



2014

# Annual Report

James Cook  
University

Cairns  
Singapore  
Townsville

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At James Cook University we acknowledge Australian Aboriginal and Torres Strait Islander people of this nation.

*“We acknowledge the Australian Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the lands and waters where we operate our business. We honour the unique cultural and spiritual relationship to the land, waters and seas of First Australian peoples and their continuing and rich contribution to James Cook University (JCU) and Australian society. We also pay respect to ancestors and Elders past, present and future.”*

Source: JCU Reconciliation Action Plan 2015-2017.

## **Open data**

The James Cook University Annual Report and additional reports on Consultancies and Overseas Travel, are published online at <http://www.jcu.edu.au/cppo/>

and also on the Queensland Government Open Data portal at <https://data.qld.gov.au>

## **Public availability**

For information about this report, please contact James Cook University on Ph: 07 47814111 (Quality, Planning and Analytics Directorate) or email [statistics@jcu.edu.au](mailto:statistics@jcu.edu.au)

## **Statement of compliance**

This Annual Report fulfils the prescribed reporting requirements for 2014 of James Cook University to the Queensland Minister for Education, Training and Employment, and provides a comprehensive summary of the University’s operations and achievements during the year.

It illustrates the role of the University within the communities it serves, portrays the scope and importance of its activities and displays the University’s effective utilisation of the resources available to it. The report outlines a wide range of developments, innovations and achievements that provide a yardstick by which to measure the performance of the University in 2014 against its strategic intent, aim and objectives.

## Letter of compliance

2 March 2015

The Honourable Kate Jones MP  
Minister for Education  
PO Box 15033  
CITY EAST QLD 4002

Dear Minister

I am pleased to present the Annual Report 2014 and financial statements for James Cook University.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the Annual report requirements for *Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found accompanying this annual report accessible at <http://www.jcu.edu.au/cppo/>.

Yours sincerely

John Grey, AC  
Lieutenant General (Retd)  
Chancellor  
James Cook University

## **Year in review**

The 16th Council of James Cook University was constituted in April 2014, with all new Council members receiving an induction compliant with the Voluntary Code of Best Practice for the Governance of Australian Universities, and the National Governance Protocols. Given the potential and significant changes to the Higher Education Sector, much of Council's focus has been on ensuring JCU has a resilient and sustainable organisation able to meet its strategic intent and deliver on The JCU – The Future Taskforce outcomes. Council endorsed the new headline structure in February, and was pleased with the significant level of consultation involving staff, students and external stakeholders in the proposal and in its implementation following approval.

In these challenging times, Council seeks to ensure that the governance framework and mechanisms are performing effectively and efficiently. Greater focus has been given to risk management through the establishment of the Risk Management Sub-Committee of Audit Committee and the Controlled Entities Sub-Committee of Finance Committee. The Risk Management Framework and Policy were revised by Council to accommodate the new structure, and more work is to be done in 2015 to ensure robust and informed decision making. In order to ensure the student experience remains a focus of the University during this period of immense change and beyond, Council has also established the Student Focus Sub-committee of Human Resources Committee.

Council also embarked on a review of the Academic Governance Framework and arrangements at JCU including the role, structure, responsibilities and membership of the Academic Board and its Committees in 2014 as part of a normal cycle of performance reviews. The review was overseen by a Steering Committee comprising the Chancellor, the Vice Chancellor and an external Council member, thus maintaining an important linkage between governance and management. The Review Panel consisted of three external professors with expertise in the sector and a student representative of Council. The report will be presented to Academic Board and then to Council in the first half of 2015.

JCU will remain true to its commitment to deliver on the promise made more than 40 years ago: to offer programs, conduct research and provide genuine leadership on issues of importance to the peoples of the tropics in northern Queensland, northern Australia and worldwide. Throughout these organisational changes, the University has remained focussed on giving effect to being "One University, in Two Countries, with Three Tropical Campuses".

The announcement in November of an exclusive dealing agreement to deliver student accommodation on the Cairns Campus was particularly pleasing for the University. This will be transformative, bringing a sense of vibrant student life and amenity to the Campus, enhancing our ability to attract students to Cairns (both domestic and international), and deliver on growth targets for the Campus. The accommodation is due for occupancy for first semester 2016.

JCU has created a presence in Townsville's CBD, opening a teaching and student services centre in the heart of the city. Works are scheduled for completion by 31 January 2015, with the fit out of furniture and audio visual/information technology equipment scheduled for February 2015. A location for a similar facility in Cairns is being sought.

In mid-2014, JCU Singapore was advised it was the successful tenderer with the Singapore Land Authority for a larger campus near the CBD that will accommodate in a single campus the growth of our current two campuses, with room for future expansion. Refurbishment of this new campus has commenced with teaching to be undertaken in the new Campus in first Semester 2015 and the existing two campuses will be closed subsequently

Discovery Rise (the redevelopment of the Townsville campus) continues to gain momentum with discussions being finalised on another two major facilities to be delivered from 2015 onwards. The \$44m Clinical Practice Building Project, the first JCU building conceived as a self-sustaining entity, was the first pioneer and prototype for the Discovery Rise development. It is now almost at full tenancy and has exceeded our expectations on the business model originally presented. The building is a fundamental enhancement to the Townsville campus and has redefined the appearance and perception of the campus as it is approached from the main entrance. The building consolidates all of JCU's clinical practice activity involving public patients together with additional space for companion health activity and food services. Its location is adjacent on campus land to the Townsville Hospital.

The construction of the \$80M Science Place commenced this year coinciding with the demolition of the old Biological Sciences building. This reflects the level of maturity and development of JCU since its establishment over 40 years ago. It is planned that outdated and inefficient buildings will make way for fit-for-purpose, technology enabled and energy efficient buildings that are more space efficient.

Funding was obtained for the \$84m Australian Institute of Tropical Health and Medicine (which is a series of buildings in Cairns, Townsville, Mackay and the Torres Strait) with construction starting on the Townsville campus early in 2015 and Cairns later in 2015. The new Education Central building continues to receive national and international acclaim winning two additional architectural awards in 2014.

In September the Council endorsed the University's Aboriginal and Torres Strait Islander Strategic Action Plan 2014-2017 and the Reconciliation Action Plan 2015-2017 giving effect to the values and beliefs within our Strategic Intent and Reconciliation Statement and committing JCU to deliver on best practice frameworks and national policy.

JCU continues to engage and partner with regional councils, industry and business partners, and other stakeholder groups as it cements itself as a University of impact and relevance to its region and an international university by creating a brighter future for life in the tropics worldwide through graduates and discoveries that make a difference.

Our students gain a real understanding of the global world through the nature of our programs, the locations of our campuses and study centres, and the real opportunities presented for overseas experiences. The University has been particularly successful in the award of New Colombo Plan funding which has allowed almost 70 of our students to travel to Laos (cultural heritage and archaeology), Taiwan (dentistry), Vietnam (agri-tourism), Singapore (tropical geography), Japan (dentistry) and Fiji (obstetrics and gynaecology). This rural and remote, regional, and international work integrated learning and clinical practice has contributed to the life experiences and employability of our graduates.

JCU was awarded the maximum five stars for graduate employability in the 2014 Good Universities Guide as did one other university in Queensland. Council is particularly proud of our graduates, who are making a real and substantial impact on the communities in which they live, study and now work.

**John Grey AC,  
Lieutenant General (Retd)  
Chancellor**

## Introduction

In a turbulent public policy environment, 2014 has been an important year for the University, with many institutional highlights. These highlights and achievements occurred during what was a year of significant organisational change for the University, designed to give stronger expression and effect to JCU's Strategic Intent and orient the University to pursue the greatness to which we aspire.

A particular institutional highlight in 2014 was the launch of the State of the Tropics Report by Burmese Opposition Leader and Nobel Laureate Aung San Suu Kyi. This inaugural report was released in June and demonstrated very clearly that the future does belong to the Tropics. Indeed, the report has revealed a new global dynamic. Higher education and research institutions will play a vital role in driving a more positive future for the Tropics and the world more widely, and JCU is well placed to be at the forefront of tropical education, research and engagement. The report provides a significant platform for us and our work that is, by its very nature, globally significant.

The University continues to be recognised as a world leader in environmental sciences and ecological research global rankings. In 2014, we consolidated our position in the top 4% of universities worldwide in the authoritative Academic Ranking of World Universities (ARWU). The ARWU also continues to rank JCU as one of the top 150 universities in the world in the subject area of life and agricultural sciences, which covers biology, biochemistry, genetics, microbiology, immunology, agricultural sciences, plant and animal science and ecology and the environment.

The great commitment and dedication to learning and teaching that is a feature of our University has also been recognised externally. JCU has received 43 National Office of Learning and Teaching citations over the past 7 years and was one of only two universities to be awarded the maximum of six Office of Learning and Teaching citations in 2014. The recognition of our teaching excellence in these prestigious national awards highlights the passion, commitment, innovation and excellence of our teachers and of all those who support learning and teaching. Our determined focus in this area was further confirmed by our award of five stars for graduate outcomes in the 2014 Good Universities Guide.

Several new facilities came on line this year. The number of awards received by the new Education Central building in 2014 reflects the University's commitment to providing high quality teaching and learning experiences, through technology-enhanced active learning spaces. Education Central was honoured at the Australian Institute of Architects' 2014 North Queensland Regional Architecture Awards and the building's architects were presented with the Walter & Oliver Tunbridge Award for Building of the Year. The teaching and learning spaces within Education Central are extraordinarily diverse and effective, providing an enormously successful learning environment and the building makes a major contribution to the university's urban landscape.

Late in the year, JCU opened the multi-million dollar Daintree Rainforest Observatory at Cape Tribulation. This globally significant facility features laboratories, accommodation, office and teaching and learning spaces. This represents a major opportunity, not just for JCU but for the local community and Far North Queensland.

Other facilities currently under construction, including the new Australian Institution of Tropical Health and Medicine and The Science Place, will also enhance our capacity to undertake cutting-edge research and deliver learning and teaching programs of renown.

I was particularly pleased to launch JCU's Reconciliation Action Plan (RAP) in October. The RAP is a two year blueprint which charts the course by which the University will provide greater recognition, respect and opportunity for Australian Aboriginal and Torres Strait Islander peoples. The RAP was launched at five of our locations; Townsville, Cairns, Mount Isa, Thursday Island and Mackay. To witness so many staff, students and community members come together to celebrate this important initiative was both powerful and uplifting.

Many in our community – past and present - received well-deserved awards this year. Our 2014 Outstanding Alumni Awards Ceremony recognised 12 exceptional graduates of the University and its predecessor institutions, each of whom has made an outstanding contribution in their field of endeavour. We are also extremely proud of Professor Ian Wronski AO, who was appointed as an Officer of the Order of Australia in the 2014 Queen's Birthday Honours List.

The University was also recognised for our commitment to sustainability, receiving three “Highly Commended” awards at the 2014 Green Gown Awards Australasia. The Green Gown Awards recognise and reward universities and other tertiary institutions in Australasia for their outstanding sustainability actions and initiatives.

Finally, this year JCU entered into a partnership with the JCU Townsville Fire in the WNBL. We are proud to be supporting women’s sport in our region and working with such a wonderful organisation and terrific players, to provide opportunities for young women and girls to help them realise their aspirations.

Finally, I would like to take this opportunity to thank the members of the 15th Council for their significant contribution to the governance of the University, and to welcome the members of the 16th Council, who are now charged with this important task. I would also like to thank members of the various advisory committees and all staff, students, alumni and the JCU community more broadly for their continued support for the University and our endeavours throughout 2014.

I am looking forward to working with you all again in 2015, as we continue to strive for greatness as Australia’s “University for the Tropics”.

**Professor Sandra Harding**  
**Vice Chancellor and President**



## **Role and main functions**

### **Establishment and enabling legislation**

The University was established by an Act of the Queensland Parliament, the James Cook University of North Queensland Act 1970, that provided for “the establishment and incorporation of a University at Townsville, and for purposes connected therewith”. It received assent on 20 April 1970. In 1997 the Department of Education proceeded with the remaking of Acts of Queensland universities. As a result, the James Cook University Act 1997 received assent by the Governor in Council on 29 August 1997, and is the current binding legislation.

### **Role**

James Cook University is an Australian public university. The University’s role is further defined by the enacted functions.

### **Functions as per James Cook University Act 1997**

- (a) to provide education at university standard; and
- (b) to provide facilities for study and research generally and, in particular, in subjects of special importance to the people of the tropics; and
- (c) to encourage study and research generally and, in particular, in subjects of special importance to the people of the tropics; and
- (d) to provide courses of study or instruction (at the levels of achievement the council considers appropriate) to meet the needs of the community; and
- (e) to confer higher education awards; and
  - (ea) to disseminate knowledge and promote scholarship; and
  - (eb) to provide facilities and resources for the wellbeing of the university’s staff, students and other persons undertaking courses at the university; and
- (f) to exploit commercially, for the university’s benefit, a facility or resource of the university, including, for example, study, research or knowledge, or the practical application of study, research or knowledge, belonging to the university, whether alone or with someone else; and
- (g) to perform other functions given to the university under this or another Act.

### **General powers of university as per James Cook University Act 1997**

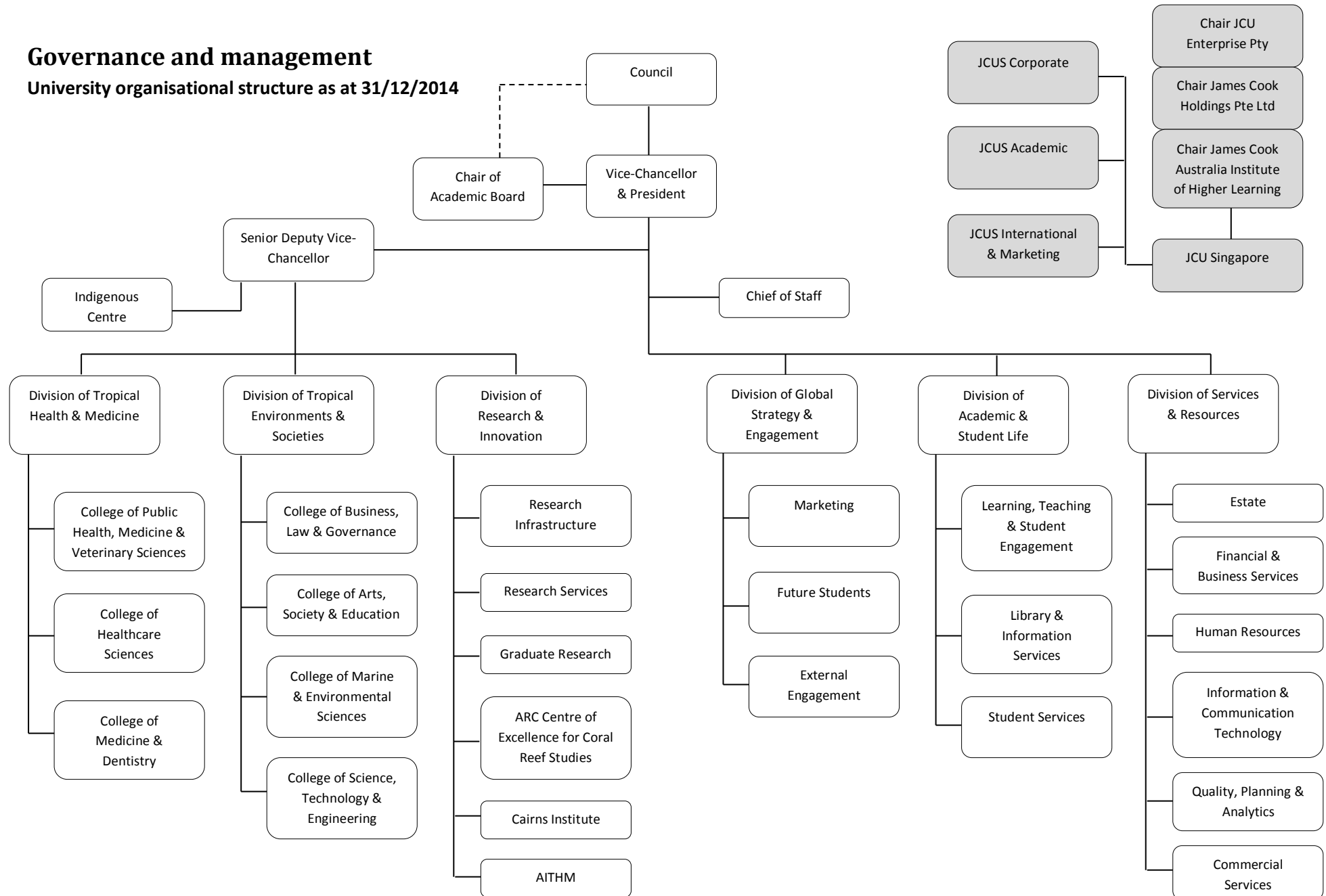
- (1) The university has all the powers of an individual, and may, for example—
  - (a) enter into contracts; and
  - (b) acquire, hold, dispose of, and deal with property; and
  - (c) appoint agents and attorneys; and
  - (d) engage consultants; and
  - (e) fix charges, and other terms, for services and other facilities it supplies; and
  - (f) do anything else necessary or convenient to be done for, or in connection with, its functions.
- (2) Without limiting subsection (1), the university has the powers given to it under this or another Act.
- (3) The university may exercise its powers inside or outside Queensland.
- (4) Without limiting subsection (3), the university may exercise its powers outside Australia.

### **Significant regional locations**

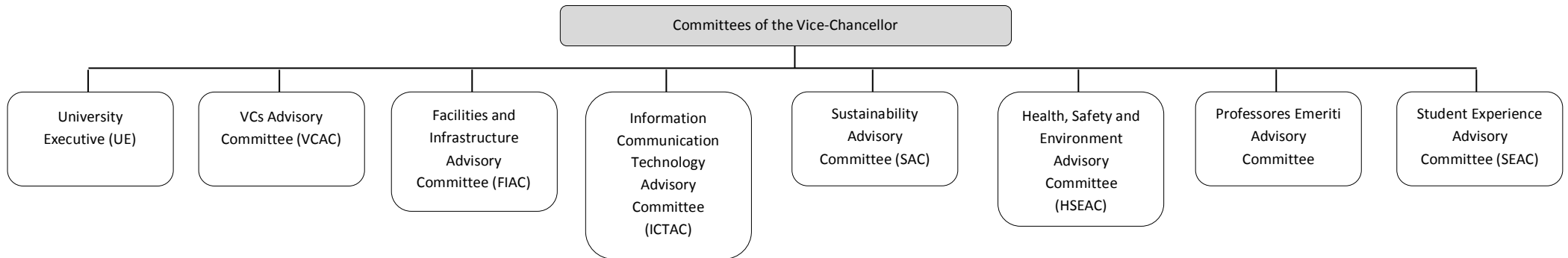
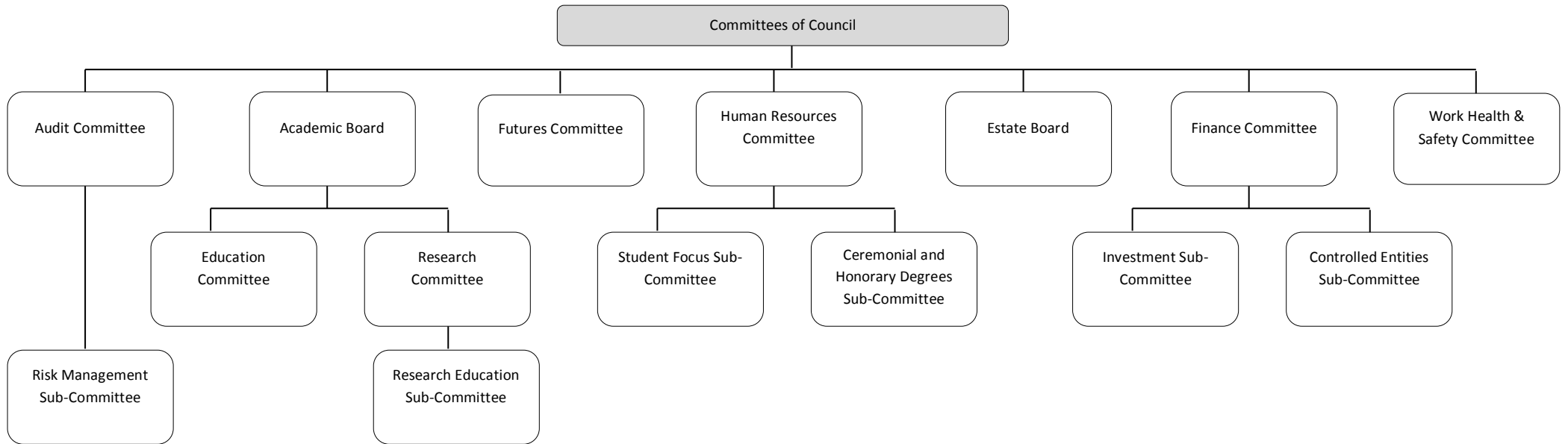
- Cairns
- Singapore (international campus)
- Townsville

# Governance and management

University organisational structure as at 31/12/2014



**Governance structures as at 31/12/2014**



## **Governing body - Council**

The University Council is the University's governing authority. Its primary role is to oversee the affairs of the University and, in so doing, to ensure that the appropriate structures, policies, processes and planning are in place for JCU to effectively manage its activities and achieve its goals. Council is also responsible for setting and reviewing the strategic direction of the University, as outlined in the Statement of Strategic Intent.

The University Council was established under the James Cook University Act 1997. The term of the Sixteenth Council commenced on the 20<sup>th</sup> of April 2014 for a term of four years.

### **Council – Primary Responsibilities**

Consistent with the James Cook University Act 1997 and Council's function as the prime instrument of University governance, the Council of James Cook University has primary responsibility for:

- (a) appointing the Vice-Chancellor and monitoring his/her performance;
- (b) approving the mission and strategic direction of the University, as well as the annual budget and business plan;
- (c) overseeing and reviewing the management of the University and its performance;
- (d) establishing policy and procedural principles;
- (e) approving and monitoring systems of control and accountability;
- (f) overseeing and monitoring the assessment and management of risk across the University, including commercial undertakings;
- (g) overseeing and monitoring academic activities;
- (h) approving significant commercial activities.

