficit) for the reporting period		5,042	5,477	2,752	2,932	105	96	7,899	8,505
				Infrastructure		Projects		Total	
				2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
		Note							
(ii) Linkages									
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)	2(f)	-	150	1,567	1,709	1,567	1,859		
Surplus (deficit) from the previous year		-	614	1,822	2,266	1,822	2,880		
Total revenue including accrued revenue		-	764	3,389	3,975	3,389	4,739		
Less expenses including accrued expenses		-	(764)	(1,926)	(2,153)	(1,926)	(2,917)		
Surplus (deficit) for the reporting period		-	-	1,463	1,822	1,463	1,822		
				Industrial Transformation Research Program		Centres		Total	
				2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
		Note							
(iii) Networks and Centres									
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)	2(f)	1,452	1,867	2,297	2,370	3,749	4,237		
Surplus (deficit) from the previous year		1,867	-	51	409	1,918	409		
Total revenue including accrued revenue		3,319	1,867	2,348	2,779	5,667	4,646		
Less expenses including accrued expenses		(956)	-	(2,603)	(2,728)	(3,559)	(2,728)		
Surplus (deficit) for the reporting period		2,363	1,867	(255)	51	2,108	1,918		

Notes to the financial statements (continued)

For the year ended 31 December 2015

37. Acquittal of Australian Government financial assistance (continued)

	Note	Parent	
		2015 \$000	2014 \$000
(g) OS-HELP			
Cash received during the reporting period		3,745	3,313
Cash spent during the reporting period		(3,233)	(2,480)
Net cash received		512	833
Cash surplus (deficit) from the previous period		1,105	272
Cash surplus (deficit) for the reporting period		1,617	1,105

(h) Student Services and Amenities Fee (SSAF)

Unspent (overspent) revenue from previous period		898	349
SSAF-HELP	2(b)	2,916	2,976
Student Services and Amenities Fee	4	4,073	4,196
Total amounts available to be expended		7,887	7,521
Student services expenses during the period		(6,151)	(6,623)
Unspent (overspent) Student Services and Amenities Fee		1,736	898

38. 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.	37,155	36,655
Student accommodation or leased to residential tenants	8,045	7,305
Teaching research and other University purposes	16,213	10,250
	61,413	54,210

Statement by Members of Council

As at 31 December 2015

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:

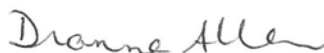
1. The attached general purpose financial reports present a true and fair view of the financial position of the University at 31 December 2015 and its financial performance for the year then ended.
2. The financial reports have been prepared in accordance with the provisions of the *Public Finance & Audit Act 1983* (NSW), the *Public Finance & Audit Regulations 2015* (NSW) and the Financial Statement Guidelines for Australian Higher Education Providers for the 2015 Reporting Period issued by the Australian Government Department of Education.
3. The financial reports has been prepared in accordance with Australian Accounting Standards, AASB Interpretations and other mandatory professional reporting requirements.
4. We are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate.
5. There are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.
6. 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.
7. 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.
8. 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

Dated 30 March 2016



Ms Dianne Allen
Chair Finance Committee

Auditor's Independence Declaration



To the Vice-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 2015, I declare, to the best of my knowledge and belief, that there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A T Whitfield PSM
Acting Auditor-General

29 March 2016
SYDNEY

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

The University of Newcastle

To Members of the New South Wales Parliament

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 2015, 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.

Opinion

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 2015, 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 2015 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.

University Council's Responsibility for the Financial Statements

The Council of the University is responsible for preparing financial statements that give a true and fair view 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 of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Independent Auditor's Report

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

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

My opinion does *not* provide assurance:

- about the future viability of the University or the consolidated entity
- that they carried out their activities effectively, efficiently and economically
- about the effectiveness of the internal control
- 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.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and relevant ethical pronouncements. The PF&A Act further promotes independence 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, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



A T Whitfield PSM
Acting Auditor-General

1 April 2016
SYDNEY

Appendices

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Appendix A: Five year key statistics

	Category	2011	2012	2013	2014	2015	% Change 2011-2015
Number of students ¹	Total	35,934	37,443	39,131	40,212	38,219	6.4
	Commencing	16,669	17,576	18,257	18,771	16,013	-3.9
Student load ²	Total	24,330	25,013	26,193	26,095	25,194	3.6
	Undergraduate	18,296	18,605	19,095	18,979	18,647	1.9
	Postgraduate	3,845	4,199	4,568	4,663	4,104	6.7
	Other (Enabling, ELICOS, Non Award)	2,190	2,208	2,530	2,453	2,443	11.6
	Commonwealth- supported	17,947	18,511	19,393	19,445	19,083	6.3
Funding type ³	Fee-paying overseas	4,816	4,789	4,908	4,571	4,359	-9.5
	Fee-paying domestic	1,567	1,713	1,891	2,078	1,752	11.8
Award completions ⁴	Total	6,546	7,041	7,483	7,408	7,384	12.8
	Undergraduate	4,152	4,416	4,466	4,500	4,572	10.1
	Postgraduate	2,394	2,625	3,017	2,908	2,812	17.5
Full-time staff (FTE) ⁵	Total	2,444	2,596	2,670	2,635	2,644	8.2
	Academic	967	1,046	1,066	1,060	1,035	7.0
	Non-Academic	1,477	1,550	1,604	1,576	1,610	9.0
Work function (FTE)	Teaching only	156	31	36	35	26	-83.2
	Research only	354	387	404	412	394	11.4
	Teaching and research	587	758	756	751	751	27.9
	Other	1,347	1,420	1,475	1,437	1,473	9.3
Casual staff ⁶	Total	450	440	472	427	442	-1.8
	Academic	297	282	296	262	250	-15.7
	Professional	153	158	175	165	192	25.2

Sources

Student data: MIS 31 January 2016

Staff data: Department of Education Higher Education Staff Statistics (excluding 2015 casual staff FTE)

2015 casual staff data: Alesco HR database

Award completions data: MIS 6 April 2016

Notes

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 Program Load 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 1 April - 31 March.
5. Staff full-time equivalent positions occupied by full-time and part-time staff members as at 31 March (excluding Independent Operations).
6. Casual staff full-time full year equivalent positions occupied during year (excluding Independent Operations). 2015 preliminary figures subject to validation and submission to Department of Education and Training.

Rounding errors may apply.

Data subject to revision.

B: Academic program development

Academic Senate program development and assurance

During 2015 the Academic Senate and its committees reviewed the academic content of 30 new programs and recommended their establishment to Council. Council approved the establishment of these programs and the discontinuation of 15 existing programs (many of which have been replaced with new offerings). Professional accreditation was received for 27 programs, one school and one centre. The University externally reviewed 11 programs.

Academic Senate program development

Faculty of Business and Law

- Bachelor of Innovation and Entrepreneurship
- Bachelor of Innovation and Entrepreneurship/Bachelor of Business
- Bachelor of Innovation and Entrepreneurship/Bachelor of Commerce
- Graduate Certificate in Professional Economics
- Master of Professional Economics
- Graduate Certificate in Co-operatives Management and Organisation
- Master of Co-operatives Management and Organisation
- Graduate Certificate in Business Management

Faculty of Education and Arts

- Master of Creative Industries

Faculty of Engineering and Built Environment

- Graduate Certificate in Disaster Risk Reduction
- Graduate Certificate in Advanced Computer Technologies for Business
- Bachelor of Engineering (Honours) (Civil)/Bachelor of Mathematics
- Bachelor of Engineering (Honours) (Mechanical)/Bachelor of Mathematics
- Bachelor of Engineering (Honours) (Mechatronics)/Bachelor of Mathematics
- Bachelor of Technology (Renewable Energy Systems)

Faculty of Health and Medicine

- Master of Philosophy (Nutritional Biochemistry)
- Doctor of Philosophy (Nutritional Biochemistry)
- Master of Clinical Epidemiology (1 year program)
- Associate Degree in Health [Exit Only Award]
- Graduate Certificate in Clinical Nursing
- Master of Philosophy (Family Studies)
- Doctor of Philosophy (Family Studies)
- Bachelor of Medical Radiation Science (Honours) (Diagnostic Radiography)
- Bachelor of Medical Radiation Science (Honours) (Nuclear Medicine)

- Bachelor of Medical Radiation Science (Honours) (Radiation Therapy)

Faculty of Science and Information Technology

- Graduate Certificate in Pollution Impact Assessment
- Graduate Diploma in Environmental Risk Assessment and Remediation [Exit Only Award]
- Master of Environmental Risk Assessment and Remediation

Academic Division

- Graduate Certificate of Studies
- Master of Studies

Accreditation

English Language and Foundation Studies

- The National English Language Teaching Accreditation Scheme (NEAS) reaccredited the University's Language Centre in Sydney for two years.

Faculty of Business and Law

- Bachelor of Business (Human Resource Management Major) has been accredited for 3 years from 2014 by the Australian Human Resource Institute.