### **Council – Membership criteria, review and nomination procedures**

The University Council is elected for a specified term of office of not more than four years. However during the term of a Council, members may resign and/or be replaced in accordance with election or appointment processes associated with their particular appointment. The Chancellor is elected for a term of no longer than five years as fixed by the Council and the person elected need not be a member of Council. The incumbent Chancellor's three-year term of office was extended by Council at its 17 May 2013 meeting by two years and will conclude on 25 March 2016. The Chairperson of Academic Board is appointed by the Council for a term of no longer than three years. The incumbent Chairperson was appointed by the Council at its 12 April 2012 meeting for an additional three-year term from 28 May 2012.

The only executive members of Council appointed by the Council are the Vice-Chancellor and the Chair of Academic Board. The other members of staff on Council are considered non-executive and each serves on Council as an elected member of a particular constituency. There are no University policies governing the appointment and retirement of non-executive members of Council. Official members are appointed to Council by virtue of the office they hold, whether by appointment or election. The Governor in Council appoints the eight (8) appointed members. Elected members are those representatives who are elected on the advice of the Council's Human Resources Committee, from the prescribed stakeholder groups, by ballot, to sit on Council as follows:

- Members of the Academic Staff (3);
- Members of the General Staff (2);

- Students (3), including one undergraduate student, one postgraduate student and one undergraduate or postgraduate student;
- Members of the Convocation (2) other than those eligible above.

Council may appoint one (1) additional member who must not be a member of the Academic or General Staff or a student. Council has a formal process for the review of its membership and that of its committees. The Human Resources Committee of Council is responsible for the nomination of appointed members. Members of Council or of the various committees of Council do not receive remuneration for duties performed as members.

### **Council – Membership**

The following table on page 12 lists the Council membership of the Sixteenth Council as at the reporting period end (31<sup>st</sup> of December 2014). There were a total of five meetings in 2014 of the Sixteenth Council, and a total of three meetings in 2014 of the previous Fifteenth Council, making a total of eight Council meetings for all of 2014. Only the Sixteenth Council membership details have been reported, as this is the most current representation of the University's Council. The table lists position of membership, member names, qualifications, and the number of meetings attended for the reporting year.

### **Executive management**

The Executive Management structure of the University (as at 31<sup>st</sup> of December 2014) is summarised in the Executive Management table on page 13.

**James Cook University Council membership as at the 31st of December 2014 (for the Sixteenth Council only)**

Membership type	Position on Council	Member's name	Member's qualifications	Attendance
Official members	The Chancellor	Lieutenant General John Grey, AC (Retd)		5 / 5
	The Vice-Chancellor	Sandra Harding	BSc (Hons) ANU M.Pub.Admin UQ PhD NCSU Hon.D JIU FAICD, FAIM	5 / 5
	The Chairperson of the Academic Board	Paul Gadek	BSc (Hons) UNSW, PhD UNSW, GAICD	5 / 5
Appointed members	Appointed members	Campbell (Cam) Charlton	BCom, LLB JCU, GAICD	4 / 5
		Ryan Haddrick	LLB JCU, LLM QUT, GradDipLegPrac ANU, Barrister (Qld, NSW, ACT)	5 / 5
		The Hon. Peter Lindsay		5 / 5
		Lynette McLaughlin	DipTeach (TTC)	4 / 5
		His Honour Magistrate Steven Mosch	LLB (QUT)	5 / 5
		Peter Phillips	BBus Curtin, CA, FIIA, CIA, CFE	5 / 5
		Trent Twomey	BPharm (JCU) BBus (JCU) FAICD FACP FAIM	3 / 5
Timothy Brazier (Resigned now Vacant)	B. App. Sc (Surv), Reg Surv ( Cad,Cons), LS, FSSSI, FAICD	1 / 2		
Elected members	Academic staff	Peter Leggat, AM	MD Qld, PhD SAust, DrPH JCU, FAFPHM, FFPH RCP(UK), FACAsM, FACTM, FFTM FEWM (ACTM), FFTM RCPS (Glasg), FACRRM, FAICD, FSIA, FACE, FRGS, ACPHM (CMSA), Hon FACTM	5 / 5
		David Smorfitt	PhD (UQ) M Com (JCU) B Com (Hons)(UNISA) B Com (Ntl) HD Ed (Ntl) NH Dip Tax (Ntl Tech) CPA Australia	4 / 5
		Janina Mazierska (Resigned August)	MEEE, PhD (Warsaw University of Tech.), FIEEE, FIET, MIPENZ – (TSV)	1 / 2
		Anthony Leicht (Appointed September)	BAppSc(Hons) (USQ), GDip(FET) (USQ), PhD (USQ), ESSAF, FECSS	2 / 3
	General staff	Vanessa Cannon	BA (Lib&InfoMgmt)(USA) Dip (ResMgmt) Dip (VocInst) Ass Dip (PersAdmin) Cert Pub	5 / 5
		Jane Polak Scowcroft	BSc (Computer Engineering) (University of Manitoba), MG&C (JCU), FAICD	4 / 5
	Students	Edward Harridge	LLB/BBus, Undergraduate – (TSV)	5 / 5
		Mark Dodge	GAIDC, AFAIM, C Dec, MBA, Postgraduate - (CNS)	4 / 5
		Laura Walker	LLB/BBus, Undergraduate – (CNS)	4 / 5
	Convocation	Robin Gilliver	BA Well 1969, BInfTech JCU 2010	4 / 5
		Graham Kirkwood	BEc (Hons) (JCU), AAUQ (Qld)	5 / 5
Additional member	Additional member	Ernie Landy	B Com. JP, CPA and AICD	5 / 5
Secretary	Secretary	Michael William Kern	BCom JCU CA Grad DipCSP ACIS	5 / 5

## James Cook University Executive Management as at the 31st of December 2014

Executive Position	Name	Qualifications	Major duties
The Vice-Chancellor & President	Sandra Harding	BSc (Hons) ANU, M.Pub.Admin UQ, PhD NCSU, FAICD, FAIM	Responsible for oversight of key strategic and operational aspects of the University; overarching responsibility for the core business of learning, teaching and research. The Vice-Chancellor has oversight of the Chief of Staff, chancellery services, legal & assurance, media & communications, and secretariat & records.
The Senior Deputy Vice-Chancellor	Chris Cocklin	DipBusStud BSicSci MA, PhD	Focus on learning, teaching and research with oversight of the academic divisions, colleges and the Indigenous Centre. Responsibility for research and also holds the role of Deputy Vice-Chancellor of the Division of Research and Innovation. Has oversight of research infrastructure, graduate research, research services, the Cairns Institute and the ARC Centre of Excellence for Coral Reef Studies.
The Deputy Vice-Chancellor and Head of Singapore Campus	Dale Anderson	BEdSt (UQ), Dip Sch Couns (UQ), MEd (UNE), PhD (RMIT), FACE, FAICD	Responsibility for the operation of the University's Singapore Campus and delivery of pre-university pathway, undergraduate, postgraduate and doctoral programs in Singapore.
The Deputy Vice-Chancellor of the Division of Tropical Health & Medicine	Ian Wronski	MB BS Monash DTM&H Liv MPH SM Harv DipRACOG FRACGP FAFPHM	Responsibility for the operations of the Division and oversight of the following Colleges: - College of Public Health & Veterinary Sciences - College of Healthcare Sciences - College of Medicine and Dentistry
The Deputy Vice-Chancellor of the Division of Tropical Environments and Societies	Jeffrey Graham Loughran	BEng (Mech) MEng Sc Qld PhD Qld FIEAust CPEng ManSA RPEQ	Responsibility for the operations of the Division and oversight of the following Colleges: - College of Business, Law & Governance - College of Arts, Society & Education - College of Marine & Environmental Sciences - College of Science, Technology & Engineering
The Deputy Vice-Chancellor of Global Strategy & Engagement and Head of Cairns Campus	Robyn McGuiggan	BSc (Pharm) Syd MComm NSW PhD Macq	Key responsibility for oversight of marketing, external engagement and future students. Head of Cairns Campus.
The Deputy Vice-Chancellor of Academic & Student Life	Sally Kift	LLB (Hons) UQ. LLM QUT	Key responsibility for oversight of learning, teaching & student engagement. Key responsibility for oversight of library & information services and student services.
The Deputy Vice-Chancellor of Services & Resources	Patricia Clare Brand	BCom JCU, CPA, MAICD	Key responsibility for oversight of enabling services for the University. This includes the estate, financial and business services, human resources, information & communication technology, business analytics, quality enhancement, business reviews, planning & performance and commercial services.
The Chairperson of the Academic Board	Paul Gadek	BSc (Hons) UNSW PhD UNSW GAICD	Oversees the Academic Board, which advises the Council about teaching, research and scholarship matters, makes proposals for the academic policies, monitors the academic activities and promotes scholarship and research.

### **Related entities (controlled public sector entities)**

Details of control over entities listed below, and each entity's contribution to the University's operating surplus/deficit can be found in Notes to the Financial Statements. All Australian controlled entities are audited by, or on behalf of, the Queensland Audit Office. The two Singapore based companies are audited by approved auditors in Singapore. Most company constitutions provide that each director must have a Certificate of Approval from the Vice-Chancellor.

In addition to end of year financial reporting, each of the entities provides an annual report in relation to entity's activities including Health, Safety and Environment (HSE) and risk. The HSE reports are also provided to the HSE Sub-Committee of JCU Council.

#### **JCU Enterprises Pty Ltd (JCUE) (registered 10/11/1989)**

The company has a board of 3 directors, chaired by Mr Campbell Charlton, a member of JCU Council and a board member of JCUS. The Company does not trade. JCUE owns all the shares in James Cook Holdings Pte Ltd.

#### **James Cook Holdings Pte Ltd (JCH) (Incorporated 21/04/2011)**

The company has a board of 4 directors, chaired by Mr Graham Kirkwood, a member of JCU Council. The Company does not trade. The company was incorporated in Singapore in 2011 and owns all the shares in James Cook Australia Institute of Higher Learning Pte Ltd.

#### **James Cook Australia Institute of Higher Learning Pte Ltd (JCUS) (Incorporated 07/02/2001)**

The company has a board of 5 directors chaired by Professor Sandra Harding, Vice-Chancellor and President of JCU, and delivers JCU courses to JCU enrolled students in Singapore. This is a Singapore based entity, incorporated in Singapore. The QAO does not oversee audits for this entity.

#### **JCU Early Learning Centres Pty Ltd (Registered 13/08/1993)**

The company provides child care primarily for children of students, staff and graduates of JCU. It also promotes the development, wellbeing and education of children, encouraging parent and community involvement in its operations.

The company has 4 directors, chaired by Mr Brett Dinsdale [Executive Officer, Division of Services and Resources]. The company is registered with the Australian Charities for Not-for-Profit Commission (ACNC).

#### **JCU Health Pty Ltd (Registered 04/03/2002)**

The company provides medical services to students and staff of JCU as well as members of the public. The company also provides clinical training for JCU medical students and works closely with JCU clinics operated by the University in the Clinical Practice Building.

The company has a board of 8 directors and is chaired by Professor Ian Wronski [Deputy Vice-Chancellor, Tropical Health and Medicine]. The company is registered with ACNC.

#### **JCU UniVet Pty Ltd (Registered 14/08/2009)**

The company was incorporated in 2009, with objectives that include providing facilities for study, research and clinical education in the field of Veterinary Science as well as aiding in the development or promotion of research in that field. The company trades as JCU Vet. The company is registered with ACNC.



This company has a board of 4 directors, chaired by Ms Heather Gordon [Director, Library and Information Services]. JCU, the company and Greencross Limited (GXL) have entered into an agreement under which GXL will provide management services to the company from 1 January 2015 until 31 December 2023.

**Tropical Queensland Centre for Oral Health Pty Ltd** (Registered 25/10/2011)

The company's objectives are to provide students enrolled in the Bachelor of Dental Surgery and related post graduate programs within the University with the required clinical placements, and to improve the availability of oral health services in Northern Queensland, particularly to disadvantaged members of the community.

The company trades as JCU Dental and has a board of 5 directors, chaired by Mr Clive Skarott, a member of Finance Committee, a sub-committee of JCU Council. The company is registered with ACNC. The company's main operations are on the Cairns campus with –

- 80 student and 4 individual dental chairs in D2 – Cairns; and
- 14 student and 1 individual dental chairs in D1 – Cairns.

In the Clinical Practice Building at the Townsville Campus there are 18 student and 2 individual dental chairs.

**JCU CPB Pty Ltd** (as trustee for the CPB Trust - Established 07/10/2011)

The CPB Trust owns and operates the Clinical Practice Building, completed in December 2013. It holds a ground lease of the CPB site from JCU. Tenants in the Clinical Practice Building include commercial tenants and JCU health based clinics. James Cook University is the sole beneficiary under the CPB Trust.

The trustee company has a board of 4 directors and is chaired by Mr Peter Lindsay, Deputy Chancellor of JCU and a member of JCU Council.

**North Queensland Commercialisation Company Pty Ltd** (as trustee for The JCU Asset Trust – Established 08/04/2008)

The Trust assists JCU in research commercialisation including oversight of start-up entities involved in commercialisation processes.

The Trust owns all the shares in GRW Industries Pty Ltd and has a 48% interest in Smart Arm Pty Ltd. This company is currently engaged in research and commercialisation of an upper limb rehabilitation device.

The trustee company has a board of 2 directors, chaired by Professor Chris Cocklin [Senior Deputy Vice-Chancellor].

**GRW Industries Pty Ltd** (Registered 25/03/2009)

The company was formed to commercialise Cool Me™ vests for anatomical temperature regulation. The company was deregistered with ASIC on 24 December 2014. Research and commercialisation opportunities in connection with the technology are ongoing within JCU.

## **Governance – risk management and accountability**

### **Risk Management**

The University's Risk Management Framework is reviewed and updated regularly to ensure that consistent likelihood, consequence and risk rating ratings and descriptors are used for both enterprise risk management (ERM) and WHS risk management. In particular an additional WHS impact category was added to "Appendix B – Consequence Ratings" within the Risk Management Framework.

An exercise to map risk indicators from the TEQSA Regulatory Risk Framework against the existing risks within the JCU risk registers was conducted in 2013 to identify potential gaps within the existing JCU risk information.

The University risk register is reviewed by the Vice-Chancellor's Advisory Committee, the Audit Committee of Council and the Council. The risk registers of the Divisions, Chancellery and JCU Singapore are reviewed and updated twice per annum as per JCU risk framework guidelines.

JCU senior management and heads of organisational units are responsible for identifying, evaluating and managing University-wide risks and risks within their Divisions, Colleges and Directorates.

The Chief of Staff has responsibility for providing assurance that key risks are being effectively evaluated and reviewed, and also has the responsibility for facilitation and coordination of risk management activities across JCU.

### **External scrutiny**

The two major bodies responsible for external scrutiny of the University are the Tertiary Education Quality Standards Agency (TEQSA) and the Queensland Audit Office (QAO), the latter with a particular focus on financial accountability. The QAO's 'independent audit report' is included within the financial section of this annual report. TEQSA conducts an annual provider risk assessment for all higher education providers and also determines each provider's eligibility for placement on the National Register. The University was re-registered in 2011 for the maximum period of seven years until 2018.

### **Audit Committee**

The Audit Committee was renamed in mid 2014 (previously named 'The Audit and Compliance Committee'), and commenced with new committee membership. The Audit Committee was established by the University Council under Section 11 (b) of the James Cook University Act 1997. The Committee is responsible for all audit and related matters, and for monitoring the assigned performance measures on behalf of Council — thereby assisting the University to fulfil its responsibilities under the Financial Accountability Act 2009. The Act requires the mandatory appointment of the Auditor-General of Queensland as the University's external auditor. Accordingly the University does not have in place a procedure for the nomination of external auditors. However, it is the role of the Audit Committee to maintain effective oversight of all internal audit functions and to manage the relationship with the University's external auditor including the review of the adequacy of existing external audit arrangements particularly the scope and quality of the audit.

The Audit Committee reviews annually the letter of engagement between the University and the Queensland Audit Office (QAO), that details specific areas of audit emphasis, reliance on internal audit and the audit fee. The Committee also reviews the QAO's approved audit strategy, observes the terms of the committee charter, and has due regard to QLD Treasury's Audit Committee Guidelines.

The Audit Committee has seven members, comprising two ex officio members, (Chancellor and Vice-Chancellor) and four members, including the Chair, elected by and from the Council (who are neither a member of the staff nor a student of the University). Their election is based on their appropriate skills and/or experience in relation to the business conducted by the Committee. In addition, Council has the power to co-opt one additional member, external to the University, who has the appropriate skills and/or experience in relation to the business conducted by the Committee. The Chair of the Audit Committee reports the findings and recommendations of the Committee to the JCU Council after each Committee meeting, and the Committee provides an annual report to Council, as soon as practicable after the end of each financial year, about the Committee's operations. Audit Committee members are not financially remunerated for their membership.

Below is a table of the new JCU Audit Committee as at the end of the reporting period, and a table of the previous JCU Audit and Compliance Committee at the time of renaming and change:

2014 Audit Committee Membership (July to December)			
Membership type	Position	Member's name	Attendance
Chair	(External)	Graham Kirkwood	3 / 3
Ex officio	Chancellor	Lieutenant General John Grey, AC (Retd)	3 / 3
	Vice-Chancellor	Sandra Harding	3 / 3
Elected members	(External) – Deputy Chair	Trent Twomey	3 / 3
	(External)	Campbell (Cam) Charlton	0 / 2
	(External)	Lynette McLaughlin	1 / 3
	(External)	Vacant	N/A
Additional member	(External)	Vacant	N/A
Secretary	Deputy Director, Governance Support & Corporate Information	Ian Troupe (or representative)	3 / 3

Previous: 2014 Audit and Compliance Committee Membership (January to June)			
Membership type	Position	Member's name	Attendance
Chair	(External)	Peter Phillips	2 / 2
Ex officio	Chancellor	Lieutenant General John Grey, AC (Retd)	1 / 2
	Vice-Chancellor	Sandra Harding	2 / 2
Elected members	(External) – Deputy Chair	Ernie Landy	2 / 2
	(External)	Elisa Gilmore	2 / 2
	(External)	Ryan Haddrick	2 / 2
	(External)	Francis Tapim	2 / 2
Additional member	(External)	Vacant	N/A
Secretary	Deputy Director, Governance Support & Corporate Information	Ian Troupe (or representative)	2 / 2

## **Internal audit**

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the University's operations. It helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal audit activity encompasses the review of all financial and non-financial policies and operations of the University. Internal audit reviews may cover any of the programs and activities of the University, excluding that of the controlled entities.

Internal Audit operates under the Internal Audit Charter that is reviewed and approved by the Audit Committee of the University Council annually. The Internal Audit Charter is consistent with the requirements of The International Standards for the Professional Practice of Internal Auditing, in particular Attribute Standards 1000.

In keeping with good practice, Internal Audit aligns its focus and activities to the University's risks. Audit planning is based on risk assessment to ensure that its program of audit is appropriate to the size, functions and risk profile of the University. In order to provide optimal audit coverage to the University and minimise duplication of assurance effort, due consideration is given to the following aspects:

- key University business risks;
- any key risks or control concerns identified by management;
- assurance gaps and emerging needs; and
- scope of work of other assurance providers, internal and external.

The internal audit planning framework consists of:

- A strategic plan that relates the role of internal audit to the requirements of the University by outlining the broad direction of internal audit over the next three years; and
- An annual work plan that specifies the proposed internal audit coverage within the calendar year.

The Internal Audit Strategic and Annual Work Plans are reviewed at least annually and approved by Audit Committee. Any significant deviation from the approved Internal Audit Plans is communicated to the Audit Committee for approval.

As an important part of the audit support activities, Internal Auditors also give due regard to Treasury's Audit Committee Guidelines in providing assistance to the Audit Committee to discharge its responsibilities, including facilitating Audit Committee reports to the University Council.

The Manager, Internal Audit is responsible for implementing a quality assurance and improvement program which includes external and internal assessments to ensure the effective, efficient and economical operation of the Internal Audit function, with oversight from the Chief of Staff. The ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner is assured through operational independence where the Manager, Internal Audit reports functionally to the Vice Chancellor and Audit Committee; and an open and independent relationship with the external auditor (Queensland Audit Office).

Since becoming part of the Office of the Chief of Staff in May, Internal Audit has undertaken a major review of audit processes. More effective and efficient assurance and consulting services have been provided through a refreshed Internal Audit Charter which reflects the new organisational structure and best practice; a revitalised Internal Audit strategic planning framework which aligns more closely with the University's planning and risk management framework; and the implementation of a web based Audit Management System (including Audit Recommendation Follow-Up) to more effectively track internal audit activity and the end to end internal audit process.

### **Ethical conduct and social responsibility**

The University has a Statement on Integrity, that was last reviewed in April 2012. The intent of the Statement is aspirational and supports the University's desire to maintain the highest level of ethical standards. Integrity is identified as one of the pillars of sound ethical behaviour.

In concert with the Public Sector Ethics Act 1994 (QLD), the JCU Code of Conduct applies to all employees of the University and to other 'officers' such as external committee members, adjunct and visiting academics, and volunteers acting on behalf of JCU. The Code of Conduct outlines the ethical obligations of all these parties. New staff are alerted to the JCU Code of Conduct during induction, and it is publicly available online via the JCU website.

The Code of Conduct of Council Members applies to Council members and sets expected standards of conduct for those members. All members of Council and its Committees are reminded annually of their confidentiality obligations through a Statement on Confidentiality Provisions – JCU Council, Council Committees, Controlled Entity Directors and Nominee Directors of Non-Controlled Entities.

The University recognises that the interests of public office and personal or other interests may come into conflict. The University has developed a policy statement, 'Conflict of Interests of Members of Council', to assist such officers in dealing with any conflicts.

The JCU Code for the Responsible Conduct of Research sets out the obligations on all University researchers, staff and students to comply with the ethical framework governing research at the University and other relevant institutional and regulatory requirements.