Faculty of Education and Arts

- The Board of Studies Teaching and Education Standards NSW approved the following initial teacher education programs until 31 December 2019:
 - Bachelor of Teaching (Early Childhood and Primary) (Honours)
 - Bachelor of Teaching (Primary) (Honours)
 - Bachelor of Teaching (Humanities) (Honours)
 - Bachelor of Teaching (Fine Art) (Honours)
 - Bachelor of Teaching (Health and Physical Education) (Honours)
 - Bachelor of Teaching (Science) (Honours)
 - Bachelor of Teaching (Mathematics) (Honours)
 - Bachelor of Teaching (Technology) (Honours)
 - Master of Teaching (Primary)
 - Master of Teaching (Secondary)

Faculty of Engineering and Built Environment

- The Australian Property Institute accredited the Master of Property for the maximum period 1 January 2015 - 31 December 2019.

Faculty of Health and Medicine

- Bachelor of Oral Health Therapy conditionally accredited until December 2017 by the Australian Dental Council.
- Bachelor of Pharmacy (Honours) accredited until December 2017 by the Australian Pharmacy Council.
- Bachelor of Environmental and Occupational Health and Safety has been reaccredited by the Institution of Occupational Safety and Health for 5 years.

Faculty of Science and Information Technology

- The Statistical Society of Australia Incorporated has accredited the Statistics Majors within the Bachelor of Science and the Bachelor of Mathematics programs for three years.
- Bachelor of Communication (Public Relations Major) was granted accreditation by the Public Relations Institute of Australia for the 2015 academic year.
- Bachelor of Exercise and Sport Science accredited with Exercise and Sport Science Australia from 2015 to 2019 (inclusive).
- The Australian Psychology Accreditation Council determined the following:
 - The University of Newcastle and the School of Psychology along with the Bachelor of Arts (Honours), Bachelor of Science (Honours), Bachelor of Social Science (Honours) and the Graduate Diploma in Psychology are accredited without conditions until 31 December 2020; and
 - Bachelor of Psychological Science, Bachelor of Psychology (Honours), Master of Clinical Psychology and the Doctor of Philosophy (Clinical Psychology) are accredited with conditions until 31 December 2016.

Academic program review

In 2015 the following external program reviews were conducted:

English Language and Foundation Studies

- Yapug

Faculty of Education and Arts

- Bachelor of Music and Bachelor of Music (Honours)

Faculty of Health and Medicine

- Master of Mental Health Nursing
- Master of Nursing (Advanced Practice)
- Master of Applied Management (Nursing)

Faculty of Science and Information Technology

- Bachelor of Mathematics and Bachelor of Mathematics (Honours)
- Bachelor of Information Technology and Bachelor of Information Technology (Honours)
- Master of Information Technology

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

	2011	2012	2013	2014	2015
Domestic	19,521	20,235	21,289	21,532	20,842
International Onshore	3,034	3,153	3,395	3,122	3,034
International Offshore	1,775	1,625	1,509	1,440	1,318
Total	24,330	25,013	26,193	26,095	25,194

Table 2: Student Load (EFTSL) by academic level

	2011	2012	2013	2014	2015
Undergraduate	18,296	18,605	19,095	18,979	18,647
Postgraduate Coursework	2,896	3,165	3,524	3,543	2,910
Higher Degree by Research	949	1,035	1,044	1,120	1,194
Non-award	281	259	295	360	343
Enabling	1,589	1,627	1,809	1,720	1,616
ELICOS	320	322	426	373	484
Total	24,330	25,013	26,193	26,095	25,194

Table 3: Enrolments by faculty/division

	2011	2012	2013	2014	2015
Business and Law	6,497	6,727	6,892	6,676	6,125
Education and Arts	9,033	9,196	9,674	10,341	9,224
Engineering and Built Environment	3,912	4,211	4,512	4,666	4,663
Health and Medicine	6,681	7,100	7,452	7,775	7,635
Science and IT	5,064	5,259	5,385	5,460	5,355
Other University ¹	4,747	4,950	5,216	5,294	5,217
Total	35,934	37,443	39,131	40,212	38,219

Table 4: Student load (EFTSL) by location

	2011	2012	2013	2014	2015
Newcastle	17,708	17,996	18,729	18,788	18,520
Central Coast	3,037	3,174	3,309	3,165	3,049
Port Macquarie	281	292	314	312	266
Sydney	291	481	667	569	539
UON Singapore	1,593	1,460	1,376	1,346	1,241
Other University ¹	1,420	1,611	1,798	1,915	1,578
Total	24,330	25,014	26,193	26,095	25,193

Source

Tables 1-4: MIS 1 February 2016.

Notes

1. Includes English Language and Foundation Studies, Wollotuka Institute, non-award studies, exchange and study abroad.

Rounding errors may apply.

D: Human resources

Employee statistics

In 2015, the University's workforce comprised 2,644 full-time equivalent staff in ongoing or fixed-term employment. Total direct staffing comprised 1,035 academics and 1,610 professional and teaching staff with 1,644 conjoint staff contributing to our activities during the year. Our casual and sessional staff (442 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 193 staff recognised for 15 years of service and 40 staff for 25 years of service.

Table 1: Fixed-term and ongoing staff FTE (as at 31 March 2015)

Job type	Sum of FTE
Academic	1,035
Professional	1,576
Teacher	34
Total	2,644

Source Department of Education and Training Higher Education Staff Statistics.

Table 2: Casual staff FTE (1 January to 31 December 2015)

Job type	Sum of FTE
Academic	250
Professional	192
Total	442

Source Alesco HR Database.

Preliminary figures subject to validation and submission to Department of Education and Training at 30 June 2015.

Table 3: Conjoint staff (1 January to 31 December 2015)

Faculty/Division	Total
Academic Division	1
Faculty of Business and Law	40
Faculty of Education and Arts	142
Faculty of Engineering and Built Environment	128
Faculty of Health and Medicine	1,109
Faculty of Science and IT	222
Research Division	2
Total	1,644

Source Alesco HR Database.

Table 4: Job applicants (1 January to 31 December 2015)

Number of applicants	Total
Total	7,618

Source Alesco HR Database.

Note Tables 1-4: Rounding errors may apply.

Table 5: Number of full-time and fractional full-time academic and professional staff by appointment term and gender 2012-2015

	2012			2013			2014			2015		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Ongoing	993	725	1,718	1,032	758	1,790	1,036	745	1,781	1,078	738	1,816
Fixed-term	820	435	1,255	826	440	1,266	795	440	1,235	829	473	1,302
Total	1,813	1,160	2,973	1,858	1,198	3,056	1,831	1,185	3,016	1,907	1,211	3,118

Table 6: Number of academic staff by appointment term, level and gender 2012-2015

		2012			2013			2014			2015		
	Level	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Ongoing	A	10	6	16	14	8	22	16	9	25	13	8	21
	B	123	97	220	125	104	229	120	98	218	120	100	220
	C	81	125	206	86	123	209	88	123	211	81	116	197
	D	28	73	101	27	74	101	35	74	109	42	73	115
	E+	22	85	107	26	90	116	25	96	121	24	97	121
Ongoing total		264	386	650	278	399	677	284	400	684	280	394	674
Fixed-term	A	70	73	143	59	79	138	69	74	143	74	68	142
	B	149	91	240	152	90	242	142	91	233	139	81	220
	C	28	40	68	27	34	61	26	38	64	26	40	66
	D	8	16	24	10	15	25	11	9	20	10	9	19
	E+	11	28	39	10	31	41	10	34	44	11	33	44
Fixed-term total		266	248	514	258	249	507	258	246	504	260	231	491
Total		530	634	1,164	536	648	1,184	542	646	1,188	540	625	1,165

Table 7: Number of professional staff by appointment term, HEW level and gender 2012-2015

		2012			2013			2014			2015		
	HEW	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Ongoing	2	2	1	3	2	1	3	2	0	2	2	0	2
	3	28	30	58	34	31	65	27	31	58	37	28	65
	4	121	23	144	103	18	121	113	17	130	127	22	149
	5	171	46	217	183	52	235	183	51	234	188	45	233
	6	128	61	189	124	68	192	128	62	190	129	58	187
	7	138	72	210	150	82	232	152	81	233	160	85	245
	8	77	53	130	84	52	136	82	47	129	89	52	141
	9	35	29	64	39	28	67	41	31	72	42	31	73
	10+	29	24	53	35	27	62	24	25	49	24	23	47
Ongoing total		729	339	1,068	754	359	1,113	752	345	1,097	798	344	1,142
Fixed-term	<1	1	0	1	1	0	1	2	1	3	0	0	0
	1	0	0	0	0	0	0	0	2	2	1	2	3
	2	10	5	15	6	1	7	7	5	12	68	48	116
	3	32	16	48	20	13	33	17	11	28	16	14	30
	4	99	22	121	104	25	129	85	21	106	66	16	82
	5	176	44	220	190	44	234	178	36	214	164	42	206
	6	117	37	154	120	37	157	119	34	153	119	34	153
	7	56	28	84	68	27	95	68	33	101	65	35	100
	8	39	17	56	42	21	63	36	25	61	42	27	69
	9	17	11	28	13	16	29	15	18	33	15	16	31
	10+	7	7	14	4	7	11	10	8	18	13	8	21
Fixed-term total		554	187	741	568	191	759	537	194	731	569	242	811
Total		1,283	526	1,809	1,322	550	1,872	1,289	539	1,828	1,367	586	1,953

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.

Workforce diversity

UON's Equity and Diversity Management Plan 2013-2015 identifies equity target groups and helps remove systemic barriers to participation for:

- Women
- Aboriginal or Torres Strait Islander people
- People with a disability
- People requiring workplace adjustment
- People from racial, ethnic, and ethno-religious minority groups
- People whose first language is not English.

This plan supports the aspirations of the NeW Directions Strategic Plan, the Future Workforce Plan and the Reconciliation Action Plan. Faculty Gender Action Plans also contain strategies to minimise gender gaps and promote gender equality.

Gender

UON was recognised as an Employer of Choice for Gender Equality by the Workplace Gender Equality Agency in 2015 - one of only 90 organisations across Australia to receive the citation.

The citation recognises a range of initiatives including UON's introduction of the Mercer Job Evaluation methodology to mitigate unconscious bias in remuneration decision making, flexible parental leave options for both men and women, and the Australian Higher Education Industrial Association award UON received for the highest level of positive change in employee survey results for an Australian University.

UON was also selected to participate in the Science in Australia Gender Equity (SAGE) Initiative, as part of a pilot of the Athena SWAN Charter in Australia. This successful accreditation program, previously run in the United Kingdom, promotes women in science, technology, engineering, mathematics and medicine (STEMM) disciplines. The initiative aims to reach gender parity in science leadership by supporting the hiring, promotion, participation and retention of women and provides access to a valuable suite of resources and international networks that will enhance UON's capacity to provide equal opportunities for women.

Professional senior women continue to be strongly represented across UON, exceeding the target set in 2011. The focus in 2015 remained on the development of academic women through the successful Academic Women in Leadership (AWiL) program which ensures greater equity in academic leadership roles. Nineteen participants completed the 12 month program in 2015 which included workshops, guest speakers and a range of relevant topics such as mentoring, shadowing and executive coaching.

UON celebrated International Women's Day in 2015 with various campus events and by sponsoring the inaugural Hunter Diversity Awards. The sponsorship provided the opportunity to demonstrate UON's commitment to gender equity and diversity to business and community stakeholders at the Equal Futures International Women's Day Breakfast attended by over 500 people. One of UON's Indigenous female academic

staff members, Associate Professor Kathy Butler, received the Individual Diversity Champion award and recognised the contribution of her mentors and employer in supporting her career to date.

Aboriginal and Torres Strait Islander

2015 saw significant activity in Aboriginal and Torres Strait Islander employment following the establishment of the Aboriginal and Torres Strait Islander Employment Committee. The Committee includes representatives from all Divisions and Faculties and is co-chaired by the Dean of ATSI Education and Research and the Director, People and Workforce Strategy. The Committee met four times in 2015 and has been instrumental in understanding the challenges and opportunities for Aboriginal and Torres Strait Islander staff and supporting the Indigenous Employment Strategy. Initiatives included establishing a working party to focus on overcoming hurdles identified in the recruitment process, growing the Cadetship Program for Indigenous students and embedding Indigenous employment as part of corporate and workforce planning cycles.

Disability

UON's Disability Action Plan was finalised in 2015 and reinforces UON's commitment to inclusion and access. The five year plan is a roadmap for improving access and success rates for staff and students who experience disability.

In 2015, UON continued to support staff with temporary and permanent disabilities including 17 successful JobAccess Employment Assistance Fund applications made for modifications in the workplace for staff with permanent disabilities.

Multicultural

The Multicultural Action Plan was finalised in 2015 underscoring UON's commitment to the principles of multiculturalism and acknowledging our diverse staff and student population. The Plan identifies key priority areas including tracking UON's progress towards multiculturalism, promoting cultural awareness, acceptance and engagement, support for refugees and international careers advice.

New Futures Strategic Plan

With principles of equity and diversity embedded throughout the NeW Futures Strategic Plan 2016-2025 (and other supporting plans), UON will continue to focus on strategies with tangible outcomes for Equal Employment Opportunity (EEO) target groups. Strategies planned for 2016 include:

- Staff and student engagement with the 'Racism Stops with Me' campaign.
- Implementation of the 'Heads Up' program, an on-line training resource for staff and students around Disability Standards for Education.
- Increasing the number of senior academic women through tailored development, mentoring and promotion opportunities.
- Building upon UON's reputation as an Employer of Choice.
- Increasing the number of Aboriginal and Torres Strait Islander staff by eliminating barriers in the recruitment process.
- Integrating EEO targets as part of faculty and division corporate planning and workforce planning cycles.

Staff equity statistics

Table 1: Trends in the representation of EEO target groups¹

EEO group	% of total staff ²										
	Target	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Women	50.0	56.7	57.8	59.2	60.6	60.2	60.5	60.8	60.7	61.0	61.5
Aboriginal people and Torres Strait Islanders	3.9	2.3	2.3	2.2	2.1	2.5	2.7	2.8	2.5	2.7	2.5
People whose first language was not English	19.0	8.9	8.5	7.6	8.1	7.7	7.8	8.0	7.7	9.8	9.2
People with a disability	n/a	4.8	3.9	3.4	3.3	2.9	2.7	2.5	2.2	2.5	2.4
People with a disability requiring work-related adjustment	1.1	1.3	1.0	0.9	0.7	0.6	0.6	0.6	0.5	0.6	0.4

Table 2: Representation of EEO target groups: Academic v Professional staff²

EEO group	% of total staff ²			%
	Target	Total		
Women	50.0	61.5	Academic	46.7
			Professional	70.5
			Teacher	79.0
Aboriginal people and Torres Strait Islanders	3.9	2.5	Academic	2.0
			Professional	2.8
			Teacher	-
People whose first language was not English	19.0	9.2	Academic	16.7
			Professional	4.5
			Teacher	5.3
People with a disability	n/a	2.4	Academic	2.8
			Professional	2.2
			Teacher	-
People with a disability requiring work-related adjustment	1.1	0.4	Academic	0.5
			Professional	0.3
			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
Women	100.0	73.0	73.0	83.5	81.2	81.6	82.3	82.7	82.1	83.0
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
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
People with a disability	100.0	104.4	105.5	101.6	101.9	100.1	101.2	100.9	105.8	101.8
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

Table 4: Distribution of EEO target groups: Academic v Professional staff

EEO group	Distribution index			
	Target	Total		
Women	100.0	83.1	Academic	89.9
			Non-academic	92.6
Aboriginal people and Torres Strait Islanders	100.0	91.1	Academic	91.3
			Non-academic	93.0
People whose first language was not English	100.0	111.5	Academic	93.2
			Non-academic	99.2
People with a disability	100.0	101.8	Academic	98.2
			Non-academic	99.7
People with a disability requiring work-related adjustment	100.0	107.4	Academic	98.6
			Non-academic	108.3

Source for Tables 1-4: Alesco HR Database

Notes

1. Staff numbers are as at 30 June 2015.
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.

Workplace Health and Safety (WHS)

UON is committed to providing a working and learning environment that is safe and without risks to the health of staff, students and visitors. The Executive Committee and the UON Council are driving a health and safety culture focused on preventing hurt and harm. In May 2015, the Chancellor and Vice-Chancellor signed the Health and Safety Charter declaring their commitment to ensuring good health and safety management across all UON campuses. A health and safety excellence (team and individual) category was also added as part of UON's Vice-Chancellor's Awards program.

Health and Safety Performance

UON's Executive Committee receives a monthly Health and Safety Performance Report with analysis of incidents that have occurred so that trends can be identified and corrective action taken. The most frequent injuries result from manual handling and repetitive activities, followed by slips, trips and falls. Preventive strategies in 2015 included manual handling and ergonomic training, workstation assessments, provision of ergonomic furniture and equipment, preventive physiotherapy sessions and a campaign to raise awareness of the causes of slips, trips and falls within the University environment.

Lead performance indicators were also introduced including the number of new staff inductions being completed on time, updates of faculty and division risk registers and hazard and near miss reporting per 100 employees (a lead key performance indicator for faculties and divisions).

During 2015, hazard and near miss reporting received attention through the 'It's Your Call' campaign designed to raise awareness of the importance of recognising these events as an opportunity to take corrective action to prevent an injury.

At December 2015 the Lost Time Injury Frequency Rate (LTIFR) was 3.63 and the Total Recordable Injury Frequency Rate (TRIFR) was 14.13. 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 but where the injured person is able to return to work on pre-injury or suitable duties.

UON did not have any injuries or incidents during 2015 that required notification to Workcover under the *Work Health and Safety Act (2011)*.

Hazard and Risk Management

During 2015 there was a focus on improving the process for managing hazards and risks so that it aligned with the organisational risk process. Faculty and division risk registers were updated as part of this initiative and UON's online training module has been updated to reflect the changes.

The safety review process for assessing the risks of research projects is well established across UON with a total of 500 reviews conducted during the year. These included projects involving hazardous substances, radiation, genetically modified organisms, teaching and research field trips and travel to destinations overseas that are deemed high risk according to their security and medical classifications.