The JCU Animal Ethics Committee (AEC), established in accordance with relevant state legislation and national protocols, reviews all teaching and research activities involving animals. The Committee reports to the JCU Ethics Review Committee (ERC). The JCU Human Research Ethics Committee (HREC), established in accordance with relevant national protocols, reviews all research and teaching applications in accordance with the National Statement on Ethical Conduct in Human Research, 2007.

### **Policies**

All University Policies are contained in the Policy Library that is accessible to all staff and students and the public generally. The Policy Library also contains the University's Act, Statutes, and the Schedules of Delegations. All policies are scheduled for review on a regular basis by designated responsible officers.

During 2014, particular emphasis was focused on the review of the Policy and Delegation Framework as one of the projects of the JCU: The Future Project Management Office. The major outcome was the approval of a revised policy framework by the University Council. The objectives of the review were to improve clarity, coverage and consistency of JCU policies and alignment with the University Plan. The review also focussed on creating a source for financial, human resource and academic delegations. Single point of contact for policy changes and updates has been achieved as part of these enhancements.

### **Information systems and recordkeeping**

The University is required to report on its compliance with the provisions of the Public Records Act 2002, Information Standard 40: Recordkeeping and Information Standard 31: Retention and Disposal of Public Records.

JCU is working towards full compliance with the Public Records Act and in pursuit of this commenced, in 2012, a project to implement an electronic document and records management system (eDRMS). Known as TRIM, the eDRMS was fully implemented and rolled out the first week in December 2013.

TRIM was configured with the full Queensland State Archives (QSA) Retention and Disposal schedules, tailored to produce the first Business Classification Scheme specific to James Cook University and also a requirement under Information Standard 40: Recordkeeping and Information.

The JCU Records Management Framework and Records Management Policy have also been reviewed and updated. An action plan and road map has been developed to address areas to progress compliance, and the University's Strategic Recordkeeping Implementation Plan (SRIP) and Operational Recordkeeping Implementation Plan (ORIP) were reviewed and updated in 2014, following the implementation of the TRIM eDRMS.

The University's recordkeeping compliance information is informed by the University's response to the Queensland State Archives. It is also informed by the Recordkeeping Survey of Queensland Public Authorities issued by the State Archivist, and other internal or external recordkeeping monitoring and assessment activities.

## **Statement of Strategic Intent**

### **Intent (Vision / Mission)**

Creating a brighter future for life in the tropics world-wide through graduates and discoveries that make a difference.

### **Comprehensive, but focussed**

We are a comprehensive University. Our teaching and research focuses on four themes:

- Tropical Ecosystems and Environment
- Industries and Economies in the Tropics
- Peoples and Societies in the Tropics
- Tropical Health, Medicine and Biosecurity.

### **Place is powerful**

The Tropics is our place: a vast geographic area that Aristotle called the Torrid Zone. Our three tropical campuses are complemented and extended by regional and remote study centres and research stations. Students are at the heart of our University and we inspire them to make a difference in their fields of endeavour and in their communities by:

- Delivering high quality teaching and learning programs in a research-rich environment; and
- Fostering their professional expertise and intellectual curiosity. Our world-class research generates new knowledge and understanding to meet the challenges facing the peoples of the tropics.

### **Diversity and reconciliation**

Embracing the diversity of the communities we serve in two countries, we work with them to create opportunities and enduring benefits for our region and beyond. Acknowledging the First Nation peoples of the world, their rich cultures and their knowledge of the natural environment, we pay particular respect to Aboriginal and Torres Strait Islander peoples, the traditional custodians of the lands and waters of Australia. We are pledged to achieve genuine and sustainable reconciliation between the Aboriginal and Torres Strait Islander peoples and the wider community.

### **Sustainability**

Committed to the principles of sustainability, we will ensure that our actions today do not limit the range of social, cultural, environmental and economic options open to future generations.

### **Values**

Excellence; Authenticity; Integrity; Sustainability; Mutual Respect; Discovery.

### **Beliefs**

We recognise that knowledge has the power to change lives; We ignite and support a passion for learning in our community; We are enriched by and celebrate our communities' diversity; We understand that a sustainable environment is central to our lives and our work; We uphold our commitments.

An international University as reflected in our people, our places, and our research, we take quiet pride in being recognised as a leading tertiary institution in Australia, our Asia-Pacific region and among the universities of the world.

## **University Plan: our priorities**

The University's plan (2013-2017) builds upon our Strategic Intent through stating our priorities and presenting aims and objectives in relation to our core business and the enablers – the resources, services and capabilities that underpin the activities of the University.

### **A University for the Tropics, World-Wide**

Our aim is to position James Cook University as a national and international leader in teaching and research, addressing critical challenges facing the tropics worldwide. We commit ourselves to research of excellence and high impact, particularly on issues of importance to the world's tropics. We will build on current areas of world-class excellence to achieve strong performance in scholarship and teaching, inspired by a research-enriched environment. We recognise that the University is judged not only on its quality but equally on its wider relevance, impact and the force and integrity of its intellectual leadership.

### **One University, Two Countries, Three Tropical Campuses**

Through our three tropical campuses – Cairns, Townsville and Singapore – James Cook University will become a tri-city university at which internationalisation is integral to our intent and our make-up. The University began in Townsville more than 50 years ago and in Cairns 25 years later. In 2011 the Singapore campus, established in 2002, became fully owned by James Cook University. Expanding and consolidating the University's activities in Singapore was a natural evolution. We have always been at home in the tropics, and embracing Singapore gives us even more ability to fulfil our tropical agenda. Our three tropical campuses are complemented by regional and remote study centres and research stations through which James Cook University extends its reach and responsiveness to our northern Queensland communities.

### **People and Place**

We want James Cook University to be an employer of choice for staff and a university of choice for students. We are committed to building an environment that makes excellence possible, that promotes performance and productivity, values equity and diversity, and fosters community spirit and personal wellbeing. James Cook University will continue to build on its reputation for being socially responsive and, in particular, meeting the needs of people in rural, remote, Indigenous and tropical Australia.

We are committed to excellence, equity, diversity and wellbeing for our students, staff and alumni who come from many backgrounds. We are inspired by our northern Queensland region, home to Aboriginal and Torres Strait Islander peoples, and we recognise their special spiritual relationship with the land and sea. Our diversity is also strongly expressed and reflected through the Singapore campus. Collectively, the diverse tropical environments of our campuses enliven the University.

James Cook University is committed to building a strong sense of community and belonging for its students, staff and alumni. In supporting the total student experience, we understand that learning does not only take place in the classroom, and that students' time at university covers a broad range of experiences and engagement with the University community. These things collectively foster student success. We support and develop staff throughout the employment lifecycle, understanding that in doing so we are developing the leaders of the future.



### **Development, More Sustainably**

Sustainable development finds expression in how we deal with global challenges such as climate change, diminishing biodiversity, food security, human rights, poverty alleviation, multiculturalism and global security. We believe that social, environmental and economic sustainability must be embedded in our daily practices and integrated in everything we do. Sustainable development comes from respect for our natural and social contexts, and from the knowledge that we will be judged by future generations according to our success in realising our sustainability goals.

In seeking a brighter future for people in the tropics worldwide, James Cook University staff and students will work to ensure that our actions today do not limit the range of social, cultural, environmental and economic options of future generations. Through our scholarship and practices, James Cook University seeks to meet the challenges that affect the tropics, materially contributing to sustainable development, worldwide.

### **Connecting, Locally and Globally**

James Cook University's scholarly activities are inspired by its locations in the tropics. The University brings perspectives and understanding to our local communities that are informed by our interactions globally, while our window on the global tropics is framed by our experiences locally. As a regionally-based university, we recognise our obligation to engage with industry and government and to share our research findings. We form partnerships with other research organisations to get the most out of our research effort. James Cook University recognises its "power of place" and works within its own communities, promoting socially inclusive and sustainable regions. James Cook University will continue to be a good corporate citizen, responding proactively in terms of our civic responsibilities, interacting with our stakeholders in mutually beneficial ways to ensure that our regions grow and prosper sustainably. James Cook University will be a partner and advocate, integral to the social, cultural and intellectual life of its communities.

From our tropical regional location, we will seek relationships with research organisations, employers, campuses and users of new knowledge wherever they may be around the world. We will explore, implement and support opportunities for collaboration and learning, both physically and virtually, through encouraging staff and student mobility and using information and communication technology to give our activities global reach.

## Operating environment

### Review of achieving statutory obligations

The University's objectives, found within the University Plan 2013-2017 and outlined throughout this annual report, and the University's achievements are aligned with the Queensland **Government's objectives for the Community**, including: academic excellence; literacy and numeracy; skills training; career pathways and development; professional learning; community services and relationships; fiscal responsibility; and new infrastructure.

### Outline nature and range of operations

The nature and range of operations are further expanded in this annual report throughout each individual 'Domain'. A Domain is identified as a major area of focus for the University that has significant strategic planning, resourcing, performance alignment, and is critical to the core business / purpose or operation of the University. The University Domains are:

Broad category	Domain
Core business	• Learning and Teaching
	• Research
	• Engagement
Enablers (support and services)	• Organisational effectiveness
	• Human and intellectual capital
	• Physical and virtual infrastructure
	• Finance and resources

### Environmental factors, government policy changes, funding changes

The Federal Government announced in the May 2014 Budget proposed to make significant changes to the Higher Education Sector. To enact these changes requires amendment to legislation and, at the time of writing, had not yet passed through the Senate. The proposed changes are wide-spread and if passed would have very large impacts for the higher education sector from 2016. The major impact for universities and students would be the deregulation of the domestic undergraduate higher education market; deregulation of the fees for Commonwealth-supported students; coinciding with a proposed reduction in Commonwealth funding for these students. There were no major changes in this reporting year, but significant work was undertaken by the University to prepare for the proposed changes.

### Major / significant initiatives

Major / significant initiatives are outlined in in this annual report under each individual Domain. By outlining the initiatives under each individual Domain, it links the initiative to the appropriate area of focus for the University.

### Matters of interest to key stakeholders

Matters of interest to key stakeholder are outlined in this annual report under each individual Domain. By outlining the matters of interest to key stakeholders under each individual Domain, this links the matters to the appropriate area of focus for the University.

## **Domain: Learning and teaching**

### **Aim**

To deliver high quality learning environments and programs that are inclusive, relevant and engaging, position students at the heart of the university experience and lead to excellent outcomes for graduates.

### **Statement of context**

Over the past triennium we have enacted an institution-wide curriculum vision that seeks to align our courses and their delivery with the University's Strategic Intent and four tropical themes. Our staff have been recognised for their outstanding contributions to student learning through national teaching awards and citations, and we have established a Teaching and Learning Academy to provide an explicit focus on the scholarship of learning and teaching.

With the advent of a new national regulatory and quality assurance framework, we have taken on the challenge of managing growth and widening participation while maintaining our commitment to quality and excellence. We will continue to refine our policies, practices and processes to assure academic standards, quality and integrity and to embed a culture of continuous improvement, informed by scholarship, practice and meaningful learning and teaching data. We will also continue to ensure that our professional programs secure accreditation to meet community and professional needs and to remain at the forefront of national and international best practice.

We recognise that knowledge has the power to change lives and we are committed to meeting the learning and support needs of all students. We will continue to focus on improving retention and the student experience and respond to the impact of attrition and retention on the viability of our programs. In particular, James Cook University will strive to improve access and retention of Aboriginal and Torres Strait Islander students and students from non-traditional and disadvantaged backgrounds.

### **Objectives**

1. Continue to develop and assure high quality learning environments that emphasise the Curriculum Refresh themes, in particular our tropical focus.
2. Build and enhance teaching capacity and learning leadership through the delivery of appropriate professional development opportunities and other targeted support.
3. Deliver flexible and inclusive learning environments that capitalise on both face-to-face and virtual innovations.
4. Implement and monitor effective and integrated strategies to improve pathways, retention and the student experience.
5. Refine approaches for mapping, assuring and enhancing course learning outcomes and the collection of assurance of learning data, and develop processes for external benchmarking of academic standards against similar courses of study.

### **Major achievements**

- JCU was awarded six out of a maximum possible six national Office for Learning & Teaching (OLT) citations. JCU was one of two universities to receive six awards with all other universities receiving zero to four awards. The awards recognise teaching excellence and

innovative approaches to learning and teaching. The 2014 recipients are listed in the table below:

OLT Citation Recipient	Citation
Dr Lisa Chilton, Dr Suzy Munns and Dr Donna Rudd	Citation for Outstanding Contributions to Student Learning, for Demand evidence and think critically: building research excellence in tomorrow's scientists.
Dr Louisa Tomas Engel	Citation for Outstanding Contributions to Student Learning, for enabling diverse teacher education cohorts to experience profound engagement in science and sustainability through a blended learning approach.
Dr Katja Fleischmann	Citation for Outstanding Contributions to Student Learning, for One amongst many: Employing peer learning and teaching to successfully support first year creative arts students' individual creative development in large class environments.
Dr Amy Forbes	Citation for Outstanding Contributions to Student Learning, for Wired for employment: For leadership and excellence in developing and delivering a pioneering WIL- based curriculum in Multimedia Journalism resulting in highly employable graduates.
OLT Citation Recipient (team)	Citation
Maths in Science Teaching, Research and Development Team - Dr Yvette Everingham, with Prof. Sean Connolly, A/Prof. Emma Gyuris, Emeritus Prof. Rhondda Jones, Prof. Peter Ridd, Mr Justin Sexton, Ms Tanya Doyle, Mr Shane Blowes, Mr Patrick Peacock, Ms Jennifer Hodge, Ms Clair Stark & Mr Robin Gilliver	Citation for Outstanding Contributions to Student Learning, for innovative team-based approaches to enhancing first year students' engagement, confidence and learning achievement in the use of mathematics – the common language for the natural sciences.
The Intimate Teaching Team - Dr Paula Heggarty, Ms Poornima Roche, Mr Don Gamage, Mrs Kathy Pratt, Dr Aileen Traves, Dr Roy Rasalam, Mr Torres Woolley, Mr Al Forde, Mr Mangalasiri Parana Hewage, Dr Deirdre Tweedie, Dr Maria Bellei, Dr Bridget Hartsliel & Dr Max Stewart	Citation for Outstanding Contributions to Student Learning, for Intimate Examinations: Facilitating a respectful and authentic approach to learning that creates confidence and competence amongst diverse medical students.

- A new Mater James Cook University clinical training facility officially opened at the Mater Hospital in Mackay in August 2014, that will increase the capacity for training doctors and nurses in the region. The \$3.3 million Mater Misericordiae Hospital JCU Clinical Training Centre (CTC) involves an ongoing relationship for use of the facility by JCU and clinical placements by Mater Mackay Hospital. The vision is to train students in rural Queensland areas in order to provide regional and remote communities with doctors and nurses that are both sensitive and experienced in dealing with their specialised needs.
- For the fourth year running, James Cook University achieved a five star result in the 2014 edition of the Good Universities Guide, with its graduates continuing to be highly sought after by employers. The rating means that JCU is in the top 20% of universities whose graduates (aged under 25) were able to find full time work within four months of graduation.
- JCU performed very well in the 2014 Office for Learning and Teaching grants (both Innovation & Develop Grants, and Strategic Priority Commissioned Grants). The 2014 recipients are listed in the table below:

Category	Submission	Recipients	Grant
Innovation and Development Grant- JCU Lead Institution	International social work student exchange: facilitating good practice in Australia and Asia Pacific	A/Prof Debra Miles, Dr Nonnie Harris, Mr Peter Jones, Ms Ines Zuchowski, Dr Narayan Gopalkrishnan, Dr Abraham Francis	\$388,000
Strategic Priority	Educating diverse learners:	Dr Kelsey Halbert, Dr Peta Salter,	\$229,000

Commissioned Grant – JCU Lead Institution	curriculum and pedagogical frameworks that bring global perspectives from the periphery to the core	Prof Angela Hill, Ass Prof Debra Miles; Mr Peter Jones; Mr Abishek Bhati; Dr Caroline Wong	
Innovation and Development Grant – JCU Collaboration	Smart casual 2: promoting excellence in sessional teaching in law	Collaboration with Flinders University: led at JCU by Ms Kate Galloway	
Strategic Priority Commission Grants – JCU Collaboration	Shaping the 21st century student experience in non-metropolitan universities	Collaboration with the University of the Sunshine Coast, led at JCU by Dr Kathryn Meldrum	
Strategic Priority Commission Grants – JCU Collaboration	What works best: Strengthening the evidence base for English language practices in higher education	Collaboration with the University of Melbourne and Edith Cowan University, led at JCU by Dr Andrea Lynch	
OLT extension Grants	A Teaching Standards Framework for Nursing and Midwifery	Mr John Smithson, Professor Melanie Birks, Professor Lee Stewart, Professor Jane Mills	\$25,800
OLT extension Grants	Exploring field spaces as learning places: optimising the impact of field-based learning on the student experience	Dr Janet Buchan, Mr Phil Turner, Dr Paul Nelson, Prof Lin Schwarzkopf Janine Sheaves, Dr Orpha Bellwood, Dr Carl Spandler, Dr Michelle Lasen	\$30,000
OLT extension Grants	Going viral: Exploring opportunities for whole of institution collaborations that enhance student learning	Dr Kathryn Meldrum, Ms Kate Sheppard, Dr. Cecily Knight, Dr. Kerry Smith, Assoc Prof. Marilyn Childs (critical friend) (University of Wollongong )	\$27,400

- JCU received a Green Gown Awards Australasia ‘highly recommended’ awards in three categories. The award for the Learning & Teaching category was for JCU’s Bachelor of Sustainability degree. The Green Gown Awards Australasia recognise and reward universities and other tertiary institutions for their sustainability actions and initiatives.
- The following policy and strategy enhancements were achieved in the learning and teaching domain:
  1. *JCU Learning and Teaching Blueprint 2014-2016.*
  2. Draft Massive Open Online Courses (MOOC) Strategy.
  3. *English Language and Numeracy Policy* (recognised as sector leading).
  4. *First Year Experience and Retention Policy.*
  5. Revisions to *Learning, Teaching and Assessment Policy* to assure good practice and TEQSA compliance.
- The following quality assurance enhancements in the learning and teaching domain were achieved:
  1. Revisions to Course performance Reporting (CPR) process (in collaboration with the Quality, Planning and Analytics directorate, CPR, and Standards) to enhance the continuous improvement cycle.
  2. Australian Qualifications Framework now assured for 1<sup>st</sup> January 2015.
  3. Standardised Subject Outline Template developed.
  4. Guidelines and procedures for moderation of grading and reporting of results developed.
- Diploma of Higher Education developed as a designated pathway program.

- Revision of *Graduate Certificate in Education (Academic Practice)* including new subject – *Transforming Learning for Aboriginal and Torres Strait Islander Contexts*.
- Deployment of internal strategic grants and fellowships for innovation and course coherence.
- Support for the development of the JCU Professional College to embed cultural competency modules for students and to embed strong collation with international student support officers.
- Promotion and support of the Learning and Teaching Academy with over 260 members.
- Expansion of the Student Mentor Program with the addition of the Aboriginal and Torres Strait Islander Student Mentor Program.
- *JCU Access, Participation and Success Plan* developed to guide ‘whole of institution’ approach to student equity.
- Extensive professional learning program for academics delivered, including Learning and Teaching week and comprehensive Professional Learning series. The approximate number of attendees was 1,676.
- Learning Spaces Snapshot Project completed to support transition to new learning spaces.
- Implementation of new *YourJCU* Subject and Teaching survey (student feedback system), which has moved response rate from 4.7% (2011) to 44% (2013) and 40% (2014). Introduction of Peer Assisted Study Sessions (PASS) program to support the development of student learning skills.
- Pilot of ‘whole of institution’ Retention Strategy including implementation of *Blackboard Analytics for Learn*.
- New system of embedded learning support – Strategic Integrated Learning Advisors (SILA) – developed and implemented.
- Learning, Teaching, and Student Engagement’s (LTSE) implementation of innovative ‘hub and spoke’ leadership and delivery model with proactive collaborations across the University.
- 2014 had a record number of student completions. Student completions can be represented in numerous ways, and this definition is for ‘Award Completions’ that excludes non-award, enabling, study abroad, exchange and foundation courses. The table below splits these completions by JCU campus locations:

Campus Location	Number of Award Completions
Townsville	2,220
Singapore	921
Cairns	678
Brisbane (RHE 3 <sup>rd</sup> party operated campus)	425
Beijing University of Technology (3 <sup>rd</sup> party operated study site)	68
Mackay	9
Mount Isa	1
Thursday Island	1
<b>TOTAL</b>	<b>4,323</b>

## Key University Level Performance Measures

Measure name:	<b>Institutional Total Student Load (EFTSL)</b>
Type of measure:	Student enrolments and financial performance
2013 Result:	N/A (new measure for 2014)
2014 Target:	16,389
2014 Result:	16,793
Commentary and variance reporting about 2014 result:	Target met.

Measure name:	<b>Institutional Commencing Student Load (EFTSL)</b>
Type of measure:	Student enrolments and financial performance
2013 Result:	N/A (new measure for 2014)
2014 Target:	7,200
2014 Result:	6,867
Commentary and variance reporting about 2014 result:	Target not met, however the result is within the acceptable variance to target. This result was primarily driven by below target results in commencing Commonwealth Supported students and commencing students at the Singapore Campus.

Measure name:	<b>Overall Student Satisfaction (CEQ)</b>
Type of measure:	Teaching Quality Measure
2013 Result:	84.4%
2014 Target:	85.0%
2014 Result:	83.2%
Commentary and variance reporting about 2014 result:	Target not met, however the result is within acceptable variance to target.

## **Domain: Research**

### **Aim**

To undertake and deliver research and research education that is at the forefront of scholarly activity nationally and internationally. Our research will be visionary, generating discoveries that make a difference by advancing disciplinary knowledge, and benefiting the wider community, government and industry.

### **Statement of context**

Over the past triennium, James Cook University has progressively increased its research grant income and publications. The University will continue to establish new institutes and centres in areas of research strength. A training and mentoring program for Early Career Researchers has been established, and research performance reporting has improved.

Research capability and performance varies across the University, though. In particular, the number of staff able to compete for prestigious research grants needs to increase. The retention and recruitment of high performing research staff is a risk for the University. Domestic demand for Higher Degree by Research places remains soft, while scholarships for international Higher Degree by Research students are limited in number. Acquiring, maintaining and operating research infrastructure presents financial and other resource challenges.

The preciseness of James Cook University's Strategic Intent delivers focus. The power of our place is a magnet for people with interests in many fields of research in the tropics. Research performance has potential to rise in several fields, notably health and medicine and in the social sciences. Recent appointments, particularly of Tropical Leaders, have increased the depth and breadth of research capability. Research performance in key fields continues to improve, and we are building national profiles around our areas of expertise. As our expertise and networks grow, our international research collaborations are growing too, driven by our commitment to improving life in the tropics worldwide. These achievements and aspirations are paying dividends, with James Cook University becoming a prestigious employer of people with varied tropical research expertise.

### **Objectives**

1. Increase the alignment of research and research education with the strategic intent, purpose and values of the University.
2. Develop the capability of our staff to participate in high quality, relevant research and recruit and retain staff whose research interests are strongly aligned with our strategic intent.
3. Procure and maintain infrastructure to support world- class research and research education, particularly in our areas of research priority.
4. Develop real value partnerships regionally, nationally and internationally to support our research endeavours and research education in our defined areas of research priority.
5. Deliver best practice research education and training to our post-graduate students, by providing quality learning environments, academic support and effective candidature management
6. Improve the effectiveness and efficiency of research and research education support services and the associated processes.



## Major achievements

- The ARC Centre of Excellence for Coral Reef Studies was awarded \$28m by the Australian Research Council to fund a further seven years research (2014 to 2020). The Centre competed against 103 other applications in a rigorous evaluation process throughout 2013. The continuing Centre has been reorganised into three Research Programs – People and Ecosystems, Ecosystem Dynamics: Past, Present and Future and Responding to a Changing World. The Centre will continue to be headquartered at JCU, with additional nodes at the Australian National University, the University of Queensland and the University of Western Australia. Other partners include the Australian Institute of Marine Science, the Centre National de la Recherche Scientifique, the Great Barrier Reef Marine Park Authority, the International Union for Conservation of Nature, Stanford University (the Center for Ocean Solutions), and WorldFish.
- The 2014 JCU Dean’s List and Dean’s Award for Excellence Award recipients demonstrated excellence in a research higher degree and were commended by their independent examiners for substantial contribution to their field of research. The below table outlines award winners and their research topic:

Researcher	Research topic
Dr Yanbo Cheng, PhD (Earth Sciences)	'Geological evolution of the World Class Geujiu Ore District, SW China: information from magmatism, mineralisation and microanalysis studies'
Dr Andrew Chin, PhD (Environmental Science)	'The biology and ecology of the Blacktip Reef Shark <i>Carcharhinus melanopterus</i> (Quoy & Gaimard, 1824) and implications for management'
Dr Marina Farr, PhD (Economics)	'Estimating the demand for and economic value of 'Fish' in the recreational fishing and tourism sectors: general methodological issues and empirical findings relevant to the Great Barrier Reef'
Dr Robert Holm, PhD (Earth Sciences)	'Magmatic arcs of Papua New Guinea: insights into the Late Cenozoic Tectonic evolution of the northern Australian plate boundary'
Dr Manish Kumar Jha, PhD (Engineering – Civil)	'Linked Simulation-Optimization Based Methodologies for Unknown Groundwater Pollutant Source Identification in Managed and Unmanaged Contaminated Sites'
Dr Morgane Moreau, PhD (Biochemistry)	'DNA replication of <i>Escherichia coli</i> : a comprehensive study of the Tus-Ter complex'
Dr Philippa Sharman, PhD (Public Health & Tropical Medicine)	'Identification of enzymes potentially involved in the formation of the oocyst wall of coccidian parasites'
Dr Amelia Wenger, PhD (Marine Biology)	'Suspended sediment and its effects on the behaviour and physiology of coral reef fishes'

- Professor Michael Bird received a prestigious Australian Laureate Fellowship. The five year, \$2.6 million dollar fellowship will allow Professor Bird to study environmental changes in Australia before, during and after the arrival of humans. In 2014, JCU was amongst the top eight universities in the country in terms of number of Australian Laureate Fellowships awarded.
- Professor Dean Jerry and colleagues were awarded \$5m over 5 years for one of 7 Industrial Transformation Hubs (and the only successful bid from Queensland). This award is one of the federally funded ARC Linkage Programs, and will be used to conduct genetic and genomic research for black tiger prawn aquaculture. This was the largest grant awarded and has attracted an additional \$13m cash and in-kind contributions from industry.

- JCU was successful in receiving funding of about \$3.698m in total from the 2014 round of NHMRC (National Health and Medical Research Council) funding. This was for a total of 6 grants, comprising of 5 project grants, and 1 ECR (Early Career Researcher) grant. The project grants were awarded to Professor Jonathan Golledge (\$648k + \$663k) for two grants, Dr India Bohanna (\$858k), Professor Alexander Loukas (\$743k), and Associate Professor Andreas Lopata (\$477k). The ERC grant was awarded to Dr Phurpa Wangchuk (\$309k).

### Key University Level Performance Measures

Measure name:	<b>Research Income (HERDC categories 1-4 )</b>
Type of measure:	Research activity
2013 Result:	\$54.1m
2014 Target:	\$46.4m
2014 Result:	\$65.3m
Commentary and variance reporting about 2014 result:	Result is unadjusted and unaudited. Figure updated 18-2-2015. Target was indicatively exceeded. Approximately \$10m income from the ARC for AITHM is included for operating funds. Other variances will require further work and time to analyse. NB: Final result is from the HERDC Return which is completed midyear and is based on financial year.

Measure name:	<b>HERDC Publication (points)</b>
Type of measure:	Research activity
2013 Result:	950
2014 Target:	980
2014 Result:	1,082
Commentary and variance reporting about 2014 result:	Target exceeded. Due to the timing of release of publications, the result is for the previous year, but reported as the current reporting period.

Measure name:	<b>Total number of HDR Student Completions (International &amp; Domestic)</b>
Type of measure:	Student outcomes, and research outputs (RTS)
2013 Result:	98
2014 Target:	115
2014 Result:	105
Commentary and variance reporting about 2014 result:	Target not met. A large push was directed from the Graduate Research School and other key areas to drive this result, which was placed at 46 completions mid-year. This result is an improvement over the 2013 result.

Measure name:	<b>Reputation - International Rankings</b>
Type of measure:	International reputation
2013 Result:	Top 400
2014 Target:	Top 400
2014 Result:	Top 400
Commentary and variance reporting about 2014 result:	Target met. Rankings as per the Academic Ranking of World Universities.

## **Domain: Engagement**

### **Aim**

The University through its staff, students, graduates, research outcomes and partnerships will engage with communities, industry and the professions in the tropics worldwide, and be recognised and acknowledged as a leading international university for and of the tropics.

### **Statement of context**

For more than 40 years James Cook University has focused on issues of importance to the tropical world, and has helped drive sustainable social, cultural and economic development in northern Queensland. James Cook University embraces the diversity of the communities it serves in two countries, and works with those communities and stakeholders to create opportunities and lasting benefits. In addition, through our work integrated learning (WIL) programs across a variety of disciplines, and through student-led clinics, James Cook University is expanding the range of services available to communities.

Key risks include increased competition for domestic undergraduate students, and the volatility of the international student market caused in part by economic circumstances, government regulation and increased competition.

### **Objectives**

1. Provide opportunities for our students to travel and study overseas through cross-campus opportunities, exchanges, short courses and study abroad programs.
2. Stay in touch with our domestic and international alumni and find ways they can meaningfully contribute to our institutional priorities.
3. Be a partner and advocate, integral to the social, cultural and intellectual life of our communities.
4. Work closely with professional bodies, employers, government agencies and other partners to constantly update our knowledge of what tropical regions need, and ensure that our research and academic programs can meet those needs.
5. Attract students, staff and visitors from within and outside the tropics, and thereby promote understanding and advocacy of the region.

### **Major achievements**

- JCU launched the 'State of the Tropics' 2014 report in Myanmar in June with Nobel Laureate, Aung San Suu Kyi, as the key speaker. Led by James Cook University, the State of the Tropics project is a ground-breaking initiative that brings together leading research institutions from across the world's tropical regions to answer the simple question: is life in the Tropics improving? For the first time, 12 research institutions from across the globe have combined to develop the comprehensive report. The State of the Tropics analyses a broad range of environmental, social and economic indicators and is designed to provide a foundation for policy makers, analysts and others to examine in greater detail the Tropics and the major issues affecting the region.
- JCU launched its Reconciliation Action Plan (RAP) at the Townsville campus on the 8<sup>th</sup> of October 2014. The RAP further strengthens JCU's commitment to enhance the lives of Australian Aboriginal and Torres Strait Islander peoples through education and research. The RAP focuses on four core areas being relationships; respect; opportunity and the

tracking of progress and reporting. Other JCU RAP launches were held at the Cairns, Mount Isa, Thursday Island and Mackay campuses.

- 2014 JCU Outstanding Alumni awards recognise the achievement by individuals who are part of the JCU global community. The 2014 Outstanding Alumni award recipients are listed in the below table:

Award category	Award recipient
Outstanding Early Career Alumni Recipients	Ms Andrea Ambrosio
	Dr Katherine Bode
	Dr Sam Goodwin
	Ms Sarah Douglass
Outstanding Alumni Award Recipients	Mr George Peever
	Prof. Paul Amato
	Dr Colin Grant
	Mr David Peever
	Mr Daniel Christie
	Ms Natalie James
	Prof. Gracelyn Smallwood
The Chancellor's Award Recipient	Dr Jeffrey Ayton

- In 2014, James Cook University became the principal naming rights partner of the Townsville Fire Women's Basketball League (WBL) club. Under the agreement, the club will be known as the JCU Townsville Fire for the next three years. During the partnership, JCU will offer scholarships to a number of players who wish to undertake tertiary study. JCU joined the National Network of Elite Athlete Friendly Universities in 2013, which provides support for athletes to help balance sport and study, further cultivating JCU's commitment to community engagement.
- JCU received Green Gown Awards Australasia 'highly commended' awards in three categories. The award for the Student Engagement category was for the work of JCU's Sustainability Club in Cairns. It also received a highly commended award in the category of Social Responsibility for the State of the Tropics report. The Green Gown Awards Australasia recognise and reward universities and other tertiary institutions for their sustainability actions and initiatives.
- In 2014, JCU received \$212,080 in funding from the New Colombo Plan (NCP). The NCP is a \$100m over 5 year Federal Government initiative whereby Australian university students are sent abroad to learn, build friendships and strengthen ties with neighbouring Asia-Pacific and Indian Ocean countries. The individual achievements in this area are detailed in the below table:

Academic Staff member	Destination	Number of Students	Study purpose	Funding
Nigel Chang	Laos	6	Heritage, Archaeology and the Mysteries in Upland Laos	\$19,800
Laurie Murphy	Vietnam	10	Agritourism in the Mekong Delta	\$33,000
Lisa Law	Singapore	20	Field studies in tropical geography	\$47,080
Boyen Huang	Taiwan	8	Clinical practice for dentistry students	\$26,400
Boyen Huang	Japan	12	Clinical practice for dentistry students	\$39,600
Peta-Ann Teague	Fiji	14	Clinical placement in Obstetrics and Gynaecology	\$46,200

### Key University Level Performance Measures

Measure name:	<b>Number of 1st Preferences to QTAC</b>
Type of measure:	Market share
2013 Result:	6,648
2014 Target:	6,781
2014 Result:	6,554
Commentary and variance reporting about 2014 result:	Result is under target but is still within the acceptable variance to target. Prestige programs (ie, Medicine) continue to attract very high numbers of 1st Preferences compared to available places. This is a solid result, especially considering the overall decrease in QTAC first preferences in 2014 across QLD compared to 2013.

## **Domain: Organisational effectiveness**

### **Aim**

To be an innovative university with a culture of accountability, responsive to opportunity and the capacity to respond to the ever-changing external environment. We will achieve organisational and operational effectiveness through high quality leadership and management.

### **Statement of context**

Through good leadership and management we plan, implement, evaluate and improve the University's operations and performance. We are accountable through informed and flexible decision making based on our values and evidence-based analysis.

Our decisions and services are aligned with the University's strategic intent, priorities and core business. We will always seek to improve the way we do things through using resources wisely and challenging "business-as-usual" approaches. New ideas will always be welcome. New services and processes help us do business in the most sustainable and efficient way possible.

### **Objectives**

1. Make continuous improvement and accountability the norm.
2. Systematically evaluate and assess university performance and operational effectiveness.
3. Provide high quality client service, decrease costs, and improve productivity and results.
4. Effectively communicate improvements and changes.

### **Major achievements**

- Continued development and implementation of Cognos Business Intelligence tools across student datasets, and development work done on the Staff and financial datasets, which are to be released in early 2015. This work has enabled staff to have easy and timely access to data, has increased our business intelligence and analytics capability, and has begun to change the culture of the University towards more evidence-based decision making.
- In late 2014, JCU divested its bookshops (Townsville and Cairns campuses) that were successfully migrated to a co-operative (Co-op) bookshop arrangement owned and operated through 'University Co-operative Bookshop Limited' ABN 70 009 937 160. Effectiveness benefits include greater access of resources for students, improved buying power for students via a nation-wide network of Co-op bookshops, student ownership of Co-op bookshops through share membership, and reduced costs for the University.
- Process improvements were implemented by the Procurement Office to streamline some operations and improve efficiencies and effectiveness for the University.
- A new Policy Framework was developed and endorsed by Council, and progress was made to implement the Framework in the reporting year. The new Framework aims to improve clarity and effectiveness for policy users. Improvements were also implemented to enhance the processes for the development and approval of policies, procedures, and delegations and the management of policy library.
- A review of the Academic Governance was undertaken in 2014 with outcomes to work hand-in-hand with the insights from a committee structure review project, also undertaken in 2014. Both of these reviews will improve organisational effectiveness, communication and efficiencies within the governance areas of the University.

## Key University Level Performance Measures

Measure name:	<b>TEQSA Compliance (Threshold Standards)</b>
Type of measure:	Compliance
2013 Result:	Yes (Compliant)
2014 Target:	Yes (Compliant)
2014 Result:	Yes (Compliant)
Commentary and variance reporting about 2014 result:	Target met. TEQSA Compliance is now the responsibility of the QPA (Quality, Planning and Analytics) directorate. Current work plans and milestones are being met and continually monitored.

Measure name:	<b>WH&amp;S compliance progress scorecard</b>
Type of measure:	Compliance
2013 Result:	N/A (new measure for 2014)
2014 Target:	Improvement in overall Risk Rating
2014 Result:	Not met
Commentary and variance reporting about 2014 result:	WH&S is a continual journey for JCU with a huge body of work being successfully completed. An extra 246 items of work were completed over the work plan of 1,465 items, bringing the total items completed to 1,711 throughout 2014. However, two main areas (WHS Act and WHS Regulations) did not meet the planned items completions targets, therefore the 'overall risk rating' did not improve. It should be acknowledged in this context that other core Workplace Health & Safety indicators have displayed continual improvements.

## **Domain: Human and intellectual capital**

### **Aim**

To attract, engage, develop and retain quality people with the skills, knowledge, experience, competencies and values required to fulfil the needs and deliver the outcomes of the University both now and in the future.

### **Statement of context**

The next five to ten years will see more exits from the Australian workforce than incoming recruitments due to decreased fertility rates and the aging of the Australian population. The recent global financial crisis and the removal of a forced retirement age have delayed the impact of the restricted labour market, although some areas are discovering that recruitment is becoming more competitive. Therefore, retaining employees through strategies and initiatives that support employee engagement has become a high priority.

Aligning strategic workforce planning with corporate planning is needed to forecast future demands and identify potential supply. Strategic workforce planning can be used to expand, reduce or better utilise a workforce, providing a direct link between the workforce and the future direction of the University. The University must become more flexible and agile to respond to changing demands and industrial frameworks must deliver flexibility.

Strategic planning will be used to develop staff initiatives and workforce development programs by identifying future capability and cultural requirements. Such planning not only drives professional development but also provides the foundation for strategic recruitment and retention.

James Cook University is committed to developing its future leaders. Building upon the wealth of wisdom and experience embodied by our current academic leaders, we will use succession planning to identify and nurture those who will take James Cook University into the future. Wherever leadership potential is found, we will match it with experienced coaches and mentors who lead by example.

James Cook University is strongly committed to equity and diversity in the workplace and aspires to continue developing a workforce that reflects the diversity, capacities and capabilities of people from the regions in which we operate.

### **Objectives**

1. Align workforce planning to the corporate planning cycle in order to identify and plan for future capability requirements.
2. Attract, develop and retain quality employees and be recognised by the Commonwealth Government as an Employer of Choice.
3. Deliver a HR framework that affords flexibility to meet future University change.
4. Develop an effective management culture and leadership capabilities.
5. Create an environment that recognises and supports the diverse cultural communities, in which the University resides.
6. Ensure the well-being of staff/students/visitors by providing healthy and safe campuses and facilities.



## Major achievements

- JCU's internal HR system, called 'My HR Online', was successfully upgraded in late 2014. The upgrade included appearance enhancements and streamlined functionality for approval processes (eg: approval of annual leave).

## Workforce planning, attraction and retention, and performance

QLD Government Measures	2014 Result
Workforce Profile: Full-time equivalent staff (FTE)*	2123.1
Workforce Profile: Permanent separation rate*	16%

\*Excludes JCU Singapore (international campus), and JCU Brisbane Campus (third party operation).  
Definitions are QLD Government definitions.

## Key University Level Performance Measures

Key University Level Performance Measures are currently not applicable to this Domain. There are other performance measures that are used to assess performance of the University's human and intellectual capital.

## **Domain: Physical and virtual infrastructure**

### **Aim**

To match our physical and virtual infrastructure to the needs of a scholarly institution of international renown, where students, staff and visitors can gather in environments that are safe, sustainable and fit-for-purpose. James Cook University research and learning facilities, services and communication technologies will encourage productivity and excellence among staff and students.

### **Statement of context**

We speak of the power of place, of our location being our laboratory. While that place is the tropics, the notion of place also speaks to our physical fabric and facilities. In recent years, we have significantly increased our investment in physical and virtual assets to underpin our work and to enable staff and students to work and study in environments of the calibre they deserve.

We must continue to develop and deliver targeted, sustainable, enabling infrastructure and services - a fresh interpretation of the importance of place. Our investment in, and costs of, managing our estate will increase over the next decade as the Cairns campus grows rapidly, we work to meet accreditation, pedagogical and research related requirements and we establish a campus in Singapore that matches our aspirations. We will be looking at increasing our use of existing space and implementing new energy efficiency measures to help manage spiralling costs. We have deployed significant additional funding to invest in our physical and virtual infrastructure, part of the long process of redressing our ageing infrastructure and capital renewal challenges.

We will provide information and communication technology systems and services that achieve a balance between corporate, research and teaching and learning needs while being efficient and environmentally sustainable. Our ICT systems will place our scholarly activities first, both on and off our campuses.

Universities always face tensions between operating and capital investment. We recognise that failure to continue investing in physical and virtual infrastructure will make our future aspirations harder to achieve. Through careful planning, we aim to get the balance right.

### **Objectives**

1. Deliver safe and contemporary learning spaces that make our campuses places of destination.
2. Be a leader in environmentally sustainable infrastructure development and operations and innovative information and communication technologies.
3. Create a knowledge community through implementing Discovery Rise on the Townsville campus.
4. Provide a robust virtual and physical environment that fosters sustainable teaching and research and builds a sense of community both on and off our campuses.
5. Increase use of existing space to maximise return on investment and defer the need for investment in new infrastructure.
6. Investigate alternative options for new infrastructure (such as the Clinical Practice Building and the Science Place, as well as Cloud hosted ICT solutions) that don't detract from existing operations.

## Major achievements

- In October, JCU won a top international architectural award for the new 'Education Central' building on the Townsville campus. The Council of Educational Facility Planners International (CEFPI) in Portland, Oregon USA has awarded Education Central a "Project of Distinction". It is the third major architectural award the Education Central building has won in 2014. In May, Education Central won CEFPI Australasia's award for the overall major new education construction project. In June, Education Central won the Walter & Oliver Tunbridge Award for Building of the Year in the Public Architecture category at the Australian Institute of Architects National Architecture Awards.
- The Cairns Institute building, located on JCU's Cairns campus, won the 2014 Master Builders Far North Queensland Project of the Year award.
- JCU was awarded \$84m towards the development of the Australian Institute of Tropical Health and Medicine (AITHM). \$42m was contributed by the Qld State Government, being matched by \$42m from the Federal Government. The key nodes will be located in Townsville, Cairns, the Torres Strait and Mackay. AITHM's programs will encompass public health, biomolecular, clinical, translational, and health systems research that is strongly focused on the health issues of most importance to tropical Australia, delivering significant public health benefit locally, regionally and globally. Through its research and innovation, and in partnership with key community organisations and health service providers, AITHM aims to be a world leader and fill a major gap that currently exists at the interface between cutting edge research and scientific expertise, and health service, workforce and policy delivery.
- JCU signed an exclusive dealing deed to develop student accommodation facilities on the Cairns Campus. The dealing is with Hua Yuan (Australia) Holding Pty. Ltd, that will build, own and operate the accommodation. The multistorey buildings will offer single room accommodation and ensuite bathrooms, and will be fully catered. This is the first stage of accommodation for the Cairns campus, and it is envisaged that this stage of approximately 300 rooms will be completed before students commence studies in 2016.
- In 2014, JCU undertook a long term lease of a new three-story teaching and student services centre in the middle of Townsville's CBD. The space is set to open in 2015 and includes a boardroom and meeting facilities, allowing the University to engage more directly with business and the local community. This will enhance further accessibility and experiences for students who live or work near the city centre.
- Demolition work commenced on the Townsville campus in preparation for the commencement of construction of the new \$80m 'Science Place'.
- Space utilisation audits were undertaken throughout 2014 concentrating on some key learning and teaching spaces. The audits have assisted with understanding and improving the use of these spaces, and enhancing the student experience through improved timetabling. This has also lead to the development of installing new automated student counters on currently 9 key learning and teaching spaces. These automated counters record accurate data on room usage that can further enhance timetabling, maintenance, and maximise available space. It is envisaged that more of these automated counting units will be deployed to continually improve space utilisation, and improve the holistic management of learning and teaching space.