Health and Wellness

UON places great importance on the wellness of staff and students. UON's Healthy University Steering Committee oversees activities and programs designed to encourage physical and mental health. In May, a popular Health Fair was held where health and wellness providers offered demonstrations on a range of health and wellness topics.

Mental Health Day was also supported across UON campuses in October where mental health and wellness programs were promoted including Mental Health Awareness for Managers, Aggression Minimisation training, Managing Change, Grief and Loss, Tai Chi, Pilates and Yoga, Posture, Breath and Movement, Mindfulness Meditation, Employee Assistance Program, Ergonomics and Indigenous Mental Health First Aid.

Consultation

UON's overarching Health and Safety Committee includes representatives from the Faculty and division committees. This forum allows for the discussion of UON-wide issues and gives committee members an opportunity to provide input to initiatives and communicate messages back to their own committees. During the year, the Resources Division and the Vice-Chancellor's Division elected to have separate Health and Safety Committees so they could focus on issues relevant to their work activities. This has resulted in more staff members representing their work areas and broadens opportunities for consultation.

Workers' Compensation

Over the past two years UON has improved the management of workers' compensation claims. This has enabled UON to reduce the average cost of claims by 18 per cent during the year.

As a result of the improvement in claims management, UON's insurer and workers' compensation broker recommended a move to a 'Retro Paid Loss' arrangement for managing premiums. This led to a significant reduction to the annual premium and further improves the management of claims. UON's application to join this scheme was accepted by iCare (previously WorkCover NSW) following submission of evidence of implementation of the Health and Safety Management System.

Employee Policies and Practices

UON has a comprehensive suite of human resource policies and practices to support effective health and safety, recruitment and selection, remuneration, equity and diversity and staff development. These policies support UON's strategic objectives and compliance with legislative requirements. Throughout 2015, UON updated its employee policies and practices in line with the changes introduced in the new enterprise agreements, which became effective on 12 December 2014.

A number of organisational change processes were undertaken in 2015 to achieve alignment with UON strategic goals. These changes involved significant consultation with staff and other stakeholders and have resulted in successful capacity building and desired efficiencies.

E: Executive remuneration

Table 1: Number of senior executives employed at 31 December 2015

Senior executive band	2014		2015	
	Female	Male	Female	Male
Vice-Chancellor	1	0	1	0
Deputy Vice-Chancellor and Chief Operating Officer	0	3	0	3
Pro Vice-Chancellor and Chief Financial Officer	4	5	3	6
Totals	5	8	4	9
	13		13	

Table 2: Average total remuneration package of senior executives employed at 31 December 2015

Senior executive band	Average total remuneration package ¹	Average total remuneration package ¹
	2014 \$	2015 \$
Vice-Chancellor	707,745	765,455
Deputy Vice-Chancellor and Chief Operating Officer	447,600	454,899
Pro Vice-Chancellor and Chief Financial Officer	341,232	364,477

Note

1. Annualised for senior executives not employed for the full financial year

Table 3: Percentage of total employee-related expenditure in the financial year that relates to senior executives

Percentage of total employee-related expenditure	2014 %	2015 %
Relating to senior executives	1.3	1.2

F: Risk governance framework

The identification and management of risk is central to UON achieving its purpose and creating long-term sustainability.

Our approach to risk is based on the Australian/New Zealand Standard for Risk Management (AS/NZ 31000:2009).

The Council retains overall accountability for UON's risk profile. The oversight of risk management is also contained within the role of each Committee of Council via its Terms of Reference.

Each year, the Council reviews and considers UON's risk profile, which covers both operational and strategic risks. The risk profile is assessed to ensure it supports the achievement of UON's strategy.

UON's risk appetite and risk framework were formalised in 2015 and approved by UON Council supporting greater clarity on the management and reporting of risk at a corporate and operational level.

In addition, in accordance with recommendations from the Auditor General:

- UON commenced the development of a political donations policy for implementation in 2016; and
- UON's Governance Framework for Controlled Entities was refreshed and implemented.

Internal Control

The Council is responsible for ensuring an effective system of internal control over 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 assurance to the Council annually on the systems of control and accountability for UON (including in relation to controlled entities) as part of the management internal control process accompanying UON's financial statements.

A review of UON's compliance with the Voluntary Code of Best Practice has been completed for the 2015 year.

Insurance

Our 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. The Council reviews activities throughout the year to ensure that any new initiatives are adequately insured. Details of policies that are relevant to staff and students are published on the University website.

Ethical and responsible decision making

UON fosters a culture that strongly values ethical behaviour underpinned by integrity, respect and professionalism throughout the organisation. Our Code of Conduct governs our community in their day-to-day activities and decisions, and dealings with clients, colleagues and stakeholders.

Policies such as Conflicts of Interest, Ethical and Accountable Conduct, Code of Ethical Academic Conduct and Responsible Conduct of Research are in place to provide ethical guidance and support to our community in their specific responsibilities.

In line with our ethical culture UON complies with relevant legislative requirements, professional standards and internal controls in order to ensure the provision of timely and transparent information for our stakeholders and the general public.

G: Access to information

Protecting Privacy

UON is committed to protecting 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 2015, we:

- Assessed one internal review in accordance with Section 53 of the PPIPA
- Published a revised Privacy Management Plan and new Privacy and Information Access Policy
- Continued to focus on raising staff awareness regarding compliance with the privacy legislation, with 15 staff sessions held and a total number of 191 staff completing privacy induction sessions
- Celebrated Privacy Awareness Week
- Maintained a webpage for staff, students and the general public on privacy matters.

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 Personal Information Protection Act 2002 (NSW)*, have been applied.

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 NHMRC guidelines have been applied.

Right to information

UON is committed to being open and transparent in accordance with the *Government Information (Public Access) Act 2009* (the GIPA Act).

Information not already 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 2015 we:

- Continued our commitment 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 which have been updated or recently established are published in the University's policy library. Updates on non-confidential decisions made by the Executive Committee and UON Council are published in online newsletters.
- Took steps to improve UON's contracts register.
- Participated in the Information and Privacy Commissioner's 'Right to Know' week activities as a 'Right to Know' champion.
- Received 14 applications and did not refuse access to information on the basis of conclusive presumption of overriding public interest against disclosure in any instances.

Statistics on applications decided in 2015 are provided below.

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	1	0	0	1	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups ²	1	0	1	3	3	0	0	0
Members of the public (application by legal representative)	1	0	0	0	0	1 ³	0	0
Members of the public (other)	1	0	1	1	0	3 ⁴	0	1

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. One application is a deemed refusal as a decision was not made within the statutory timeframe. A decision in relation to the application is still being progressed by UON and has not been made during the reporting period. A decision in relation to this application will be reported in the next reporting period.
4. One application has been a deemed refusal as a decision was not made within the statutory timeframe. However, a decision in relation to the application was still progressed during the reporting period, and that decision is also reflected in this table in the column 'Access refused in full'.

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	0	0	0	0	0	0	0
Access applications (other than personal information applications)	3	0	2	4	3	1 ²	0	0
Access applications that are partly personal information applications and partly other	0	0	0	1	0	3 ³	0	1

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).
2. One application has been recorded as a refusal to deal with the application (being a deemed refusal as a decision was not made within the statutory timeframes). A decision in relation to the application is still being progressed by the University and has not been made during the reporting period. A decision in relation to this application will be reported in the next reporting period.
3. One application has been recorded as a refusal to deal with the application (being a deemed refusal as a decision was not made within the statutory timeframes). However, a decision in relation to the application was still progressed during the reporting period, and that decision is also reflected in this table in the column 'Access refused in full'.

Table 3: Invalid applications

Application does not comply with formal requirements (Section 41 of the GIPA Act)	2
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	2
Invalid applications that subsequently became valid applications	0

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	0
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	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	2
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)	3
Decided after 35 days (by agreement with applicant)	6
Not decided within timeframe (deemed refusal) ¹	2
Total	11

Note

1. Two applications have been recorded as refusals to deal with the applications (being deemed refusals as decisions were not made within the statutory timeframes). One of the applications is still being progressed by UON but was not finalised at the time of reporting. The outcome will be reported in the 2016 Annual Report. In relation to the second application, notwithstanding that an extension of time for the decision was not agreed, a decision in relation to that application was progressed and made during the reporting period.

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	2	2
Internal review following recommendation under Section 93 of the GIPA Act	0	0	0
Review by NSW Civil and Administrative Tribunal	0	0	0
Total	0	2	2

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	2
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	2

Table 9: Applications for review under Part 5 of the GIPA Act (by type of applicant)

Applications transferred to other agencies under Division 2 of Part 4 of the GIPA Act (by type of transfer)	0
Agency-initiated transfers	0
Applicant-initiated transfers	0
Total	0

Public Interest Disclosure

The *Public Interest Disclosures Act 1994* (the PID Act) sets in place a system for public officials to report serious wrongdoing that relates to corrupt conduct, maladministration, government information contravention or serious and substantial waste.