- JCU has experienced rapid growth at its campus sites in Singapore. The Singapore Campus was split over two sites, and will now be amalgamated into a new single larger site to accommodate expansion. The new property has been secured from the Singapore Government via leasehold arrangement, and will be extensively redeveloped from its previous use as a major public high school into a vibrant and modern university campus. The redevelopment work will be finalised in early 2015 with operations to commence immediately after. The proximity of the new campus to the Singapore CBD and new sports hub will further enhance the experience of students and links to business and industry. The Singapore Campus is a gateway to Asia, and is a cornerstone for JCU to deliver on its objective of creating a brighter future for life in the Tropics world-wide.
- An ICT (Information and Communication Technology) Blueprint was developed, which documented a vision for how information technology will enable our core business and enablers over the next three years. Supported by ICT Asset Management Plan, this will provide context and aid the planning and executing of major ICT projects.
- JCU achieved a very significant result in the national Universities IT Service Quality Survey this year. JCU scored an overall benchmark ranking of 6th in 2014, up from 9th in 2013, which placed JCU 2nd in Queensland, 2nd in Australia and New Zealand regional Universities, and 1st in Australia and New Zealand for Desktop Services and 4th in Australia and New Zealand for Third Tier Support Services.
- The Student Placement Project was completed this year through the ICT directorate, with the InPlace software now supporting clinical placement and work integrated learning across all relevant disciplines. This has allowed JCU to significantly increase the number of students placed into the work environment, achieving key objectives in this area.
- JCU implemented additional virtual infrastructure to the RDSI (Research Data Storage Infrastructure) node in Townsville (the only one outside of a capital city) within a very short period, taking our local research data storage capacity to 1.6 Petabytes. The RDSI work at JCU continues to reinforce our standing as a leader in innovative research.
- Working with National Research Network Project funding, JCU was granted funds to implement a significant upgrade to the AARNet (Australia's Academic and Research Network) data network. This work will be completed in 2015 and secure a major increase in data bandwidth to support JCU well into the future.

### Key University Level Performance Measures

Measure name:	<b>Estate Management (GFA/EFTSL)</b>
Type of measure:	Efficiency of space utilisation
2013 Result:	18.45
2014 Target:	19.17
2014 Result:	17.11
Commentary and variance reporting about 2014 result:	Target exceeded. A lower ratio represents a better use of space. This result was achieved by a combination of about an 8.7% reduction from targeted space, and a 2.3% increase in EFTSL over target, on the Townsville and Cairns Campuses only.

## **Domain: Finance and resources**

### **Aim**

To be financially sustainable and ensure sufficient resources are available to invest in our continued growth to enable achievement of our aspirations.

### **Statement of context**

We are operating in an increasingly competitive global environment, confronted by new challenges and opportunities, both domestically and internationally. We need to be sensitive to international events including factors outside our control. Competition is rising within our region from other universities. The introduction of the new demand driven model from 2012 has heightened competition and our branding and marketing strategies need to be flexible enough to respond. An important factor in our planning is the fact that domestic students tend to seek a university place during times of economic downturn.

Changing government policy and funding arrangements will influence how we operate. The ever-changing external environment has to be accommodated, while we remain true to our strategic intent and continue serving the needs of our region.

We are in an investment phase as part of the next stage of our development. We are making decisions about the best way to deploy our resources so that we can fulfil our objectives and keep on investing in our future. Prioritising resources is carried out in accordance with prescribed processes and aligned to the Vice-Chancellor's priorities set annually. We are guided by a need to keep James Cook University growing while controlling our expenditure.

Challenging but attainable planning targets are developed for our student population at our Townsville, Cairns and Singapore campuses. These targets provide a foundation for the University budget and lay down the path we need to follow. We expect that our research income will grow, based on current projections.

The higher education environment is volatile and many matters are outside our direct control. Nevertheless, we can work with these constraints by managing our finances and resources in a smart and flexible way.

### **Objectives**

1. Manage resources in an ethical, financially responsible and sustainable way.
2. Make the most of our capabilities to achieve accountable, consistent and efficient financial management.
3. Ensure that we have a teaching funding base sufficient to support our research aspirations and a planned approach to enterprise management and growth.
4. Meet both domestic and international student demand challenges by investing in new initiatives.
5. Adopt a continuous improvement culture that places productivity and value for money as top priorities.
6. Integrate the risk management framework into University wide processes, procedures and decision making.

## Major achievements

- A consultative process of refreshing JCU's 'Planning, Budgeting and Performance Measurement' process to further enhance the integration of strategic initiatives into the financial framework was undertaken throughout 2014. This will further align budgets with long term strategies and risk management.
- JCU joined the UniForum benchmarking group during 2014. The purpose of UniForum is to analyse university operations, and excludes academic and research efforts. This information will gain insight into ways to improve effectiveness and efficiency. The benefits of UniForum benchmarking will be fully realised in future years when a trend of reliable benchmarked data is available.
- JCU has continued with its predicative modelling and cost modelling projects. These projects have allowed the university to focus management efforts on understanding the underlining costs in the business, and have enhanced future decision making capabilities.

## Key University Level Performance Measures

Measure name:	<b>% Net Operating Result/Income</b>
Type of measure:	Financial management success
2013 Result:	3.3%
2014 Target:	4.2%
2014 Result:	11.9%
Commentary and variance reporting about 2014 result:	The target ratio of 4.2% was based on a budgeted Net Operating result of \$19.130m. This target was exceeded due to higher income from: <ul style="list-style-type: none"> <li>&gt; Australian Research Council funding;</li> <li>&gt; Australian Government Capital Grants;</li> <li>&gt; Research contracts; and</li> <li>&gt; Higher income from course fees and charges.</li> </ul> These increases to income resulted in a better than expected operating result of \$61.120m and a Net Operating Result/Income ratio of 11.9%.

Measure name:	<b>Unqualified Audit Outcome</b>
Type of measure:	Financial management standard
2013 Result:	Yes
2014 Target:	Yes
2014 Result:	Yes
Commentary and variance reporting about 2014 result:	There were no major reportable issues arising from the financial audit.

## Financial overview

2014 Net Operating Result	\$m
<b>Total</b>	<b>61.120</b>

2014 Employee Benefits as a % of Total Expenses	\$m
<b>Total</b>	<b>55.03%</b>

2014 Assets V Liabilities	\$m
Current Assets	248.245
Current Liabilities	69.749
<b>Current Ratio</b>	<b>3.56</b>

2014 Revenue	\$m
Australian Government grants	216.817
HECS-HELP - Australian Government payments	70.507
FEE-HELP - Australian Government payments	3.396
SA-HELP - Australian Government payments	1.985
Other Australian Government grants	48.859
State and Local Government financial assistance	10.705
HECS-HELP - Student Payments	8.611
Fees and charges	90.633
Investment revenue	9.519
Royalties, trademarks and licenses	5.165
Consultancy and contracts	33.069
Sale of goods	4.542
Other revenue	6.147
Other investment income	2.631
Other Income	-3.112
<b>Total</b>	<b>509.474</b>

2014 Capital Expenditure	\$m
Land and Buildings & WIP	15.569
Other Plant & Equipment	4.974
Computer Hardware	0.133
Library Collections	0
Museums and Art	0
Leasehold Improvements	1.561
Infrastructure	3.024
Vehicles	0.859
<b>Total</b>	<b>26.120</b>

2014 Expenditure	\$m
Employee benefits and on costs	246.73
Depreciation and amortisation	37.194
Repairs and maintenance	16.384
Finance costs	5.567
Impairment of assets	1.966
Investment losses	0.001
Other expenses	140.512
<b>Total</b>	<b>448.354</b>

## **Financial statements and notes**

The following pages contain the financial Statements and notes



**JAMES COOK UNIVERSITY**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	Consolidated \$'000		Parent Entity \$'000	
		2014	2013	2014	2013
<b>REVENUE FROM CONTINUING OPERATIONS</b>					
Australian Government financial assistance					
Australian Government grants	2	216,817	178,418	216,817	178,418
HECS-HELP - Australian Government payments	2	70,507	66,808	70,507	66,808
FEE-HELP - Australian Government payments	2	3,396	2,588	3,396	2,588
SA-HELP - Australian Government payments	2	1,985	2,026	1,985	2,026
Other Australian Government grants	2	48,861	35,426	48,859	35,426
State and Local Government financial assistance					
HECS-HELP - student payments	3	10,705	9,057	10,705	9,057
Fees and charges	4	8,611	9,635	8,611	9,635
Fees and charges	4	139,548	124,239	90,633	77,171
Investment revenue	5	10,034	7,063	9,519	8,463
Royalties, trademarks and licences		20	12	5,165	4,459
Consultancy and contracts	6	33,069	37,731	33,069	37,731
Sale of goods		4,541	4,529	4,542	4,523
Other revenue	7	5,502	5,138	6,147	5,121
<b>Total revenue from continuing operations</b>		<b>553,596</b>	<b>482,670</b>	<b>509,955</b>	<b>441,426</b>
Share of profit or loss on investments accounted for using the equity method					
	20	9	(18)	-	-
Other investment income	5	2,631	-	2,631	-
Other income	7	(2,340)	2,739	(3,112)	1,451
<b>Total revenue and income from continuing operations</b>		<b>553,896</b>	<b>485,391</b>	<b>509,474</b>	<b>442,877</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>					
Employee benefits and oncosts	8	265,424	253,611	246,730	235,170
Depreciation and amortisation	9	39,942	29,608	37,194	28,239
Repairs and maintenance	10	17,818	24,400	16,384	22,253
Finance costs		7,043	3,321	5,567	2,997
Impairment of assets	11	2,011	591	1,966	461
Investment losses	5	1	-	1	-
Other expenses	12	158,805	154,919	140,512	138,866
<b>Total expenses from continuing operations</b>		<b>491,044</b>	<b>466,450</b>	<b>448,354</b>	<b>427,986</b>
<b>Net result before income tax</b>		<b>62,852</b>	<b>18,941</b>	<b>61,120</b>	<b>14,891</b>
Income tax expense	13	673	490	-	-
<b>Net result after income tax for the period</b>		<b>62,179</b>	<b>18,451</b>	<b>61,120</b>	<b>14,891</b>
Other comprehensive income after income tax:					
Gain/(loss) on revaluation of land, buildings and infrastructure	22(b)	48,567	(6,759)	48,567	(6,759)
Change in fair value of available for sale financial assets	21(b)	(1,904)	3,466	(1,904)	3,466
Exchange differences on translation of foreign operations	30(b)	575	641	-	-
<b>Total other comprehensive income for the period</b>		<b>47,238</b>	<b>(2,652)</b>	<b>46,663</b>	<b>(3,293)</b>
<b>Total comprehensive income for the period</b>		<b>109,417</b>	<b>15,799</b>	<b>107,783</b>	<b>11,598</b>

**JAMES COOK UNIVERSITY**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2014**

	Notes	Consolidated \$'000		Parent Entity \$'000	
		2014	2013	2014	2013
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	16	240,572	173,513	213,191	137,408
Trade and other receivables	17	29,152	23,184	26,590	29,491
Inventories	18	612	1,955	90	1,469
Non-current assets held for sale	19	125	-	125	-
Prepayments		8,326	9,634	8,249	9,498
<b>Total current assets</b>		<b>278,787</b>	<b>208,286</b>	<b>248,245</b>	<b>177,866</b>
<b>NON-CURRENT ASSETS</b>					
Trade and other receivables	17	-	2,198	28,773	30,589
Investments accounted for using the equity method	20	344	335	-	-
Other financial assets	21	33,996	32,093	34,918	33,066
Property, plant and equipment	22	703,290	669,655	657,414	623,870
Intangible assets	23	4,983	4,312	4,983	4,312
Other non-current assets	24	430	-	-	-
<b>Total non-current assets</b>		<b>743,043</b>	<b>708,593</b>	<b>726,088</b>	<b>691,837</b>
<b>TOTAL ASSETS</b>		<b>1,021,830</b>	<b>916,879</b>	<b>974,333</b>	<b>869,703</b>
<b>CURRENT LIABILITIES</b>					
Current tax liabilities	25	853	938	-	-
Trade and other payables	26	22,336	24,032	15,448	19,709
Borrowings	27	21,291	7,427	18,495	4,666
Employee benefit liability	28	25,927	22,106	25,682	21,835
Other liabilities	29	23,968	25,500	10,124	10,817
<b>Total current liabilities</b>		<b>94,375</b>	<b>80,003</b>	<b>69,749</b>	<b>57,027</b>
<b>NON-CURRENT LIABILITIES</b>					
Deferred tax liabilities	25	114	178	-	-
Borrowings	27	71,730	90,835	71,035	87,505
Employee benefit liability	28	25,403	24,784	25,250	24,655
Other liabilities	29	-	288	-	-
<b>Total non-current liabilities</b>		<b>97,247</b>	<b>116,085</b>	<b>96,285</b>	<b>112,160</b>
<b>TOTAL LIABILITIES</b>		<b>191,622</b>	<b>196,088</b>	<b>166,034</b>	<b>169,187</b>
<b>NET ASSETS</b>		<b>830,208</b>	<b>720,791</b>	<b>808,299</b>	<b>700,516</b>
<b>EQUITY</b>					
Parent entity interest					
Retained earnings	30(a)	584,914	522,735	563,794	502,674
Asset revaluation surplus	22(b)	240,885	192,318	240,885	192,318
Amounts recognised directly in equity relating to non-current assets classified as held for sale	21(b)	3,620	5,524	3,620	5,524
Foreign currency translation reserve	30(b)	789	214	-	-
<b>Total parent entity interest</b>		<b>830,208</b>	<b>720,791</b>	<b>808,299</b>	<b>700,516</b>
<b>TOTAL EQUITY</b>		<b>830,208</b>	<b>720,791</b>	<b>808,299</b>	<b>700,516</b>

**JAMES COOK UNIVERSITY**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2014**

<b>Consolidated</b>	Retained earnings \$'000	Reserves \$'000	Total \$'000
Balance at 1 January 2013	504,571	200,421	704,992
Transfers/reclassifications	(287)	287	-
Total comprehensive income			
Parent entity	18,451	(2,652)	15,799
Total	18,451	(2,652)	15,799
Balance at 31 December 2013	<u>522,735</u>	<u>198,056</u>	<u>720,791</u>
Balance at 1 January 2014	522,735	198,056	720,791
Total comprehensive income			
Parent entity	62,179	47,238	109,417
Total	62,179	47,238	109,417
Balance at 31 December 2014	<u>584,914</u>	<u>245,294</u>	<u>830,208</u>
<b>Parent Entity</b>	Retained earnings \$'000	Reserves \$'000	Total \$'000
Balance at 1 January 2013	488,070	200,848	688,918
Transfers/reclassifications	(287)	287	-
Total comprehensive income			
Parent entity	14,891	(3,293)	11,598
Total	14,891	(3,293)	11,598
Balance at 31 December 2013	<u>502,674</u>	<u>197,842</u>	<u>700,516</u>
Balance at 1 January 2014	502,674	197,842	700,516
Total comprehensive income			
Parent entity	61,120	46,663	107,783
Total	61,120	46,663	107,783
Balance at 31 December 2014	<u>563,794</u>	<u>244,505</u>	<u>808,299</u>

**JAMES COOK UNIVERSITY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	Consolidated \$'000		Parent Entity \$'000	
		2014	2013	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Australian Government financial assistance					
Australian Government		217,333	175,601	217,336	175,601
Capital grants - Australian Government		15,254	7,556	15,254	7,556
HECS-HELP - Australian Government payments		67,567	65,909	67,567	65,909
FEE-HELP - Australian Government payments		3,200	2,540	3,200	2,540
SA-HELP - Australian Government payments		2,128	2,040	2,128	2,040
Other Australian Government grants		33,605	27,870	33,605	27,870
HECS-HELP - student payments		8,611	9,635	8,611	9,635
FEE-HELP - student payments		1,553	1,955	1,553	1,955
Queensland State Government		6,705	6,747	6,705	6,747
Capital Grants - Queensland State Government		4,000	2,309	4,000	2,309
Interest received		8,438	7,987	7,214	7,672
Dividends and property trust distributions received		1,340	1,100	1,340	1,100
Receipts from student fees and other customers		200,764	200,097	142,471	143,975
Payments to suppliers and employees		(459,705)	(444,689)	(405,977)	(396,080)
Interest and other costs of finance		(5,122)	(2,643)	(3,612)	(2,010)
GST recovered / (paid)		(902)	(382)	(857)	(650)
Income tax paid		(822)	(695)	-	-
<b>Net cash provided by / (used in) operating activities</b>	39	<b>103,947</b>	<b>62,937</b>	<b>100,538</b>	<b>56,169</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of financial assets		10,266	-	10,266	-
Proceeds from sale of property, plant and equipment		435	259	435	259
Payments for property, plant and equipment		(30,857)	(60,506)	(27,770)	(39,437)
Payments for financial assets		(11,523)	(1,020)	(11,463)	(1,037)
Proceeds from loans to related parties		3,121	-	8,774	-
Payments of loans to related parties		(1,391)	(2,902)	(382)	(22,473)
<b>Net cash provided by / (used in) investing activities</b>		<b>(29,949)</b>	<b>(64,169)</b>	<b>(20,140)</b>	<b>(62,688)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from borrowings		-	55,241	-	55,162
Repayments of borrowings		(7,310)	(3,389)	(4,686)	(1,479)
<b>Net cash provided by / (used in) financing activities</b>		<b>(7,310)</b>	<b>51,852</b>	<b>(4,686)</b>	<b>53,683</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>66,688</b>	<b>50,620</b>	<b>75,712</b>	<b>47,164</b>
Effects of exchange rate changes on cash and cash equivalents		371	82	71	-
Cash and cash equivalents at the beginning of the financial year		173,513	122,811	137,408	90,244
<b>Cash and cash equivalents at end of financial year</b>	16	<b>240,572</b>	<b>173,513</b>	<b>213,191</b>	<b>137,408</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The principal address of James Cook University is: 1 James Cook Drive, Townsville, Queensland 4811.

**Basis of preparation**

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

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

- *Higher Education Support Act 2003* (Cth) (Financial Statement Guidelines)
- *Financial Accountability Act 2009* (Qld)
- Financial Reporting Requirements for Queensland Government Agencies (including Accounting Policy Guidelines)

James Cook University is a not-for-profit entity and these statements have been prepared on that basis. Some of the requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards (IFRS) requirements.

**Date of authorisation for issue**

The financial statements were authorised for issue by James Cook University at the date of signing the Management Certificate.

**Critical Accounting Estimates and Judgements**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. These are detailed below and in the notes that follow.

**Key judgements**

(i) *Smart State Research Facility Fund debt forgiveness*

In the financial statements the Parent and the Group recognised revenue amounting to \$Nil for the year ended 31 December 2014 ((\$0.180m) for the year ended 31 December 2013). Refer to Note 27 for further details.

The University intends to comply with all of its obligations under the loan agreement and it is therefore appropriate to recognise the debt forgiveness.

(ii) *Carbon Pricing*

The Australian Government passed its Clean Energy Act in November 2011 with a start date of 1 July 2012. The legislation introduced a price on carbon emissions made by Australian businesses from 1 July 2012.

The Australian Government has abolished carbon pricing with effect from 1 July 2014. The withdrawal of the carbon pricing mechanism is not expected to have a significant impact on the Group's critical accounting estimates, assumptions and management judgements.

**Reporting basis and conventions**

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and liabilities for which the fair value basis of accounting has been applied.

**(a) Principles of consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by James Cook University as at 31 December each year.

A controlled entity of James Cook University is one where James Cook University is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the controlled entities of James Cook University is contained in Note 33 to the financial statements. All consolidated entities have a 31 December year-end.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(a) Principles of consolidation (cont'd)**

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as 'non-controlling interests'. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

*Business Combinations*

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in the statement of comprehensive income, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in the statement of comprehensive income.

**(b) Taxation**

James Cook University and certain controlled entities are, by virtue of Section 50-5 of the *Income Tax Assessment Act 1997* (Cth), exempt from the liability to pay income tax. The controlled entities subject to income tax adopt the following method of tax effect accounting.

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the notional 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 tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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 subsidiaries 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.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(b) Taxation (cont'd)**

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

The University and certain controlled entities are subject to payroll tax, fringe benefits tax and goods and services tax (GST).

Revenues, expenses and assets (excluding receivables) are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component on investing and financing activities, which are disclosed as operating cash flows.

**(c) Fair value of assets and liabilities**

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurements also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**(d) Foreign currency translation**

***Functional and presentation currency***

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Parent Entity's functional and presentation currency.

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 statement of comprehensive income.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- all resulting exchange differences shall be recognised in other comprehensive income.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.



**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(e) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities within 12 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of a change in value.

**(f) Trade receivables**

Trade receivables are generally due for settlement within 30 days of the date of invoice. The carrying value less provision for impairment is a reasonable approximation of their fair values due to the short-term nature of trade receivables.

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 trade 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 the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is recognised in the statement of comprehensive income as 'Impairment of assets', refer Note 11.

**(g) Inventories**

Inventories are valued at the lower of cost and net realisable value.

**(h) Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value, less where applicable, any accumulated depreciation and impairment losses.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of comprehensive income.

***Land, buildings and infrastructure assets***

Land, buildings and infrastructure assets are valued at fair value in accordance with the Queensland Treasury and Trade's asset policy - "Non-Current Asset Policies for the Queensland Public Sector" (April 2014), less accumulated depreciation for building and infrastructure assets. Buildings under construction are recorded at cost. The asset recognition threshold for land is \$1 and \$10,000 for building and infrastructure assets.

***Plant and equipment***

Plant and equipment with a value of equal to or greater than \$5,000 is recorded at cost less accumulated depreciation and accumulated impairment losses. Plant and equipment donated to the University is recorded at management's valuation in the year of donation. Additions with a value of less than \$5,000 are expensed in the year of purchase.