In 2015, no requests for Public Interest Disclosures (PIDs) were received. All matters received are assessed under rigorous processes to ensure that all opportunity to apply the protections of the PID Act are considered.

UON has a Public Interest Disclosures Policy, as required by Section 6D of the PID Act. In 2015, UON published a revised Public Interest Disclosures Policy and commenced development of a supporting procedure and toolkit.

In 2015 the following actions were taken to ensure staff awareness:

- Advice was provided to 191 staff, via 15 induction sessions and targeted awareness briefings regarding their right to protections under the PID Act and that UON encourages disclosures.
- Public Interest Disclosure Management training was provided by the NSW Ombudsman's Office to Nominated Disclosures Officers and support staff.
- Maintained a page within UON's website to provide information to staff.

Number of PID applications received

Number of Public Officials who made PID applications to the University	0
Number of PID applications received	0
Of the PID applications received by the University, number primarily about type of disclosure	0

	Made by public officials performing their day-to-day functions	Under a statutory or other legal obligation	All other PIDs
Corrupt conduct	0	0	0
Maladministration	0	0	0
Serious and substantial waste	0	0	0
GIPA contravention	0	0	0
Number of PID applications finalised	0	0	0

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 many areas of UON.

Council Services and Chancellery oversee the complaints framework and work with all areas across UON to support resolution of issues locally and informally. In 2015, 113 informal complaints were raised with the Complaints Office and resolved directly within accountable areas of UON. Of these:

- 67 per cent were from students. The number of informal student complaints (80) received by the Complaints Office is consistent with 2014 results.
- 11 per cent were from staff. 2015 saw a reduction in staff complaints from 16 to 12.
- 22 per cent were received from the community.

UON makes information available on its website on how to provide feedback, raise issues, make complaints and access rights of review.

In 2015, 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 opportunity for continuous improvement was informed through the release of AS/NZS 10002:2014 'Guidelines for complaint management in organisations', together with the 'Complaint handling at universities: Australasian best practices guidelines (January 2015)'. Staff were provided with the opportunity for professional development aligned to the Standards and Guidelines.

Complaints management handling training in 2015 included:

- Relevant staff attended the NSW Ombudsman's Complaint Handlers Forum and training provided by the NSW Ombudsman on the requirements and application of AS/NZS 10002:2014 - 'Guidelines for complaint management in organisations'.
- Staff from the Research and Innovation Division attended training delivered by the NSW Ombudsman at Callaghan campus.
- In-house training provided by Code Black Threat Management to members of UON's Behaviour Risk Group with a focus on identifying behavioural risk that may escalate and implementing risk management systems.
- Targeted training to frontline staff relating to management of complainants and appropriate escalation strategies for minimising risk also delivered by Code Black Threat Management.

Human Resource Services, through its business partnership model, are the first point of contact for staff issues.

I: Reviews

Internal audit

The Internal Audit team assists UON to achieve its strategic objectives by providing independent and objective assurance to evaluating and improving the effectiveness of risk management, internal controls and governance processes. The internal auditors work collaboratively with management to provide a systematic and disciplined approach to the evaluation and identification of improvements to systems, processes and reporting.

The internal auditor has an independent reporting line to the Chair of the Audit Subcommittee and attends each meeting of the Subcommittee to present audit findings and status of previous findings. The Internal Audit team undertake a range of risk based audits in line with the Council's approved Audit Plan.

External audit

The Audit Office of New South Wales annually audits our financial statements and those of our Subsidiaries.

Internal Review

Other management reviews have been completed throughout UON to assist in the assessment of the effectiveness of risk mitigation strategies and the effectiveness and efficiency of internal controls to enable UON to achieve the objectives of the NeW Directions Strategic Plan 2012-2015.

During 2015, management reviews were performed to assist in the continued improvement in sustainable operations. These included:

- The commencement 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 the effectiveness of internal controls to support the funding of research projects.

External reviews

Several external reviews were undertaken in 2015, as part of the comprehensive schedule of program, organisational and school reviews across UON. Relevant stakeholders across UON, including staff and students, were invited to make submissions and participate in interviews as part of the review process. Academic programs reviewed in 2015 are listed in Appendix B on page 114 under the heading 'Academic program review'. Other external reviews conducted in 2015 included:

- Discipline of Community Welfare and Human Services - November 2015
- The Wollotuka Institute - November 2015
- Marketing and Communications across UON - commenced December 2015.

J: Legal matters

Legislation and policy

Teacher Education Review

In February 2015, the Teacher Education Ministerial Advisory Group established by the Federal Minister for Education released its report, 'Action Now: Classroom Ready Teachers'. In response to that report, the Federal Government announced that it would introduce a national literacy and numeracy test for teacher education students. From 2016, all teacher education students will be required to pass the test before they graduate. UON is making arrangements to integrate this requirement into its teaching programs.

Data Retention

Amendments made to the *Telecommunications (Interception and Access) Act 1979 (Cth)* in April 2015 require internet and telecommunications service providers, which includes UON, to collect and retain metadata (as distinct from content) relating to those services for a period of two years. The amendments include two exemptions relating to the University's operations: where the services are being provided within the University's 'immediate circle', and where the services are being provided to users that are in the 'same area' as the University.

UON has undertaken an assessment of its current telecommunication services, and prepared a data retention implementation plan which has been submitted to the Federal Communications Access Co-ordinator. UON has also applied for a number of exemptions to the regulatory requirements, to take into account the intent of the legislation and the organisation of UON's operations.

Environmental Planning and Assessment

As a consequence of the passing of the *Environmental Planning and Assessment Amendment (Public Authorities) Regulation 2015 (NSW)* in July 2015, the University is now deemed to be a 'public authority for the purposes of the State Environmental Planning Policy Infrastructure (ISEPP)'. This means that the University can utilise the provisions of 'development permitted without consent' in the ISEPP to undertake certain types of development without the need to submit a development application to the local Council. The University is also deemed to be a 'determining authority for the purpose of assessing any environmental impact of such development'.

Medical Research Future Fund

The *Medical Research Future Fund Act 2015 (Cth)* was enacted in August 2015 to establish a federal fund for medical research and innovation. The legislation establishes the mechanisms that will be used for the disbursement of monies from the fund, including the establishment of the independent expert Australian Medical Research Advisory Board. The Board must determine an Australian Medical Research and Innovation Strategy and Australian Medical Research and Innovation Priorities, and any decisions for the disbursement of funds must take into account the strategy and priorities.

The Fund will complement the existing Medical Research Endowment Account operated by the NHMRC, and leverage the existing capabilities of the NHMRC, including research peer review, grants management, and the provision of expert advice.

Biosecurity

A review of Australia's quarantine and biosecurity arrangements in 2008 resulted in a recommendation to develop a new National Agreement on Biosecurity between the Commonwealth, states and territories. A National Agreement was negotiated between all states and territories with the exception of Tasmania, and was signed in January 2012.

To implement the National Agreement in NSW, in September 2015 the *Biosecurity Act 2015* was passed, replacing a series of laws into one piece of legislation. The primary object of the Act is to provide a statutory framework to enable the prevention, elimination or minimisation of the risk of adverse impacts on the NSW economy, environment and community caused by biosecurity matter. Under the Act, UON and researchers keeping certain biosecurity matter may need to register with the Secretary of the Department. The legislation will detail what biosecurity matter and circumstances will trigger a requirement for registration. Registration may be required by researchers who:

- keep large amounts of high-risk biosecurity matter for research purposes
- breed or keep certain high-risk types of fish, and
- keep any other biosecurity matter as may be prescribed in the regulations.

Higher Education Standards Framework

In October 2015 the Federal Minister for Education and Training replaced the higher education standards framework made under the *Tertiary Education Quality and Standards Agency Act 2011 (Cth)*, which is scheduled to take effect from 1 January 2017.

UON will assess the implications of the new standards prior to the implementation date, taking into account that the University completed its assessment through TEQSA earlier in 2015 and has been granted registration for a further 7 years.

Fair Work Amendments

In November 2015, the *Fair Work Act 2009 (Cth)* was amended to incorporate the following amendments that are relevant to the University:

- Employees cannot take protected industrial action to force an employer to agree to bargain. A union will need to seek a majority support determination from the Fair Work Commission, which requires showing a majority of the employees concerned (not merely union members) want an enterprise agreement.
- An employer must not refuse a request for the extension of parental leave without first giving the employee a reasonable opportunity to discuss it.

Also in November 2015, the Fair Work Commission determined that the standard absorption clause for over-award payments

is to be removed from modern awards. This decision may have implications on the way in which UON negotiates its enterprise agreements in the future.

Education Services for Overseas Students Act

The *Education Services for Overseas Students Amendment (Streamlining Regulation) Act 2015 (Cth)* implements a number of recommendations arising from the Federal Government's discussion paper, *Reform of the ESOS framework*. The Act contains measures to reduce red tape in respect of the administration of overseas student enrolments, those which impact upon the University being:

- Removing the requirement on the University to report all instances of student default within the timeframe of five days.
- Removing the requirement to report on the outcome of a student default, except where the University has paid a refund to a student under a legislative instrument.
- Amending the current restriction on the University receiving more than 50 per cent of tuition fees before the student commences the course.
- Removing the definition of a "study period", which sets a prescriptive maximum period of study within a course of 24 weeks.
- Removing the requirement for the University to enter into an agreement with each student setting out the study periods for their enrolment and the tuition fees payable for each study period.

Case law

ICAC v Cunneen (2015) HCA 14

This case was prompted by the ICAC's intention to conduct a public inquiry into allegations that the plaintiff, a Crown Prosecutor (being a public official), perverted the course of justice. Although the alleged conduct did not concern the exercise of the plaintiff's role as a Crown Prosecutor, the ICAC alleged the conduct was 'corrupt conduct' because it could adversely affect the exercise of official functions by police officers and by a court. The High Court upheld the decision of the NSW Court of Appeal that the ICAC did not have the power to conduct the enquiry. In making that decision, the High Court found that under the provisions of the *Independent Commission Against Corruption Act 1988 (NSW)*, the ICAC could only investigate the conduct of public officials when they are exercising public official functions. The ICAC could also investigate the conduct of any other person but only if the conduct could adversely affect the probity of the exercise of a public official's functions.

As a consequence of the High Court's decision, the relevant provisions of the legislation were amended in September 2015 to expand upon the meaning of 'corrupt conduct', to now include the power of the ICAC to investigate specified matters even if they involve no wrongdoing or potential wrongdoing on the part of any public official, but could nevertheless undermine confidence in public administration. Those specified matters are:

- collusive tendering
- fraud in relation to applications for licences, permits or other

authorities under legislation designed to protect health and safety or the environment or designed to facilitate the management and commercial exploitation of resources

- dishonestly obtaining or assisting in obtaining, or dishonestly benefiting from, the payment or application of public funds for private advantage or the disposition of public assets for private advantage
- defrauding the public revenue
- fraudulently obtaining or retaining employment or appointment as a public official.

The amendments to the legislation expand the ICAC's powers to investigate matters in relation to the University's operations.

D'Arcy v Myriad Genetics Inc (2015) HCA 35

In this case, the respondent filed a patent which contained claims concerning an isolated nucleic acid with specific variations from the norm that are indicative of susceptibility to breast cancer and ovarian cancer. The appellant commenced proceedings in the Federal Court challenging the validity of the claim, on the basis that the invention was not 'a manner of manufacture' which is a requirement of a patent under the *Patents Act 1990 (Cth)*. The Full Court of the Federal Court held that an isolated nucleic acid was chemically, structurally and functionally different from a nucleic acid inside a human cell, and that the invention was a manner of manufacture because an isolated nucleic acid with the characteristics specified in the claims resulted in an artificially created state of affairs for economic benefit. However, the High Court overturned this decision, holding that the invention as claimed did not fall within the concept of a manner of manufacture, and therefore was not a patentable invention.

The decision creates some uncertainty in respect of proposed claims for inventions in new fields of technology. The Patent Office or courts may need to take into account questions of policy in determining patentability, however it is not yet clear which factors will be considered, or the weight that will be afforded to each of those factors. In addition, existing patents for genetic sequences may now be subject to legal challenge.

National Tertiary Education Union v Latrobe University (2015) FCAFC 142

In this case, the Federal Court was asked to resolve a dispute concerning the meaning of a redundancy provision in the university's enterprise agreement, in the context of a restructure. The provision provided that redundancies '*are to be avoided and compulsory retrenchment used as a last resort*'. The university argued that this was an aspirational statement that was not binding, whereas the union argued that the university had not complied with its obligation to exhaust all other options before imposing compulsory retrenchments. The court held that the provision created a binding obligation upon the university as to the manner in which it was to implement any redundancy process.

The decision will have implications on the way in which the University negotiates its enterprise agreements in the future.

K: Major works

NeW Space

2015 saw major progress on construction of the landmark NeW Space project in Newcastle's CBD. State Significant Development (SSD) approval was received in February, the contract for the Principal Contractor awarded in May and construction commenced in June 2015.

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

Although initially for the delivery of business and law programs, NeW Space will be a resource for the entire UON 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 2015 expenditure: \$15.2m
Total expenditure to 31 December 2015: \$26.0m
Completion date: April 2017

Callaghan student accommodation

The \$89.1m student accommodation project was completed in time for student occupation at the commencement of Semester 1, 2015. The project delivered four contemporary, multi-level apartment complexes and added a further 778 beds to our on-campus accommodation stock. The accommodation was designed in line with contemporary student residential needs and industry best-practice environmental principles, achieving a 4 star green rating.

Approved budget: \$89.1m
Total 2015 expenditure: \$2.2m
Total expenditure to 31 December 2015: \$87.8m
Completion date: February 2015

Newcastle Institute for Energy and Resources (NIER) Stage 1B

The \$7.3m Stage 1B of the NIER research building was completed in November 2015. The project delivered workstation and office accommodation with 148 seat capacity for researchers and a boardroom and meeting facilities. The design was consistent with the NIER Stage 1 facility completed in October 2013, creating flexible and adaptive space which allows for variation to user groups, dependent on research priorities and outputs.

Approved budget: \$7.3m
Total 2015 expenditure: \$6.7m
Total expenditure to 31 December 2015: \$6.7m
Completion date: November 2015

UON Sydney

A cornerstone development, the vibrant UON Sydney precinct was designed as a model to support our new direction of pedagogy, support collaborative and innovative teaching and learning and to reinvigorate our position in the Sydney market. The expanded floor space enabled an increase in teaching spaces combined with a range of informal learning spaces where students can engage and work collaboratively. UON Sydney is also a first step in the migration of our workspaces to environments that better support work trends and facilitate collaboration, innovation and foster teamwork across our entire staff population. These collaborative workspaces combine fewer walled offices with multifunctional communal spaces and break out spaces, and a range of quiet rooms and meeting rooms.

Approved budget: \$4.6m
Total 2015 expenditure: \$2.9m
Total expenditure to 31 December 2015: \$2.9m
Completion date: June 2015

ATC Laboratory Refurbishment

In 2015, UON 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. UON undertook refurbishment of the Advanced Technology Centre (ATC) to provide office accommodation for the groups (Stage 1 works) and commenced planning for a major refurbishment of existing laboratories within the ATC to support the group's research activities.

Approved budget: \$10.0m
Total 2015 expenditure: \$0.3m
Total expenditure to 31 December 2015: \$0.3m
Completion date: November 2016

Social Sciences Teaching Spaces

The Social Science projects have been the ideal opportunity to progress further into the world of technology enabled teaching and learning. These projects have worked hand in hand with the Sydney project, learning and applying lessons on the way. The new spaces greatly enhance the opportunities for teaching staff to move towards the new direction in pedagogy, supporting collaborative and innovative teaching and learning.

The four lecture theatres and open learning/collaboration spaces have allowed UON to test the technology enabled spaces ahead of the NeW Space facility coming online.

Stage 1

Approved budget: \$1.0m
Total 2015 expenditure: \$0.7m
Total expenditure to 31 December 2015: \$1.3m
Completion date: February 2015

Stage 2

Approved budget: \$1.3m
Total 2015 expenditure: \$1.6m
Total expenditure to 31 December 2015: \$1.6m
Completion date: January 2016

L: Sustainability

In 2015, UON's Environmental Sustainability Plan 2015-2017 was endorsed by the Executive Committee and Council. This provides a clear plan of action to develop measurable improvements in UON's environmental sustainability performance. This report details actions across a number of areas, including:

- Energy and carbon emissions
- Water
- Landscape and biodiversity
- Waste
- Sustainable transport
- Asset management.

There was a continued focus on improving processes to measure and track resource utilisation, in particular for energy, water and waste. UON invested and implemented a Resource Data Management Program (Envizi) that measures and reports on real time electricity, gas and water meters across UON.

UON's Champions4Change students and staff engagement program was launched within the campus community through targeted actions around energy and carbon reductions, waste and sustainable transport. We now have 200 active participants in this program.

The bushland setting of our Callaghan campus has seen continual improvement through ongoing strategic weed removal, native seedling planting around the new student accommodation and improvements to landscaping. UON partnered with Wetland Care Australia to upgrade approximately 400m of creek line and the associated riparian zone.

Energy and carbon emissions

UON performs well against its peer institutions with energy usage per gross floor area of facility. Electricity and gas usage increased slightly due to new building construction and air conditioning refurbishment.

2015 achievements included:

- Implemented Envizi. There are currently 570 real-time electricity meters, 20 real-time gas meters and 42 water meters and building coverage continues to expand enabling performance improvement measures to be identified.

- Additional meters were installed at Evatt House, International House and student accommodation.
- Installation of 80kW solar systems across Port Macquarie, Tamworth and Taree.
- The procurement of 10 per cent accredited Greenpower across UON.
- Approximately 50 per cent of street lighting and pathway lighting at Callaghan campus has been converted to LED in an ongoing maintenance program.
- Auchmuty Library and Hunter Building air-conditioning system upgraded to be more efficient.
- New student accommodation hot water systems have been converted from electricity to natural gas and gas heating has been installed to reduce electricity consumption.
- NeW Space building was designed to achieve a 5 Star Green Star rating.
- UON continued to publicly report its greenhouse gas emissions under the National Greenhouse and Energy Reporting Scheme (NGERS) at the facility level for Callaghan campus. It also reports to the Tertiary Education Facilities Management Association (TEFMA) for Callaghan and Ourimbah campuses.