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 statement of comprehensive income during the financial period in which they are incurred.

***Leasehold improvement assets***

Leasehold improvement assets with a value equal to or greater than \$10,000 are recorded at cost.

***Library Collections***

In accordance with the "Non-Current Asset Policies for the Queensland Public Sector" (April 2014) collections are classified as a common use, reference or heritage (rare book) collection. Each collection type is subject to specific accounting treatments.

***Common Use***

A common use collection generally has a limited life with the greatest usage within the first year and a rapid decline in use in subsequent years. With the declining use and obsolescence, common use items are expensed on acquisition.

***Reference***

A reference collection generally has a longer useful life and would be replaced if lost or damaged. A recognition threshold of \$1 million applies to the collection. At balance date the University's reference collection had a carrying value of less than \$1 million. As a result, the University's reference collection has been expensed.

***Rare books***

Rare books are valued at fair value in accordance with Queensland Treasury and Trade's asset policy - "Non-Current Asset Policies for the Queensland Public Sector" (April 2014). The asset recognition threshold is \$5,000.

***Museums and art***

Museums and art are valued at fair value in accordance with Queensland Treasury and Trade's asset policy - "Non-Current Asset Policies for the Queensland Public Sector" (April 2014). Additions to the collections purchased since the last valuation date are recorded at cost. The asset recognition threshold is \$5,000.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Revaluations**

Land, buildings, infrastructure and cultural assets (including the museums and art, and rare books) are revalued every five years in accordance with Queensland Treasury and Trade's asset policy - "Non-Current Asset Policies for the Queensland Public Sector" (April 2014), by an external independent valuer and are included in the financial statements at the revalued amounts. Interim revaluations of assets valued at fair value are performed using relevant indices or other reliable measures.

Any accumulated depreciation at the date of revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Revaluation increments are credited directly to the asset revaluation surplus, except where the increment reverses a decrement previously recognised in the statement of comprehensive income. In such cases the increments are recognised as revenue in the statement of comprehensive income. Revaluation decrements are recognised as an expense in the statement of comprehensive income except where the decrement reverses a revaluation increment held in the asset revaluation surplus.

**(i) Depreciation of property, plant and equipment**

Property, plant and equipment, other than land, library (rare books), museum and art collections, are depreciated on a straight line basis over their expected useful lives. Leasehold improvement assets are depreciated over the unexpired period of the lease.

The depreciation rates used are:

	2014	2013
Buildings	2.00% to 10.00%	1.25% to 20.00%
Infrastructure	1.11% to 12.50%	1.82% to 20.00%
Leasehold improvement assets	4.00% to 10.00%	6.66% to 10.00%
Plant and Equipment	2.50% to 50.00%	2.50% to 50.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of the reporting period.

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.

**(j) Intangible assets**

**Computer software**

Computer software with a value equal to or greater than \$100,000 is recognised at cost of acquisition less accumulated amortisation and accumulated impairment losses. Computer software is amortised over its useful life, which varies from 5-32 years. Additions with a value of less than \$100,000 are expensed in the year of acquisition.

**Licences**

Licences which have a finite useful life are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of licences over their estimated useful lives, which at present is 10 years. Licences which have an indefinite useful life are tested annually for impairment and carried at cost less accumulated impairment losses.

**Goodwill**

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not effect the carrying amount of goodwill. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

**Research and development**

Expenditure on research and development activities is recognised in the statement of comprehensive income as an expense when it is incurred.

**(k) Impairment of assets**

At the end of each reporting period, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is transferred to the asset revaluation surplus. The excess of the asset's carrying value over the asset revaluation surplus for that class of asset is expensed to the statement of comprehensive income.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(l) Investments and other financial assets**

The Group classifies its investments in the following categories: 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 re-evaluates this designation at the end of each reporting period.

Investments are initially measured at cost on trade date, when the related contractual rights or obligations exist. Subsequent to initial recognition these investments are measured as set out below.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period which are classified as non-current assets.

**Held-to-maturity investments**

These investments have fixed maturities, and it is the Group's intention to hold these investments to maturity. Held-to-maturity investments are stated at amortised cost using the effective interest rate method. They are included in non-current assets where they are expected to mature later than 12 months after the end of the reporting period.

**Available-for-sale financial assets**

Available-for-sale financial assets, comprising principally managed funds, are non-derivatives that are either designated in this category or not classified in any of the other categories. Available-for-sale financial assets are reflected at fair value which is based on the market value of investments as at 31 December. Unrealised gains and losses are recognised as other comprehensive income in the available-for-sale reserve in equity. They are included in non-current assets unless the intention is to dispose of the investment within 12 months of the statement of financial position date.

**Fair value**

The fair value 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 balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

**(m) Investments in associates**

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control of those policies. 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 and adjusted thereafter for the post-acquisition change in the Group's share of the net assets of the associate company. In addition, the Group's share of the profit or loss of the associate is included in the Group's profit or loss.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

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.

**(n) Interests in joint arrangements**

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(n) Interests in joint arrangements (cont'd)**

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.

**(o) 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 at the end of the reporting period. The amounts are unsecured and are usually paid within 30 days of recognition. The carrying value is a reasonable approximation of their fair values due to the short-term nature of trade and other payables.

**(p) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

**(q) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

**(r) Leased non-current assets**

Leases of property, plant and equipment where the Group has substantially all the risks and benefits incidental to the ownership of the asset are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Finance leased assets are depreciated on a straight-line basis over their estimated useful lives.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

**(s) Employee benefits**

***Wages and salaries***

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

***Annual leave***

The liability for annual leave employee benefits expected to be paid within 12 months after the end of the reporting period is recognised as a current liability and measured at the amount expected to be paid when the liability is settled.

***Long service leave***

The liability for long service leave is recognised for the Group's liability for employee long service leave benefits arising from services rendered by employees to balance date.

The University recognises a liability for long service leave for employees from commencement of employment. The part of the liability that is expected to be payable within 12 months of the end of the reporting period is classified as a current liability and measured at its nominal amount. That part expected to be settled more than 12 months after the end of the reporting period is recognised as a non-current liability for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. 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 end of the reporting period on national government bonds with terms of maturity and currency that match, as closely as possible, the estimated future cash outflows.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

***Retirement benefit obligations***

Employees of the University are entitled to benefits on retirement, disability or death from the University's superannuation plan. The University has a defined benefit division and a defined contribution division within its plan. The defined benefit division provides a lump sum benefit or pension based on years of service and final average salary.

The UniSuper Defined Benefit Division (DBD), the predominant plan within the University, is a defined benefit plan under superannuation law however, as a result of amendments to Clause 34 of the UniSuper Trust Deed, it is deemed a defined contribution plan under Accounting Standard AASB 119 Employee Benefits. The DBD receives fixed contributions from the University and the University's legal or constructive obligation is limited to these contributions.

Contributions made by the University to employee superannuation funds are charged as expenses when incurred.

**(t) Revenue recognition**

Revenue is measured at 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.

***Government Grants***

Australian Government financial assistance (excluding Commonwealth Grants Scheme Income) and State and Local Government financial assistance is recognised as revenue when the University obtains control over the income. Control over the income would normally be obtained upon the earlier of their receipt or their becoming contractually due. Commonwealth Grants Scheme income is recognised in the year in which it is earned. Financial assistance that the Department of Education has identified as being recoverable from the University is disclosed as "Australian Government unspent financial assistance", within other liabilities.

***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.

***Student fees and charges***

Fees and charges are recognised as income in the year received/invoiced, except to the extent that fees and charges relate to courses to be held in future periods. Such income is treated as unearned revenue within other liabilities.

***Sale of goods***

Revenue from the sale of goods is recognised upon the delivery of goods to the customers.

***Interest***

Interest revenue is recognised on receipt or on an accrual basis at the end of the reporting period, taking into account the interest rates applicable to the financial assets.

***Dividends***

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

***Royalties***

Royalty revenue is recognised when the right to receive a royalty has been established.

***Rendering of services***

Revenue from rendering of services is recognised upon the delivery of the service to the customer.

***Contributions***

Grants and contributions that are non-reciprocal in nature are recognised as revenue in the year in which the Group obtains control over them. Where grants that are reciprocal in nature are received, revenue is recognised as it is earned over the term of the funding arrangements.

**(u) Comparative Figures**

Where required, comparative figures have been adjusted to conform with changes in presentation in the current financial year and so may differ from the prior year audited financial statements.

**(v) Rounding amounts**

Amounts shown in these financial statements have been rounded to the nearest thousand dollars (\$1,000).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(w) Correction of a prior period error

**Acquisition of Units - Medical Research**

In the financial statements for the reporting period ended 31 December 2013, the University expensed overhead contributions towards a Medical Research Commercialisation Fund. During 2014 it became aware that this treatment was incorrect. The overhead contribution notice was a call for subscription of units in the Medical Research Commercialisation Fund. This error had the effect of overstating other expenses for the year ended 31 December 2013. The 2013 comparatives have been changed to correct this error. The table below is a summary of the effect.

Parent Entity	Note	2013 \$'000	Increase/ (decrease) \$'000	2013 Restated \$'000
<b>Statement of comprehensive income (extract) for the year ended 31 December 2013</b>				
Expenses from continuing operations				
Other expenses (Grants, scholarships and prizes)	12	138,910	(44)	138,866
Operating result before income tax		14,847	44	14,891
<b>Statement of financial position (extract) as at 31 December 2013</b>				
Non-Current assets				
Other financial assets	21	33,022	44	33,066
Equity				
Retained earnings	30(a)	502,630	44	502,674
<b>Statement of cash flows (extract) as at 31 December 2013</b>				
Cash Flows from Operating Activities				
Payments to suppliers and employees		(396,124)	44	(396,080)
Net cash provided by / (used in) operating activities	39	56,125	44	56,169
Cash Flows from Investing Activities				
Payments for financial assets		(993)	(44)	(1,037)
Net cash provided by / (used in) investing activities		(62,644)	(44)	(62,688)
<b>Consolidated</b>				
	Note	2013 \$'000	Increase/ (decrease) \$'000	2013 Restated \$'000
<b>Statement of comprehensive income (extract) for the year ended 31 December 2013</b>				
Expenses from continuing operations				
Other expenses (Grants, scholarships and prizes)	12	154,963	(44)	154,919
Operating result before income tax		18,897	44	18,941
<b>Statement of financial position (extract) as at 31 December 2013</b>				
Non-Current assets				
Other financial assets	21	32,049	44	32,093
Equity				
Retained earnings	30(a)	522,691	44	522,735

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(w) Correction of a prior period error (cont'd)	Note	2013	Increase/ (decrease)	2013
Statement of cash flows (extract) as at 31 December 2013		\$'000	\$'000	Restated \$'000
Cash Flows from Operating Activities				
Payments to suppliers and employees		(444,733)	44	(444,689)
Net cash provided by / (used in) operating activities	39	62,893	44	62,937
Cash Flows from Investing Activities				
Payments for financial assets		(976)	(44)	(1,020)
Net cash provided by / (used in) investing activities		(64,125)	(44)	(64,169)

(x) Reclassification of prior period income

**Other Australian Government Grants**

In the financial statements for the reporting period ended 31 December 2013, other Australian Government grants which related to research were disclosed as consultancy and contract income. In accordance with the Financial Statement Guidelines for Higher Education Providers issued by the Australian Government Department of Education research grant income has been reclassified as other Australian Government grant income. The table below is a summary of the effect.

Parent Entity	Note	2013	Increase/ (decrease)	2013
Statement of comprehensive income (extract) for the year ended 31 December 2013		\$'000	\$'000	Restated \$'000
Revenue from continuing operations				
Other Australian Government grants	2	21,279	14,147	35,426
Consultancy and contracts (Contract research)	6	51,878	(14,147)	37,731

**Statement of cash flows (extract)  
as at 31 December 2013**

Cash Flows from Operating Activities				
Other Australian Government grants		13,723	14,147	27,870
Receipts from student fees and other customers		158,122	(14,147)	143,975

Consolidated	Note	2013	Increase/ (decrease)	2013
Statement of comprehensive income (extract) for the year ended 31 December 2013		\$'000	\$'000	Restated \$'000
Revenue from continuing operations				
Other Australian Government grants	2	21,279	14,147	35,426
Consultancy and contracts (Contract research)	6	51,878	(14,147)	37,731

**Statement of cash flows (extract)  
as at 31 December 2013**

Cash Flows from Operating Activities				
Other Australian Government grants		13,723	14,147	27,870
Receipts from student fees and other customers		214,244	(14,147)	200,097

(y) New and amended standards and interpretations

The Group has adopted the following new and amended Australian Accounting Standards and AASB interpretations as of 1 January 2014.

AASB 2012-3: Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities (application date on or after 1 January 2014).

The Standard adds application guidance to address inconsistencies identified in applying some of the offsetting criteria in the Standard.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(y) New and amended standards and interpretations (cont'd)**

AASB 2013-3: Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets (application date on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB136: Impairment of Assets pertaining to the use of fair value in impairment assessment.

AASB 2013-5 Amendments to Australian Accounting Standards - Investment Entities (applicable for annual reporting periods commencing on or after 1 January 2014).

AASB 2013-8: Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities - Control and Structured Entities [AASB 10, AASB 12 & AASB 1049] (application date on or after 1 January 2014).

This Standard provides authoritative guidance to not-for-profits entities in applying concepts of control in AASB 10 and AASB 12.

AASB 10: Consolidated Financial Statements (application date for not-for-profit entities on 1 January 2014).

The Standard provides a revised definition of 'control' and may result in an entity having to consolidate an investee that was not previously consolidated and / or deconsolidate an investee that was consolidated under previous pronouncements. The Group's assessment of the impact of this Standard is that it will not have any control over any additional entities nor will there be any loss of currently controlled entities.

AASB 11: Joint Arrangements (application date for not-for-profit entities on 1 January 2014).

The Standard defines a new model for accounting for joint arrangements. Joint operations that give ventures rights to and obligations for the underlying assets and liabilities are accounted for by recognising the share of those assets and liabilities. Joint ventures that give the venturers a right to the net assets are accounted for using the equity method.

AASB 12: Disclosure of interests on Other Entities. (application date for not-for-profit entities on 1 January 2014).

The Standard prescribes disclosure requirements for interest in subsidiaries, joint arrangements, associates and other structured entities.

These Standards will not significantly impact the Group's financial statements.

**(z) New Accounting Standards and Interpretations**

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2014 reporting periods. The Group does not anticipate early adoption of any of the following Australian Accounting Standards or Interpretations.

AASB 9: *Financial Instruments* and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

The Standard will be applicable retrospectively (subject to the comment on hedge accounting below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes made to the Standard that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the University hedge and elect to change its hedge in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Although the Group anticipate that the adoption of AASB 9 may have a significant impact on the Group's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.



**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(z) New Accounting Standards and Interpretations (cont'd)**

AASB 2010-7: Amendments to Australian Accounting Standards arising AASB 9 (applicable for annual reporting periods commencing on or after 1 January 2018).

AASB 2014-1: Amendments to Australian Accounting Standards (applicable for annual reporting periods commencing:- Parts A-C - 1 July 2014; Part D - 1 January 2016; Part E - 1 January 2018)

AASB 2014-3: Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations (applicable for annual reporting periods commencing on or after 1 January 2016)

The Standard sets out guidance on the accounting for the acquisition of interests in Joint Operations in which the activity constitutes a business.

AASB 2014-4: Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation (applicable for annual reporting periods commencing on or after 1 January 2016).

The Standard provides additional guidance on how the depreciation or amortisation of property, plant and equipment and intangible assets should be calculated.

These Standards are not expected to significantly impact the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Parent Entity and Consolidated \$'000	
		2014	2013
<b>NOTE 2. AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE including HECS-HELP, FEE-HELP and SA-HELP</b>			
(a) <b>Commonwealth Grants Scheme and Other Grants</b>	40		
Commonwealth Grants Scheme #1		136,789	135,885
Indigenous Support Program		2,071	2,003
Partnership & Participation Program		3,412	3,508
Disability Support Program		44	35
Clinical Outreach Program		-	2,237
Promotion of Excellence in Learning and Teaching		544	354
Reward Funding		-	583
<b>Total Commonwealth Grants Scheme and Other Grants</b>		<b>142,860</b>	<b>144,605</b>
(b) <b>Higher Education Loan Programs</b>	40		
HECS-HELP		70,507	66,808
FEE-HELP		3,396	2,588
SA-HELP		1,985	2,026
<b>Total Higher Education Loan Programs</b>		<b>75,888</b>	<b>71,422</b>
(c) <b>Scholarships</b>	40		
Australian Postgraduate Awards		3,428	3,042
International Postgraduate Research Scholarships		274	237
Commonwealth Education Costs Scholarships #2		608	511
Commonwealth Accommodation Scholarships #2		374	351
Indigenous Access Scholarships		428	513
Indigenous Staff Scholarships		80	-
National Priority Scholarships		-	588
<b>Total Scholarships</b>		<b>5,192</b>	<b>5,242</b>
(d) <b>Education Research</b>	40		
Joint Research Engagement		3,807	3,315
JRE Engineering Cadetships		48	30
Research Training Scheme		8,727	8,258
Sustainable Research Excellence in Universities		2,151	2,145
Research Infrastructure Block Grants		3,222	3,144
<b>Total Education Research Grants</b>		<b>17,955</b>	<b>16,892</b>
(e) <b>Australian Research Council</b>	40		
<i>(i) Discovery</i>			
Projects		2,921	2,899
Fellowships		3,988	3,490
Indigenous Researchers Development		187	182
Early Career Researcher Award		1,226	1,069
Total Discovery		8,322	7,640
<i>(ii) Linkages</i>			
Infrastructure		168	160
Projects		669	685
Industrial Transformation Research Hubs		1,530	-
Total Linkages		2,367	845
<i>(iii) Networks and Centres</i>			
Centres		4,121	3,194
Special Research Initiatives		36,000	-
Total Networks and Centres		40,121	3,194
<b>Total Australian Research Council</b>		<b>50,810</b>	<b>11,679</b>

#1 Includes the basic CGS grant amount, CGS - Regional Loading, CGS - Enabling Loading, CGS - Facilitation Loading,

#2 Includes National Education Priority and National Accommodation Priority Scholarships.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Parent Entity and Consolidated \$'000	
	2014	2013
<b>NOTE 2. AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE including HECS-HELP, FEE-HELP and SA-HELP (cont'd)</b>		
<b>(f) Other Australian Government grants</b>		
<i>Non-capital</i>		
Australian Centre for International Agricultural Research	2,486	2,547
Australian Renewable Energy Agency	2,230	1,930
Commonwealth Scientific and Industrial Research Organisation	610	676
Department of Agriculture	444	386
Department of Education	497	995
Department of Education - Study Overseas Short-term Mobility Program	776	-
Department of Health - University Department of Rural Health	2,124	2,088
Department of Health - Rural Clinical Training and Support	5,655	5,659
Department of Health - Clinical Training Program	9,376	5,080
Department of Industry	48	315
Department of the Environment	1,046	706
Department of the Environment - Australian Marine Mammal Centre	260	-
Fisheries Research and Development Corporation	860	630
Great Barrier Reef Marine Park Authority	799	497
Indigenous Tutorial Assistance Scheme	769	581
National Health and Medical Research Council	3,474	3,699
Torres Strait Regional Authority	448	410
Other	1,703	1,671
<b>Total Non-capital</b>	<b>33,605</b>	<b>27,870</b>
<i>Capital</i>		
Department of Education - The Science Place	14,824	1,862
Department of Health - Clinical Training Program	430	5,694
<b>Total Capital</b>	<b>15,254</b>	<b>7,556</b>
<b>Total other Australian Government financial assistance</b>	<b>48,859</b>	<b>35,426</b>
<b>Total Australian Government financial assistance</b>	<b>341,564</b>	<b>285,266</b>
Comparatives for other Australian Government grants have changed due to a prior period reclassification. Refer to Note 1(x).		
<b>Reconciliation</b>		
Australian Government grants [2(a) + 2(c) + 2(d) + 2(e)]	216,817	178,418
HECS-HELP - Australian Government payments [2(b)]	70,507	66,808
SA-Help [2(b)]	1,985	2,026
Other Australian Government loan programs [FEE-HELP] [2(b)]	3,396	2,588
Other Australian Government financial assistance [2(f)]	48,859	35,426
<b>Total Australian Government financial assistance reported in the statement of comprehensive income</b>	<b>341,564</b>	<b>285,266</b>
<b>(g) Australian Government grants received - cash basis</b>		
CGS and other Education Grants	142,641	145,220
Higher Education Loan Programs	74,287	70,489
Scholarships	4,538	1,810
Education Research	17,955	16,892
ARC grants - Discovery	8,322	7,640
ARC grants - Linkages	2,367	845
ARC grants - Networks and Centres	40,121	3,194
Other Australian Government grants	48,859	35,426
<b>Total Australian Government grants received - cash basis</b>	<b>339,090</b>	<b>281,516</b>
OS-HELP (net)	1,134	330
<b>Total Australian Government funding received - cash basis</b>	<b>340,224</b>	<b>281,847</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>NOTE 3. STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE</b>				
<i>Non-capital</i>				
Dental clinic operations	3,550	3,550	3,550	3,550
North Queensland clinical school	831	831	831	831
Queensland regional training networks	830	1,946	830	1,946
Australian Institute of Tropical Health and Medicine	900	-	900	-
Other	594	421	594	421
Total non-capital	6,705	6,748	6,705	6,748
<i>Capital</i>				
Australian Institute of Tropical Health and Medicine	4,000	2,090	4,000	2,090
Rehabilitation Unit - Mount Isa	-	200	-	200
Veterinary infrastructure (Biosecurity Facility)	-	19	-	19
Total capital	4,000	2,309	4,000	2,309
	<b>10,705</b>	<b>9,057</b>	<b>10,705</b>	<b>9,057</b>

**NOTE 4. FEES AND CHARGES**

**Course fees and charges**

Fee paying overseas students	107,008	95,186	66,691	55,943
Fee paying domestic postgraduate students	2,366	2,293	2,366	2,293
Other domestic course fees and charges	126	180	126	180
	<b>109,500</b>	<b>97,659</b>	<b>69,183</b>	<b>58,416</b>