Water

UON investigated water use as part of Hunter Water Corporation's Major Customer Water Efficiency Program. A number of efficiency measures were implemented and are contributing to water efficiency, including:

- Extensive meters and monitoring
- High pipe leak awareness and fast response
- Limiting irrigation to sporting fields
- Efficiently designed new buildings
- Targeted use of rainwater tanks.

Energy, water and carbon statistics

	2010	2011	2012	2013	2014	2015
Energy GJ/m ² (includes residential)	0.5	0.5	0.5	0.5	0.5	0.5
Water kL/m ² (includes residential)	0.6	0.7	0.7	0.7	0.6	0.7
Carbon CO ₂ kg/m ² (includes residential and Green Power)	94.3	103.5	99.8	90.8	89.1	90.0

Source Data collected through metering and billing

Landscape and biodiversity

Approximately 2,500 hours of bush regeneration were completed at Callaghan campus involving weed removal including noxious weeds and the planting of native species. The team worked across the majority of 10 native bushland zones on campus, and a further two wetlands and riparian areas as identified in the Landscape Management Implementation Plan. UON's Student Landcare Group was involved in regular regeneration and awareness activities. Landscape management activities continued at Ourimbah campus also.

UON partnered with Wetland Care Australia to deliver the Newcastle Wetland Connections project to restore urban waterways within the Newcastle catchment. The overall UON project area included two large wetlands, creeks and riparian corridor linkages on Callaghan campus. In particular, the upgrade of the unnamed creek line adjacent to the new student accommodation at Callaghan campus was completed in 2015.

The project aimed to improve the water flow through this part of the catchment and provide a high pedestrian area with improved visual amenity. As part of this project, approximately 6,000 native seedlings and approximately 400m of erosion control works were completed.

A Bush Fire Risk Assessment Plan was finalised for Callaghan and Ourimbah campuses to inform management of the estate. Results will support implementation of emergency management and evacuation plans. The Plan will be updated to include additional buildings constructed and to increase awareness with staff.

Waste

The priority in 2015 was to utilise the results of the waste audit, completed in 2014, to organise waste management under a head contractor model and provide information to support development of a waste engagement strategy. A number of waste trials were also conducted with the objective to develop an agreed waste management system for internal offices. The focus is on improving recycling rates through the capture of accurate baseline data, improved signage and awareness of landfill and recycling bins.

Sustainable transport

The Active Travel program was launched in 2015 and includes a range of initiatives aimed at changing UON staff and students travel behaviour and their reliance on private motor vehicles and car parking. Program achievements include:

- Sold 304 bicycles through the \$50 bike initiative.
- Visitors to UON's Transport page on the website increased 69 per cent from 2014.
- Bike Hubs are now at capacity during peak times.
- Developed and launched several Active Travel factsheets to assist behaviour change and worked with Lake Macquarie City Council and Newcastle City Council to show support for Active Travel infrastructure.
- Developed Ready to Ride program in collaboration with the Forum, Healthy UON and Student Central.
- Launched free monthly bike maintenance workshops.

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.

Strategic performance

The NeW Directions Finance Plan objectives were:

1. UON will deliver targeted investment over five years to progress its aspiration to be a global leader in each of its spheres of achievement and deliver world-class innovation.
2. UON will follow responsible financial management practices that enable it to generate the resources required to invest in its future.
3. UON will seek commercial opportunities that diversify its revenue base, and provide additional resources for its core teaching and research missions.
4. UON will follow sound financing and investment practices that make a positive contribution to a sustainable financial future.

Overview of the year

UON delivered on the first year of its Long Term Financial Plan and the 2015 financial result reflects a surplus consistent with UON's long term targets. During the year UON's financial performance was bolstered by the strong performance of its investments and a number of one-off, non-recurring items of income.

Financial performance

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 50.

The Federal Government failed to pass legislation to support its funding cuts in 2015 and repaid the 2014 Efficiency Dividend of \$4.3m during the year. At 31 December 2015 UON has disclosed a contingent asset of \$6.9m in relation to the 2015 efficiency dividend which is expected to be repaid in 2016.

In October 2015 UON successfully transferred the business development and technology transfer activities of its controlled entity, Newcastle Innovation Ltd, into UON's Research and Innovation Division. This move was aimed at consolidating UON's industry engagement activities as well as providing a single entry point to new industry partners. The controlled entity also made a donation of \$3.6m to UON in 2015 which is eliminated upon consolidation of the Group's financial results.

Expenditure controls remained strong in 2015 with an average increase of 1.0 per cent across all categories of expense (2014: increase of 1.1 per cent).

Financial Position

UON's financial position remains strong at 31 December 2015 with net assets of the group increasing by \$60.3m from \$1,192.8m in 2014 to \$1,253.1m at 31 December 2015. This compares with an increase of \$68.3m in the prior year.

At 31 December 2015 UON had a positive liquidity ratio of 1.5 (2014: 2.5). The lower liquidity ratio in 2015 is due to borrowings of \$85.0m which are repayable in November 2016 being presented as a current liability at 31 December 2015.

UON continues to invest in innovation and 'next generation' student experience with work commencing on its \$95.0m NeW Space landmark education precinct in Newcastle City during the year. NeW Space, which is scheduled for completion in 2017, will provide a collaborative and technology-rich environment for staff and students.

UON operating activities generated cash of \$99.0m during 2015, an increase of 9.6% since the prior year.

Financial results and budget - University (Parent entity)

Table 1: Financial results and budget

	2015 \$m Actual	2015 \$m Budget	2014 \$m Actual	2014 \$m Budget
Income from continuing operations				
Australian government financial assistance	443.4	428.7	440.8	425.2
State and local government financial assistance	13.7	26.0	2.1	11.0
HECS-HELP - Student payments	7.6	9.5	8.2	8.4
Fees and charges	111.5	139.1	105.7	121.1
Investment revenue	25.4	16.6	21.2	14.5
Royalties, trademarks and licences	0.1	0.1	0.1	0.1
Consultancy and contracts	65.5	56.4	63.8	67.1
Other revenue	37.7	27.5	34.2	25.7
Other investment income	0.2	-	-	-
Total income from continuing operations	705.1	703.9	676.1	673.1
Expenses from continuing operations				
Employee related expenses	(373.6)	(392.1)	(364.7)	(377.7)
Depreciation and amortisation	(39.0)	(39.2)	(36.4)	(42.0)
Repairs and maintenance	(31.5)	(31.9)	(27.6)	(28.4)
Borrowing costs	(4.6)	(4.8)	(5.1)	(4.8)
Impairment of assets	(0.4)	(0.3)	0.5	(0.3)
Loss on disposal of assets	(1.9)	-	(8.7)	-
Other expenses	(187.5)	(185.4)	(184.2)	(182.1)
Total expenses from continuing operations	(638.5)	(653.7)	(626.2)	(635.3)
Net result before income tax	66.6	50.2	49.9	37.8

2016 Budget

Table 2: Summary 2016 budgeted financial performance (University only)

	2016 \$m Budget
Income	
Government contributions	299.8
Student contributions	280.3
Research	98.1
Other	54.1
Total income	732.3
Expenses	
Salary and related	(397.0)
Non-salary	(254.1)
Depreciation	(43.1)
Total expenses	(694.2)
Surplus for the year	38.1

Investment performance

Investment performance for 2015 is shown in the table below:

Table 3: 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	3.7	Hour-Glass Strategic Cash Facility Trust	2.5
Short-term managed investments	4.3	Hour-Glass Cash Facility Trust	2.5
Long-term investments	7.0	Hour-Glass Long Term Growth Trust	5.5

Source University Treasury records, NSW Treasury Corporation Hour-Glass Investment Report, Mercer Consulting records

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 and there were no significant actions taken to improve performance in 2015. There were no instances where penalty interest was paid in 2015.

Table 4: Accounts payable performance in 2015 (University only)

Accounts payable at:	31 March \$m	30 June \$m	30 September \$m	31 December \$m
Not overdue	1.9	4.3	2.5	11.2
Under 30 days	0.7	0.2	1.7	0.8
Between 30 to 60 days	0.0	0.0	0.0	0.1
Between 60 to 90 days	0.0	0.0	0.0	0.1
More than 90 days overdue	0.0	0.0	0.0	0.0
Total	2.6	4.5	4.2	12.2

Table 5: Accounts payable performance in 2015 (University only)

Invoices paid on time	Q1 31 March	Q2 30 June	Q3 30 September	Q4 31 December
	%	%	%	%
Actual based on volume	61.2	58.3	61.3	71.7
Actual based on value	68.7	65.5	68.7	76.5
Target	66.7	66.7	66.7	66.7
	\$m	\$m	\$m	\$m
Actual value paid	35.8	33.9	38.6	63.2
Total amount paid	52.1	51.8	56.2	82.6

There were no instances where penalty interest was paid. There were no significant events that affected payment performance. There were no significant actions taken to improve performance.

Movement in wages

The movement in wages is consistent with UON's strategy and reflects enterprise agreement salary increases. There were no exceptional movements in wages, salaries or allowances in 2015.

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 \$6.0m in 2015 (2014: \$6.2m). This includes the cost of airfares, accommodation, and other transport costs. In 2015 UON staff members travelled overseas to promote UON and collaborate internationally by undertaking international research and delivering academic presentations.

Audit outcomes

The NSW Auditor-General through the Audit Office of New South Wales issued an unmodified audit opinion on the 2015 financial statements.

Land disposal

The University did not dispose of any land during 2015.

Table 6: Funds granted to non-government community organisations

During 2015 the University provided \$84,410 in grant funding to local non-government community organisations (2014: \$38,650).

Name of recipient organisation	Programs area as per budget	Nature and purpose of the project including aims and target clients	Grant amount \$
Central Coast Academy of Sport	Academic Division	To facilitate the sporting, vocational and academic opportunities of pre-elite and elite athletes in the Central Coast Region.	30,000
Hunter Research Foundation	Office of Alumni and Philanthropy	To support the strategic partnership with the independent regional research partner.	20,000
Newcastle Historic Reserve Trust, Lock-up AIR Program	Fine Art	Opportunity for UON to be viewed as outward looking, engaged with community, receiving research and publication outcomes.	12,000
The Aurora Project	Indigenous Support Program	David Meharg Aurora Study Tour.	8,000
Hunter Manufacturing Awards Inc	Faculty of Engineering and Built Environment	To support the promotion of best practice in manufacturing through sponsorship of the 2015 HMA Awards.	5,000
Hunter Young Professionals	Office of Alumni and Philanthropy	To support business networking opportunities for early-career graduates in the Hunter.	3,500
Society for Neuroscience Australia	PRC - Translational Neuroscience & Mental Health	Support of next generation of researchers - Support of SfN conference. SfN is a platform for neuroscientists to present emerging science, learn from experts, forge collaborations with peers, explore new tools and technologies, and advance careers.	2,000
Western Economic Association International	Economics	To support networking opportunities, encourage and disseminate the highest quality research in the field.	2,000
Australian Computer Society	Faculty of Science and IT	To sponsor the The BiG Day In™ - program for students interested in a career in technology for 2015 and 2016.	910
Hunter Valley Electric Vehicle Festival	Tom Farrell Institute for the Environment	Electric vehicle festival with solid Science, Technology, STEMM principles for high school students to get a feel for future career pathways, led by the Tom Farrell Institute.	500
Australian Society for Medical Research	Faculty of Health and Medicine	Scholarship prize donated to the Australian Society for Medical Research Conference.	500
Total			84,410

N: Subsidiaries

UON Singapore Pte Ltd

UON Singapore Pte Ltd (UONS) was established to manage UON's resources and contractual obligations associated with the delivery of degree programs offered in Singapore in partnership with PSB Academy and BCA Academy. In 2015, UON Singapore had 1,786 students from over 20 countries enrolled in 10 programs in both full-time and part-time modes. Our student outreach continues to expand as we increasingly participate in regional education and career fairs as well as seminars, conferences and workshops.

UONS' objectives include working with other high quality education partners in the region, complementing UON's internationalisation strategy, carrying out research activities, and supporting UON's research and other objectives in the region.

UONS' financial performance in 2015, as reflected in terms of net surplus, is unfavorable to the budget. A comparison with UONS' financial performance in 2014 indicates that whilst income in 2015 declined by 3 per cent (mainly due to decline in student load by 8 per cent), the expenditure witnessed a growth of 9 per cent from 2014. The key drivers of this expenditure growth have been UONS' strategic intent to increase its visibility, strengthen its relationship with external stakeholders, and implement digital marketing strategies.

2015 achievements:

- UONS maintained its research momentum in 2015 with 12 international journal articles, 22 international conference proceedings, one book, three book chapters, 16 in-house research and staff development seminars, seven RHD supervisions and the completion of the \$360,000 research project in a time-bound manner.
- UONS co-sponsored the 12th Western Economic Association International Conference in Singapore, which was attended by Sir James Mirrlees, a Nobel Laureate in Economic Sciences.
- Launch of UONS website resulting in more than 20,000 page views over a six month period from 31 July 2015.

Looking forward

Planned strategic activities in 2016 include:

- Continuing to work with our key partner, PSB Academy, to ensure the delivery of the mutually agreed enrolment plan.

- Continuing to work with current and potential partners to explore possibilities for mutually beneficial outcomes.
- An agreement on a new inter-entity financial arrangement between UONS and the UON faculties will assist UONS' growth strategy.

Newcastle Innovation Ltd

Newcastle Innovation Ltd (NI) was established to create value from knowledge transfer from UON to industry and government partners. The main strategies have involved building internal resources to access intellectual property and research capabilities at UON and connecting these opportunities to target markets both in Australia and internationally.

In 2015, NI continued to experience a decline in small research project revenue and activity. Poor regional trading conditions have impacted this result.

Starting 1 October 2015 new contracts have been executed and negotiated in the name of UON as part of the planned transition of the business development and technology transfer functions of NI to UON.

2015 achievements

- Fifty new intellectual property disclosures were received during 2015, this is five more than in 2014 and a record result for the NI team.
- Partner agreement was established with a representative in China to build relationships and develop leads for UON in China.
- New large projects were signed with a range of companies including VTara Energy, Prometheus, DSM, Joy Global, Johnson and Johnson, Roy Hill and PepsiCo.
- Significant focus given to marketing activities to assist business development.

Looking forward

Planned strategic activities in 2016 include:

- The review and restructuring of the governance model of the company.
- The restructuring of operations including the relocation of technology transfer and commercialisation functions to UON while refocussing remaining activity to advancing research and research education.
- Changes to the management structure to include a new company General Manager position and a review of management processes and procedures to realign with the systems and support structure of UON.

2015 Consolidated results

	Total income \$m	Expenses \$m	Net surplus (deficit) \$m	Budget net surplus \$m
University of Newcastle	705.1	638.5	66.6	50.2
Newcastle Innovation	15.2	18.9	(3.7)	0.3
UON Singapore	7.3	6.4	0.9	1.2
Consolidated adjustments	(9.2)	(7.0)	(2.2)	-
Consolidated entity	718.4	656.8	61.6	51.7

Please refer to note 31 of the financial statements for details of the University's subsidiaries.

Glossary

AACA	Australian Association of Campus Activities
AGS	Australian Graduate Survey
AQF	Australian Qualifications Framework
ARC	Australian Research Council
AWiL	Academic Women in Leadership
CBD	Central Business District
CCTV	Closed-circuit Television
CEEHE	Centre of Excellence for Equity in Higher Education
CRC	Cooperative Research Centre
DECRA	Discovery Early Career Researcher Award
EFTSL	Equivalent Full Time Student Load
ELICOS	English Language Intensive Courses for Overseas Students
EVP	Employee Value Proposition
FTE	Full Time Equivalent
HDR	Higher Degree by Research
HERDC	Higher Education Research Data Collection
HMRI	Hunter Medical Research Institute
HREC	Human Research Ethics Committee
HWA	Health Workforce Australia
GIPA	Government Information Public Access
GPP	Global Partnership Plan
LTIFR	Lost Time Injury Frequency Rate
MIS	Management Information System
NCAT	NSW Civil and Administrative Tribunal
NHMRC	National Health and Medical Research Council
NGO	Non-government Organisation
NIER	Newcastle Institute of Energy and Resources
NURO	Newcastle University Research Outputs
OLT	Office of Learning and Teaching
PID	Public Interest Disclosure
PRC	Priority Research Centre
PC2	Physical Containment Level 2
PRD	Performance Review and Development
RIBA	Royal Institute of British Architects
RIL	Research Integrated Learning
SES	Socio-economic Status

SFUN	Student Feedback on the University of Newcastle Survey
SIO	Service Improvement Office
TEAL	Technology Enabled Active Learning
TEQSA	Tertiary Education Quality and Standards Agency
VET	Vocational Education and Training
WHS	Workplace Health and Safety
WIL	Work Integrated Learning
UAC	Universities Admissions Centre
UON	University of Newcastle

Legislation under which report prepared

- *Annual Reports (Statutory Bodies) Act 1984*
- *Annual Reports (Statutory Bodies) Regulation 2010*
- *Australian Charities and Not-for-profits Commission Act 2012*
- *Disability Services Act 1993*
- *Government Information (Public Access) Act 2009*
- *Government Information (Public Access) Regulation*
- *Independent Pricing and Regulatory Tribunal Act 1992*
- *Public Interest Disclosures Act 1994*
- *Public Interest Disclosures Regulation 2011*
- *Public Finance & Audit Act 1983*
- *Privacy and Personal Information Protection Act 1998*
- *Public Sector Employment and Management Act 2002*
- *Higher Education Support Act 2003*
- *Public Finance and Audit Regulations 2015*

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Access and printing costs

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