**Other fees and charges**

Library fines and fees	34	41	34	41
Parking fines and fees	362	387	362	387
Professional, testing and technical services	3,619	3,925	4,973	3,925
Rental income	3,694	1,935	2,137	1,572
Conference fee income	582	808	582	808
Student accommodation	9,356	8,914	9,356	8,914
Student amenities fee	1,876	1,376	1,876	1,376
Lecture, marking and examination fees	230	212	230	212
Fees incidental to studies	989	611	411	395
Child care fees and charges	1,895	1,752	-	-
Medical fees and charges	1,858	1,632	-	-
Veterinary fees and charges	2,717	2,714	-	-
Dental fees and charges	1,043	698	-	-
Other	1,793	1,574	1,489	1,125
	<b>30,048</b>	<b>26,579</b>	<b>21,450</b>	<b>18,755</b>
	<b>139,548</b>	<b>124,238</b>	<b>90,633</b>	<b>77,171</b>

**NOTE 5. INVESTMENT REVENUE AND INCOME**

**Investment revenue**

Interest	8,694	5,962	8,179	5,634
Dividends	1,269	1,100	1,269	1,100
Property trust distributions	71	1	71	1,729
	<b>10,034</b>	<b>7,063</b>	<b>9,519</b>	<b>8,463</b>

**Other investment income**

Net gain on disposal of investments	2,631	-	2,631	-
	<b>2,631</b>	<b>-</b>	<b>2,631</b>	<b>-</b>

**Investment losses**

Net loss on write off of investments	1	-	1	-
	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>

**Net investment revenue and income**

	<b>12,666</b>	<b>7,063</b>	<b>12,151</b>	<b>8,463</b>
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**NOTE 6. CONSULTANCY AND CONTRACTS**

Contract research	28,307	29,517	28,307	29,517
Research consultancy	522	801	522	801
Other consultancy	4,240	7,413	4,240	7,413
	<b>33,069</b>	<b>37,731</b>	<b>33,069</b>	<b>37,731</b>

Comparatives have changed due to a prior period reclassification. Refer to Note 1(x).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>NOTE 7. OTHER REVENUE AND INCOME</b>				
<b>Other revenue</b>				
Commission income	337	279	337	279
Donations and bequests	2,435	2,686	2,435	2,686
Non-government grants - other	1,962	1,682	1,940	1,665
Non-government grants - capital	350	-	1,017	-
Scholarships and prizes	241	365	241	365
Sponsorship income	177	126	177	126
	<u>5,502</u>	<u>5,138</u>	<u>6,147</u>	<u>5,121</u>

<b>Other income</b>				
Net foreign exchange gain (loss)	90	50	90	50
Net gain (loss) on disposal of property, plant and equipment	(4,377)	(669)	(4,377)	47
Net gain from change in fair value of financial liability - Smart State borrowings	-	(180)	-	(180)
Other income	1,947	3,538	1,175	1,534
	<u>(2,340)</u>	<u>2,739</u>	<u>(3,112)</u>	<u>1,451</u>

**NOTE 8. EMPLOYEE BENEFITS AND ONCOSTS**

<b>Academic</b>				
Salaries	115,243	110,256	102,660	97,849
Contribution to superannuation and pension schemes (funded)	14,818	14,333	14,818	14,333
Payroll tax	5,601	5,470	5,601	5,470
Workers compensation	322	332	322	332
Long service leave	2,313	2,617	2,313	2,617
Annual leave loading	50	61	50	61
	<u>138,347</u>	<u>133,069</u>	<u>125,764</u>	<u>120,662</u>
<b>Professional and technical</b>				
Salaries	97,000	90,185	90,889	84,151
Contribution to superannuation and pension schemes (funded)	13,911	13,832	13,911	13,832
Payroll tax	4,760	5,396	4,760	5,396
Workers compensation	294	286	294	286
Long service leave	2,073	2,436	2,073	2,436
Annual leave	9,039	8,407	9,039	8,407
	<u>127,077</u>	<u>120,542</u>	<u>120,966</u>	<u>114,508</u>
	<u>265,424</u>	<u>253,611</u>	<u>246,730</u>	<u>235,170</u>

**NOTE 9. DEPRECIATION AND AMORTISATION**

<b>Depreciation</b>				
Buildings	25,796	15,483	24,729	15,458
Plant and equipment	9,633	9,711	8,108	8,387
Leasehold improvements	478	191	417	171
Infrastructure	3,119	3,594	3,075	3,594
	<u>39,026</u>	<u>28,979</u>	<u>36,329</u>	<u>27,610</u>
<b>Amortisation</b>				
Intangible asset	865	629	865	629
Capitalised lease incentives	51	-	-	-
	<u>39,942</u>	<u>29,608</u>	<u>37,194</u>	<u>28,239</u>

**NOTE 10. REPAIRS AND MAINTENANCE**

Buildings	9,602	16,321	8,531	14,454
Grounds	576	698	546	680
Equipment	7,640	7,381	7,307	7,119
	<u>17,818</u>	<u>24,400</u>	<u>16,384</u>	<u>22,253</u>

**NOTE 11. IMPAIRMENT OF ASSETS**

Impairment of trade receivables	1,951	355	1,906	225
Impairment of financial assets	70	109	70	109
Impairment of intangible asset - licence	(10)	127	(10)	127
	<u>2,011</u>	<u>591</u>	<u>1,966</u>	<u>461</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>NOTE 12. OTHER EXPENSES</b>				
Advertising, marketing and promotional expenses	8,441	8,074	4,063	3,972
Bank fees and charges	649	352	585	321
Books and publications	5,147	4,915	5,147	4,915
Commissions paid	19,730	19,078	19,730	19,078
Communications	2,609	2,712	2,608	2,711
Consumables	5,190	5,132	4,194	4,189
Cost of goods sold	5,761	6,347	3,192	2,745
Fees and charges	4,479	4,049	2,417	2,137
Insurance	2,594	2,506	2,516	2,478
Licence fees	1,300	1,258	1,190	1,173
Motor vehicle related expenses	561	721	561	721
Non-capitalised equipment	7,233	8,653	7,176	8,561
Occupancy and utilities	12,326	11,466	11,402	10,859
Other staff related expenses	6,539	5,847	8,916	8,291
Printing and stationery	2,015	2,085	1,964	2,019
Professional fees	11,673	14,264	11,303	13,940
Rental, hire and other leasing fees	8,308	7,590	1,379	2,146
Minimum lease payments on operating leases	1,449	98	1,375	106
Grants, scholarships and prizes	15,175	14,093	18,825	17,743
Staff development and recruitment	2,692	2,910	2,601	2,866
Student accommodation catering expenses	1,145	1,149	1,145	1,149
Subscriptions and memberships	2,827	2,235	2,821	2,232
Travel expenses	12,325	12,640	12,313	12,635
Losses - public property *	7	418	7	418
Special payments - ex gratia payments	53	114	53	114
Other	18,577	16,213	13,029	11,347
	<u>158,805</u>	<u>154,919</u>	<u>140,512</u>	<u>138,866</u>

Comparatives have changed due to the correction of a prior year error. Refer to Note 1(w).

\* Insurance recoveries received during the year in respect to the losses of public property: \$0.007m (2013: \$0.796m).

**NOTE 13. INCOME TAX EXPENSE**

Tax expense attributable to profits is made up of:

Current income tax liability	853	938	-	-
Deferred tax liability	114	178	-	-
Foreign currency translation	(294)	(626)	-	-
	<u>673</u>	<u>490</u>	-	-
Profit before tax	6,466	7,052	-	-
Tax calculated at tax rate of 17% (Singapore tax rate)	1,099	1,199	-	-
Expenses not deductible for tax purposes	214	156	-	-
Income not taxable	(484)	(563)	-	-
Tax incentives	(194)	(162)	-	-
Tax rebate	(27)	(25)	-	-
Singapore statutory stepped income exemption	(23)	(22)	-	-
(Over) / under recognition of temporary differences in prior year	(58)	(17)	-	-
Others	146	(76)	-	-
	<u>673</u>	<u>490</u>	-	-

**NOTE 14. REMUNERATION OF AUDITORS**

During the year the following fees were paid for services provided by the auditors of the Parent Entity, its related practices and non-related audit firms:

**Audit services**

Fees paid to Queensland Audit Office:				
Audit and review of financial statements	297	227	297	227
Fees paid to non-Queensland Audit Office audit firms:				
Audit or review of financial statements of any entity in the Consolidated Entity	24	33	24	33
	<u>321</u>	<u>260</u>	<u>321</u>	<u>260</u>

For the year ended 31 December 2014, Queensland Audit Office provided the Group with a quote of \$267,000 for the audit.

**JAMES COOK UNIVERSITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**NOTE 15. KEY MANAGEMENT PERSONNEL DISCLOSURES**

**PARENT ENTITY**

**a) Names of council members and executive officers.**

The names and details of the University's council membership and executive officers are located with the body of the Annual Report.

**b) Key management personnel**

The following details for key executive management personnel include those positions that have authority and responsibility for planning, directing and controlling the activities of the University. Further information on these positions can be found in the body of the Annual Report.

Position	Responsibilities	Current Incumbents	
		Contract Classification and appointment authority	Date appointed to position / (Date resigned from position)
Vice-Chancellor	Provides strategic leadership and management of all University activities.	Fixed term contract, appointment authority University Council	Appointed 15/01/2007
Chair of Academic Board	Responsible for quality of academic activities of the University.	Fixed term contract, appointment authority University Council	Appointed 28/05/2012
Senior Deputy Vice-Chancellor	Leadership and management of activities of the Faculties, and the Division of Research and Innovation.	Fixed term contract, appointment authority Vice-Chancellor	Appointed 7/11/2011
Pro-Vice Chancellor, Faculty Science and Engineering (FSE)	Leadership and management of activities of the Faculty of Science and Engineering.	Fixed term contract, appointment authority Vice-Chancellor	Appointed 7/07/2008 (position ended 6/04/2014)
Pro-Vice Chancellor, Faculty Medicine, Health and Molecular Science (FMHMS)	Leadership and management of activities of the Faculty of Medicine, Health and Molecular Science.	Fixed term contract, appointment authority Vice-Chancellor	Appointed 7/04/1997 (position ended 30/03/2014)
Pro-Vice Chancellor, Faculty Arts, Education and Social Science (FAESS)	Leadership and management of activities of the Faculty of Arts, Education and Social Science.	Fixed term contract, appointment authority Vice-Chancellor	Appointed 1/09/2008 (position ended 20/04/2014)
Pro-Vice Chancellor, Faculty Law, Business and Creative Arts (FLBCA)	Leadership and management of activities of the Faculty of Law, Business and Creative Arts.	Fixed term contract, appointment authority Vice-Chancellor	Appointed 17/01/2011 (position ended 13/04/2014)
Deputy Vice-Chancellor, University Services Division (USD)	Leadership and management of University operations for the University Services Division.	Fixed term contract, appointment authority Vice-Chancellor	Appointed 1/04/2013 (Acting) (acting ended 2/05/2014)
Deputy Vice-Chancellor, Academic	Leadership and management of University operations for the Academic Division.	Fixed term contract, appointment authority Vice-Chancellor	Appointed 28/05/2012 (position ended 30/03/2014)
Executive Director, Finance and Resources Planning (FRP)	Leadership and management of University operations for the Division of Finance and Resources Planning.	Fixed term contract, appointment authority Vice-Chancellor	Appointed 8/10/2007 (position ended 30/03/2014)
Deputy Vice Chancellor Division of Tropical Health and Medicine	Leadership and management of the activities of the Division of Tropical Health and Medicine	Fixed term contract, appointment authority Vice-Chancellor	Appointed 31/03/2014
Deputy Vice Chancellor Division of Tropical Environments and Societies	Leadership and management of the activities of the Division of Tropical Environments and Societies	Fixed term contract, appointment authority Vice-Chancellor	Appointed 7/4/2014
Deputy Vice Chancellor Division of Global Strategy and Engagement	Leadership and management of University operations for the Division of Global Strategy and Engagement	Fixed term contract, appointment authority Vice-Chancellor	Appointed 14/04/2014
Deputy Vice Chancellor Division of Academic and Student Life	Leadership and management of University operations for the Division of Academic and Student Life	Fixed term contract, appointment authority Vice-Chancellor	Appointed 31/03/2014
Deputy Vice Chancellor Division of Services and Resources	Leadership and management of University operations for the Division of Services and Resources	Fixed term contract, appointment authority Vice-Chancellor	Appointed 31/03/2014

**C) Remuneration of council members**

No council member received remuneration for duties performed in their role as a council member. No council member is entitled to any Retirement Benefit arising from their role as a council member.

The aggregate remuneration for the employees of the University elected as council members by virtue of their employment with the University for the year ended 31 December 2014 was \$2.075m (2013: \$1.767m)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 15. KEY MANAGEMENT PERSONNEL DISCLOSURES (cont'd)

c) Remuneration and performance payments of executive officers - 2014

The remuneration and other terms of employment for key executive management personnel are specified in employment contracts. The contracts provide performance-related cash bonuses and other benefits including motor vehicles. Remuneration packages for key personnel comprise the following components:

*Short Term Benefits* which include:

Base - consisting of base salary, allowances and annual leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Non-monetary benefits - consisting of provision of vehicle, housing, private expenditure together with fringe benefits tax applicable to the benefits. The fringe benefit tax is for the year ended 31 March 2014.

*Long term employee benefits* include long service leave accrued and paid.

*Post employment benefits* include superannuation contributions.

*Termination benefits* - Contracts of employment provide only for notice periods or payments in lieu of notice on termination, regardless of the reason for the termination.

*Performance Bonuses* - may be paid or payable annually depending on the satisfaction of key performance criteria. Performance bonuses are calculated by reference to individual's base salary under their contract. Bonus payments are not included in the Base amount within Short Term Employee Benefits. The maximum bonus payable to key management personnel is 15% of base salary. The aggregate performance bonuses paid to all key executive management personnel for the year to 31 December 2014 totalled \$0.323m.

Position	Short Term Employee Benefits \$'000		Long Term Employee Benefits \$'000	Post Employment Benefits \$'000	Termination Benefits \$'000	Total Remuneration \$'000	Date Bonus Paid
	Base	Non-Monetary Benefits					
Vice-Chancellor	767	56	17	87	-	927	13/06/2014
Chair of Academic Board	225	-	5	37	-	267	18/04/2014
Senior Deputy Vice-Chancellor	403	26	10	68	-	507	18/04/2014
Pro-Vice Chancellor (FSE) (position ended 6/04/2014)	62	9	2	12	-	85	18/04/2014
Pro-Vice Chancellor (FMHMS) (position ended 30/03/2014)	79	9	2	7	-	97	18/04/2014
Pro-Vice Chancellor (FAESS) (position ended 20/04/2014)	87	8	2	13	-	110	18/04/2014
Pro-Vice Chancellor (FLBCA) (position ended 13/04/2014)	87	-	2	13	-	102	18/04/2014
Deputy Vice-Chancellor (USD) (position ended 2/05/2014)	119	-	5	20	-	144	
Deputy Vice Chancellor, Academic (position ended 30/03/2014)	55	67	2	1	-	125	18/04/2014
Executive Director (FRP) (position ended 30/03/2014)	55	8	2	1	-	66	18/04/2014
Deputy Vice Chancellor Division of Tropical Health and Medicine (commenced 31/03/2014)	269	13	6	43	-	331	
Deputy Vice Chancellor Division of Tropical Environments and Societies (commenced 7/04/2014)	253	13	6	42	-	314	
Deputy Vice Chancellor Division of Global Strategy and Engagement (commenced 14/04/2014)	255	35	6	42	-	338	
Deputy Vice Chancellor Division of Academic and Student Life (commenced 31/03/2014)	287	12	6	44	-	349	
Deputy Vice Chancellor Division of Services and Resources (commenced 31/03/2014)	289	10	6	44	-	349	
<b>TOTAL REMUNERATION</b>	<b>3,292</b>	<b>266</b>	<b>79</b>	<b>474</b>	<b>-</b>	<b>4,111</b>	



JAMES COOK UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 15. KEY MANAGEMENT PERSONNEL DISCLOSURES (cont'd)

c) Remuneration and performance payments of executive officers - 2013

The remuneration and other terms of employment for key executive management personnel are specified in employment contracts. The contracts provide performance-related cash bonuses and other benefits including motor vehicles. Remuneration packages for key personnel comprise the following components:

*Short Term Benefits* which include:

Base - consisting of base salary, allowances and annual leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit. The fringe benefit tax is for the year ended 31 March 2013.

*Long term employee benefits* include long service leave accrued and paid.

*Post employment benefits* include superannuation contributions.

*Termination benefits* - Contracts of employment provide only for notice periods or payments in lieu of notice on termination, regardless of the reason for the termination.

*Performance Bonuses* - may be paid or payable annually depending on the satisfaction of key performance criteria. Performance bonuses are calculated by reference to individual's base salary under their contract. Bonus payments are not included in the Base amount within Short Term Employee Benefits. The maximum bonus payable to key management personnel is 14% of base salary. The aggregate performance bonuses paid to all key executive management personnel for the year to 31 December 2013 totalled \$0.289m.

Position	Short Term Employee Benefits \$'000		Long Term Employee Benefits \$'000	Post Employment Benefits \$'000	Termination Benefits \$'000	Total Remuneration \$'000	Date Bonus Paid
	Base	Non-Monetary Benefits					
Vice-Chancellor	726	25	16	81	-	848	19/04/2013
Chair of Academic Board	202	-	5	36	-	243	19/04/2013
Senior Deputy Vice-Chancellor (also coverage of DVC (RI) position)	398	29	9	66	-	502	19/04/2013
Pro-Vice Chancellor (FSE)	270	26	6	42	-	344	19/04/2013
Pro-Vice Chancellor (FMHMS)	329	-	7	35	-	371	19/04/2013
Pro-Vice Chancellor (FAESS)	254	21	6	42	-	323	19/04/2013
Pro-Vice Chancellor (FLBCA)	305	18	7	47	-	377	19/04/2013
Deputy Vice-Chancellor (USD) (1/01/2013 to 29/03/2013)	86	9	-	14	64	173	05/04/2013
Deputy Vice-Chancellor (USD) (1/04/2013 to 31/12/2013)	267	-	10	43	-	320	
Deputy Vice Chancellor, Academic	332	22	8	54	-	416	
Executive Director (FRP)	307	19	8	56	-	390	19/04/2013
<b>TOTAL REMUNERATION</b>	<b>3,476</b>	<b>169</b>	<b>82</b>	<b>516</b>	<b>64</b>	<b>4,307</b>	

**JAMES COOK UNIVERSITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>NOTE 16. CASH AND CASH EQUIVALENTS</b>				
Cash at bank and on hand	19,756	20,123	10,690	6,168
Short term deposits	220,816	153,390	202,501	131,240
	<u>240,572</u>	<u>173,513</u>	<u>213,191</u>	<u>137,408</u>

The above figures are included as cash and cash equivalents in the statement of cash flows.

Within cash and cash equivalents the University holds cash reserves of \$39.090m representing unspent capital project funds (2013 - \$9.711m).

**(a) Cash at bank and on hand**

Cash at bank deposits yield interest at floating rates of between 0.00% and 2.50% (2013 - 0.00% and 3.00%).

**(b) Cash held in trust**

Cash held in trust deposits yield interest at floating rates of between 0.00% and 2.50% (2013 - 0.00% and 3.00%).

**(c) Short term deposits**

Short term deposits yield interest at floating rates of between 3.29% and 4.25% (2013 - 3.45% and 5.28%). These deposits range in maturity of between 30 and 365 days or at call.

**NOTE 17. TRADE AND OTHER RECEIVABLES**

**CURRENT**

Debtors	17,591	13,905	17,339	14,830
Sundry loans and advances	5,295	3,434	2,471	2,170
Loans receivable from related parties	-	-	426	7,140
	<u>22,886</u>	<u>17,339</u>	<u>20,236</u>	<u>24,140</u>
Provision for impairment	(1,872)	(559)	(1,752)	(402)
	<u>21,014</u>	<u>16,780</u>	<u>18,484</u>	<u>23,738</u>
Accrued revenue	5,082	4,272	5,064	3,569
GST receivable	3,056	2,132	3,042	2,184
	<u>29,152</u>	<u>23,184</u>	<u>26,590</u>	<u>29,491</u>

**NON-CURRENT**

Sundry loans and advances	-	2,198	-	2,198
Loans receivable from related parties	-	-	28,773	28,391
	<u>-</u>	<u>2,198</u>	<u>28,773</u>	<u>30,589</u>

**(a) Impaired receivables**

The provision for impairment of \$1.872m (2013 - \$0.559m) is a general provision which is based on historical experience regarding the collectability of aged debts.

As at 31 December 2014, trade and other receivables of \$4.822m (2013 - \$5.411m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

> 30 to 60 days	1,300	3,152	1,260	3,105
> 60 to 90 days	1,165	1,584	1,042	1,441
> 90 days	2,357	675	2,357	675
	<u>4,822</u>	<u>5,411</u>	<u>4,659</u>	<u>5,221</u>

Movements in the provision for impaired receivables are as follows:

At 1 January	559	552	402	482
Provision for impairment recognised during the year	1,951	355	1,906	225
Receivables written off during the year as uncollectible	(639)	(347)	(556)	(305)
	<u>1,871</u>	<u>560</u>	<u>1,752</u>	<u>402</u>

**NOTE 18. INVENTORIES**

**CURRENT**

Bookshop stock	160	1,476	90	1,469
Dental supplies	282	293	-	-
Veterinary supplies	170	186	-	-
	<u>612</u>	<u>1,955</u>	<u>90</u>	<u>1,469</u>

**NOTE 19. Non-current assets held for sale**

Licence	125	-	125	-
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A heads of agreement has been signed outlining the University's intention to the sale of a licence. Indications are that the sale will be completed within three months.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Consolidated \$'000		Parent Entity \$'000	
		2014	2013	2014	2013

**NOTE 20. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

Summarised financial information in respect of jointly controlled entities is set out below:

Interest in associated entity	20 (a)	344	335	-	-
		<u>344</u>	<u>335</u>	<u>-</u>	<u>-</u>

**Reconciliation**

Balance at 1 January		335	353	-	-
Share of profit for the year		9	(18)	-	-
<b>Balance at 31 December</b>		<u>344</u>	<u>335</u>	<u>-</u>	<u>-</u>

**(a) Interest in associated entity**

Name of Entity		Ownership Interest %	
		2014	2013
Smart Arm Pty Ltd	20 (a)	48%	48%

The principal activity of Smart Arm Pty Ltd is commercialisation of intellectual property which relates to a non-robotic device that enables stroke survivors with upper limb paralysis to recover.

North Queensland Commercialisation Company Pty Ltd as trustee for the JCU Asset trust acquired a 48% interest in Smart Arm Pty Ltd on 29 June 2012.

(i) The economic entity's share of the company's results and financial position:

<b>Financial Position</b>					
Total Assets		778	750	-	-
Total Liabilities		(63)	(53)	-	-
Net assets		<u>715</u>	<u>803</u>	<u>-</u>	<u>-</u>
Share of associates' net assets		<u>344</u>	<u>335</u>	<u>-</u>	<u>-</u>

**Financial Performance**

Income		213	48	-	-
Expenses		(195)	(85)	-	-
Profit/(loss)		<u>18</u>	<u>(37)</u>	<u>-</u>	<u>-</u>
Share of associates' profit/(loss)		<u>9</u>	<u>(18)</u>	<u>-</u>	<u>-</u>

(ii) Carrying amount of investment in associate

Balance at the beginning of the financial year		335	353	-	-
Share of profit from ordinary activities after income tax		9	(18)	-	-
Balance at the end of the financial year		<u>344</u>	<u>335</u>	<u>-</u>	<u>-</u>

(iii) Reserves attributable to interest in associated company

There are no reserves attributable to the interest in the associated company.

(iv) Events occurring after the end of the reporting period

There are no events of a material nature occurring after the end of the reporting period for the associated company.

**NOTE 21. OTHER FINANCIAL ASSETS**

Available-for-sale financial assets	21 (a)	33,996	32,093	34,918	33,066
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**(a) Available-for-sale financial assets comprise**

**NON-CURRENT - AT MARKET VALUE**

Listed securities - managed funds		33,819	31,939	33,819	31,939
Unlisted securities - shares		177	154	1,099	1,127
		<u>33,996</u>	<u>32,093</u>	<u>34,918</u>	<u>33,066</u>

Comparatives have changed due to the correction of a prior year error. Refer to Note 1(w).

Available-for-sale financial assets comprise investments in units in managed funds and in the ordinary share capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

**NON-CURRENT - AT COST**

Listed securities - managed funds		30,200	26,415	30,200	26,415
Unlisted securities - shares		176	154	1,098	1,127
		<u>30,376</u>	<u>26,569</u>	<u>31,298</u>	<u>27,542</u>

**(b) Movements - available-for-sale financial assets revaluation reserve (amounts recognised directly in equity)**

Balance at the beginning of the year		5,524	2,058	5,524	2,058
Revaluation adjustments		(1,904)	3,466	(1,904)	3,466
Balance at the end of the year		<u>3,620</u>	<u>5,524</u>	<u>3,620</u>	<u>5,524</u>

JAMES COOK UNIVERSITY

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NOTE 22. PROPERTY, PLANT AND EQUIPMENT

Consolidated	Land \$'000	Buildings \$'000	WIP \$'000	Plant and Equipment \$'000	Library Collections \$'000	Museums and Art \$'000	Leasehold Improvements \$'000	Infrastructure \$'000	Total \$'000
At 1 January 2013									
- Cost	-	-	79,442	95,583	-	-	-	-	175,025
- Fair value	60,352	621,168	-	-	500	645	-	103,160	785,825
Accumulated depreciation	-	(216,198)	-	(58,334)	-	-	-	(36,724)	(311,256)
Accumulated impairment	(750)	(4,030)	-	-	-	-	-	-	(4,780)
<b>Net book amount</b>	<b>59,602</b>	<b>400,940</b>	<b>79,442</b>	<b>37,249</b>	<b>500</b>	<b>645</b>	<b>-</b>	<b>66,436</b>	<b>644,814</b>
Year ended 31 December 2013									
Opening net book amount	59,602	400,940	79,442	37,249	500	645	-	66,436	644,814
Additions/transfers (including from WIP)	-	56,203	(27,830)	13,573	58	79	4,549	14,317	60,949
Revaluation / impairment	(19)	(6,056)	-	-	(200)	344	-	(828)	(6,759)
Depreciation expense	-	(15,483)	-	(9,711)	-	-	(191)	(3,594)	(28,979)
Disposals	-	(1)	-	(932)	-	-	-	-	(933)
Effect of foreign currency translation	-	-	-	563	-	-	-	-	563
<b>Closing net book amount</b>	<b>59,583</b>	<b>435,603</b>	<b>51,612</b>	<b>40,742</b>	<b>358</b>	<b>1,068</b>	<b>4,358</b>	<b>76,331</b>	<b>669,655</b>
At 31 December 2013									
- Cost	-	-	51,612	108,787	58	-	4,549	-	165,006
- Fair value	60,333	672,304	-	-	300	1,068	-	116,650	850,655
Accumulated depreciation	-	(231,681)	-	(68,045)	-	-	(191)	(40,319)	(340,236)
Accumulated impairment	(750)	(5,020)	-	-	-	-	-	-	(5,770)
<b>Net book amount</b>	<b>59,583</b>	<b>435,603</b>	<b>51,612</b>	<b>40,742</b>	<b>358</b>	<b>1,068</b>	<b>4,358</b>	<b>76,331</b>	<b>669,655</b>
Year ended 31 December 2014									
Opening net book amount	59,583	435,603	51,612	40,742	358	1,068	4,358	76,331	669,655
Additions/transfers (including from WIP)	170	43,995	(27,925)	6,499	-	-	1,568	4,415	28,722
Revaluation	692	53,338	-	-	-	8	-	(5,472)	48,566
Depreciation expense	-	(25,796)	-	(9,633)	-	-	(478)	(3,119)	(39,026)
Disposals	-	(3,342)	-	(1,471)	-	-	-	-	(4,813)
Effect of foreign currency translation	-	-	54	132	-	-	-	-	186
<b>Closing net book amount</b>	<b>60,445</b>	<b>503,798</b>	<b>23,741</b>	<b>36,269</b>	<b>358</b>	<b>1,076</b>	<b>5,448</b>	<b>72,155</b>	<b>703,290</b>
At 31 December 2014									
- Cost	-	-	23,741	113,947	58	-	6,117	-	143,863
- Fair value	60,445	782,740	-	-	300	1,076	-	115,593	960,154
Accumulated depreciation	-	(278,942)	-	(77,678)	-	-	(669)	(43,438)	(400,727)
<b>Net book amount</b>	<b>60,445</b>	<b>503,798</b>	<b>23,741</b>	<b>36,269</b>	<b>358</b>	<b>1,076</b>	<b>5,448</b>	<b>72,155</b>	<b>703,290</b>

JAMES COOK UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS  
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NOTE 22. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Parent Entity	Land \$'000	Buildings \$'000	WIP \$'000	Plant and Equipment \$'000	Library Collections \$'000	Museums and Art \$'000	Leasehold Improvements \$'000	Infrastructure \$'000	Total \$'000
At 1 January 2013									
- Cost	-	-	58,704	77,240	-	-	-	-	135,944
- Fair value	60,353	692,680	-	-	500	646	-	100,871	855,050
Accumulated depreciation	-	(287,738)	-	(45,469)	-	-	-	(34,436)	(367,643)
Accumulated impairment	(750)	(4,030)	-	-	-	-	-	-	(4,780)
<b>Net book amount</b>	<b>59,603</b>	<b>400,912</b>	<b>58,704</b>	<b>31,771</b>	<b>500</b>	<b>646</b>	<b>-</b>	<b>66,435</b>	<b>618,571</b>
Year ended 31 December 2013									
Opening net book amount	59,603	400,912	58,704	31,771	500	646	-	66,435	618,571
Additions/transfers (including from WIP)	1	56,202	(47,898)	13,181	58	80	3,940	14,317	39,881
Revaluation / impairment	(19)	(6,056)	-	-	(200)	344	-	(828)	(6,759)
Depreciation expense	-	(15,458)	-	(8,387)	-	-	(171)	(3,594)	(27,610)
Disposals	-	-	-	(213)	-	-	-	-	(213)
<b>Closing net book amount</b>	<b>59,585</b>	<b>435,600</b>	<b>10,806</b>	<b>36,352</b>	<b>358</b>	<b>1,070</b>	<b>3,769</b>	<b>76,330</b>	<b>623,870</b>
At 31 December 2013									
- Cost	-	-	10,806	84,387	-	-	3,940	-	99,133
- Fair value	60,335	740,071	-	-	358	1,070	-	113,905	915,739
Accumulated depreciation	-	(299,451)	-	(48,035)	-	-	(171)	(37,575)	(385,232)
Accumulated impairment	(750)	(5,020)	-	-	-	-	-	-	(5,770)
<b>Net book amount</b>	<b>59,585</b>	<b>435,600</b>	<b>10,806</b>	<b>36,352</b>	<b>358</b>	<b>1,070</b>	<b>3,769</b>	<b>76,330</b>	<b>623,870</b>
Year ended 31 December 2014									
Opening net book amount	59,585	435,600	10,806	36,352	358	1,070	3,769	76,330	623,870
Additions/transfers (including from WIP)	171	3,646	11,752	5,966	-	-	1,561	3,024	26,120
Revaluation	692	53,338	-	-	-	8	-	(5,472)	48,566
Depreciation expense	-	(24,729)	-	(8,108)	-	-	(417)	(3,075)	(36,329)
Disposals	-	(3,342)	-	(1,471)	-	-	-	-	(4,813)
<b>Closing net book amount</b>	<b>60,448</b>	<b>464,513</b>	<b>22,558</b>	<b>32,739</b>	<b>358</b>	<b>1,078</b>	<b>4,913</b>	<b>70,807</b>	<b>657,414</b>
At 31 December 2014									
- Cost	-	-	22,558	85,145	-	-	5,501	-	113,204
- Fair value	60,448	921,300	-	-	358	1,078	-	132,360	1,115,544
Accumulated depreciation	-	(456,787)	-	(52,406)	-	-	(588)	(61,553)	(571,334)
<b>Net book amount</b>	<b>60,448</b>	<b>464,513</b>	<b>22,558</b>	<b>32,739</b>	<b>358</b>	<b>1,078</b>	<b>4,913</b>	<b>70,807</b>	<b>657,414</b>

Land with a total value of \$1 (2013: \$1) is subject to a Deed of Grant in Trust (DOGIT), pursuant to S35 of the Land Act 1994. The land is retained by the Crown, although the economic benefits of this land accrue to the University and the land is administered by the University. The University cannot dispose of the land without the prior consent of the Governor in Council.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 22. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(a) Revaluation of non-current assets

In accordance with the University's policy on revaluation of assets as set out in Note 1(h), the details of the asset revaluations are as follows:

Asset Class	Full Revaluation Date	Full Valuation Basis	Interim Revaluation Date	Interim Valuation Basis
Land	15.06.2012	Independent	13.06.2014	Management
Buildings	13.06.2014	Independent	14.06.2013	Management
Infrastructure	13.06.2014	Independent	14.06.2013	Management
Museum and Art	14.06.2013	Independent	13.06.2014	Management
Library Collections (Rare Books)	14.06.2013	Independent	13.06.2014	Management

On 13 June 2014 interim revaluations of land were performed based on index factors provided by the Department of Natural Resources and Mines. There has been no material change in value between the valuation date of 13 June 2014 and the University's financial statement reporting date of 31 December 2014.

On 13 June 2014 independent valuations of buildings and infrastructure assets were performed by Opus International Consultants (Australia) Pty Ltd using fair value principles. The valuation was based on the current gross replacement value less accumulated depreciation calculated to reflect the consumed or expired service potential of the asset. Opus International Consultants (Australia) Pty Ltd have provided an opinion stating that there has been no material change in value between the valuation date of 13 June 2014 and the University's financial statement reporting date of 31 December 2014.

The independent full revaluation of the art collection was conducted by Ross Searle, Ross Searle and Associates, Brisbane (approved valuer of the Commonwealth Government's Cultural Gifts program). The valuation has been based on auction records, market information on artists and other sale information available. Ross Searle has provided an opinion stating that there has been no material change in value between the valuation date of 14 June 2013 and the University's financial statement reporting date of 31 December 2013. A subsequent desktop valuation has been performed as at 31 December 2014 by Ross Searle and Associates at fair value.

The independent valuation of the museum collection was undertaken by Bettina MacAulay, Partner, MacAulay Partners, Brisbane (approved valuer of the Commonwealth Government's Cultural Gifts program). The valuation has been based, so far as is possible, on current values for similar objects, such valuations are based on valuer's professional knowledge and research. Bettina MacAulay has provided an opinion stating that there has been no material change in value between the valuation date of 14 June 2013 and the University's financial statement reporting date of 31 December 2013. As at 31 December 2014 management have made a determination that there has been no material change in value since the independent valuation at 14 June 2013.

The library collections asset comprise of two rare book collections held at the University's library. The collections were donated to the University and were recognised at their fair value in 2004. The independent valuation of the rare book collection was undertaken by Simon Taaffe, Sydney (approved valuer of the Commonwealth Government's Cultural Gifts program). The fair value has been assessed by establishing the current replacement value which is based on auction records, booksellers' catalogues and online databases of market information. The fair value is then based on a percentage of the replacement value. Simon Taaffe has provided an opinion stating that there has been no material change in value between the valuation date of 14 June 2013 and the University's financial statement reporting date of 31 December 2013. A subsequent desktop valuation has been performed as at 31 December 2014 by Simon Taaffe at fair value.

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>(b) Movements - asset revaluation surplus</b>				
Balance at the beginning of the year	192,318	198,790	192,318	198,790
Revaluation adjustments:				
Land	692	(19)	692	(19)
Buildings	53,339	(5,066)	53,339	(5,066)
Library collections	-	(200)	-	(200)
Museums and Art	8	344	8	344
Infrastructure	(5,472)	(828)	(5,472)	(828)
Total decrement to asset revaluation surplus	48,567	(5,769)	48,567	(5,769)
Impairment:				
Buildings	-	(990)	-	(990)
Total impairment to asset revaluation surplus	-	(990)	-	(990)
Net transfers from / (to) retained earnings	-	287	-	287
Balance at the end of the year	240,885	192,318	240,885	192,318

NOTES TO THE FINANCIAL STATEMENTS  
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	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>NOTE 23. INTANGIBLE ASSETS</b>				
Computer software - at cost	12,651	11,000	12,651	11,000
Accumulated amortisation - computer software	(7,709)	(6,858)	(7,709)	(6,858)
	<u>4,942</u>	<u>4,142</u>	<u>4,942</u>	<u>4,142</u>
Licences - at cost	138	380	138	380
Accumulated amortisation - licences	(97)	(83)	(97)	(83)
Accumulated impairment	-	(127)	-	(127)
	<u>41</u>	<u>170</u>	<u>41</u>	<u>170</u>
	<u>4,983</u>	<u>4,312</u>	<u>4,983</u>	<u>4,312</u>

	Consolidated		
	Computer Software \$'000	Licences \$'000	Total \$'000
<b>Year ended 31 December 2013</b>			
Opening net book amount	3,583	311	3,894
Additions	1,175	-	1,175
Amortisation expense	(616)	(13)	(629)
Impairment expense	-	(127)	(127)
<b>Closing net book amount</b>	<u>4,142</u>	<u>170</u>	<u>4,312</u>
<b>At 31 December 2013</b>			
Cost	11,213	380	11,593
Accumulated amortisation	(7,071)	(83)	(7,154)
Accumulated impairment	-	(127)	(127)
<b>Net book amount</b>	<u>4,142</u>	<u>170</u>	<u>4,312</u>
<b>Year ended 31 December 2014</b>			
Opening net book amount	4,142	170	4,312
Additions	1,651	-	1,651
Amortisation expense	(852)	(14)	(866)
Impairment expense	-	10	10
	-	(125)	(125)
<b>Closing net book amount</b>	<u>4,941</u>	<u>41</u>	<u>4,983</u>
<b>At 31 December 2014</b>			
Cost	12,864	137	13,002
Accumulated amortisation	(7,923)	(96)	(8,019)
<b>Net book amount</b>	<u>4,941</u>	<u>41</u>	<u>4,983</u>
<b>Parent Entity</b>			
<b>Year ended 31 December 2013</b>			
Opening net book amount	3,583	311	3,894
Additions	1,175	-	1,175
Amortisation expense	(616)	(13)	(629)
Impairment expense	-	(127)	(127)
<b>Closing net book amount</b>	<u>4,142</u>	<u>170</u>	<u>4,312</u>
<b>At 31 December 2013</b>			
Cost	11,213	381	11,593
Accumulated amortisation	(7,071)	(83)	(7,154)
Accumulated impairment	-	(127)	(127)
<b>Net book amount</b>	<u>4,142</u>	<u>171</u>	<u>4,312</u>
<b>Year ended 31 December 2014</b>			
Opening net book amount	4,142	170	4,312
Additions	1,651	-	1,651
Amortisation expense	(851)	(14)	(865)
Impairment expense	-	10	10
Reclassification of licence held for sale	-	(125)	(125)
<b>Closing net book amount</b>	<u>4,942</u>	<u>41</u>	<u>4,983</u>
<b>At 31 December 2014</b>			
Cost	12,865	137	13,002
Accumulated amortisation	(7,923)	(96)	(8,019)
Accumulated impairment	-	-	-
<b>Net book amount</b>	<u>4,942</u>	<u>41</u>	<u>4,983</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>NOTE 24. OTHER NON-CURRENT ASSETS</b>				
Capitalised lease incentives	481	-	-	-
Accumulated amortisation	(51)	-	-	-
	<u>430</u>	<u>-</u>	<u>-</u>	<u>-</u>

**NOTE 25. TAX LIABILITIES**

Liability to be settled within 12 months	853	938	-	-
Liability to be settled after more than 12 months	114	178	-	-
	<u>967</u>	<u>1,116</u>	<u>-</u>	<u>-</u>

**NOTE 26. TRADE AND OTHER PAYABLES**

**CURRENT**

Trade creditors	5,187	5,932	4,165	4,625
OS-HELP liability to Australian Government	389	141	389	141
Salary and related payables	1,381	1,452	1,145	1,244
Accrued expenses and other creditors	15,379	16,507	9,749	13,699
	<u>22,336</u>	<u>24,032</u>	<u>15,448</u>	<u>19,709</u>

**NOTE 27. BORROWINGS**

**CURRENT**

Unsecured				
Interest bearing	7,662	7,427	4,866	4,666
Non-interest bearing	13,629	-	13,629	-
	<u>21,291</u>	<u>7,427</u>	<u>18,495</u>	<u>4,666</u>

**NON-CURRENT**

Unsecured				
Interest bearing	71,730	78,921	71,035	75,591
Non-interest bearing	-	11,914	-	11,914
	<u>71,730</u>	<u>90,835</u>	<u>71,035</u>	<u>87,505</u>

The consolidated interest bearing liabilities represent outstanding loans of \$75.901m with the Queensland Treasury Corporation (QTC) (Parent Entity) and \$3.490m with ANZ (Singapore). The payout value at 31 December 2014 of the QTC loans outstanding is \$84.356m (2013 - \$81.851m). In addition, the University has an approved overdraft facility with QTC of \$3.000m.

Non-current assets pledged as security for these liabilities: \$Nil (2013: \$Nil)

The non-interest bearing borrowings relate to three 30 year loans (with a 10 year moratorium on repayments) from the Queensland Government's Smart State Research Facility Fund. On 11 September 2014 the Queensland State Government announced a sector-wide science and innovation funding package that was dependent upon the early repayment of the Queensland Government's Smart State Research Facility Fund on 5 January 2015. In November 2014, the University agreed to the early repayment of funds whereby a cash equivalent to ninety percent of the loan net present value would be made and a ten per cent discount would be recognised as debt forgiveness.

At 31 December 2014, the cumulative borrowed funds totalled \$41.264m with a net present value of \$13.629m and a cash payout value of \$12.266m. (2013 - cumulative funds \$41.264m net present value \$11.914m).

**Maturity Analysis**

Borrowings are payable:

- not later than one year	21,291	7,427	18,495	4,666
- later than one year and not later than five years	26,139	26,283	25,444	22,953
- later than five years	45,591	64,552	45,591	64,552
	<u>93,021</u>	<u>98,262</u>	<u>89,530</u>	<u>92,171</u>



NOTES TO THE FINANCIAL STATEMENTS  
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	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>NOTE 28. EMPLOYEE BENEFIT LIABILITY</b>				
<b>CURRENT</b>				
Annual leave	22,140	18,585	21,957	18,372
Long service leave	3,787	3,521	3,725	3,463
	<u>25,927</u>	<u>22,106</u>	<u>25,682</u>	<u>21,835</u>
<b>NON-CURRENT</b>				
Long service leave	25,403	24,784	25,250	24,655
	<u>25,403</u>	<u>24,784</u>	<u>25,250</u>	<u>24,655</u>
	<u>51,330</u>	<u>46,890</u>	<u>50,932</u>	<u>46,490</u>

**Liability for employee benefits**

Current annual leave for the consolidated and parent entity expected to be settled wholly after more than 12 months is \$4.927m (2013: \$5.220m).

In calculating the present value of future cash flows in respect of employee benefits relating to long service leave, the probability of long service being taken is based on historical data. The measurement and recognition criteria has been included in Note 1 (s).

**NOTE 29. OTHER LIABILITIES**

<b>CURRENT</b>				
Unearned revenue	18,345	18,859	9,727	10,440
Funds held in trust	5,623	5,604	397	377
Other liability	-	1,037	-	-
	<u>23,968</u>	<u>25,500</u>	<u>10,124</u>	<u>10,817</u>
<b>NON-CURRENT</b>				
Deferred remuneration	-	288	-	-
	<u>-</u>	<u>288</u>	<u>-</u>	<u>-</u>

**NOTE 30. RESERVES AND RETAINED EARNINGS**

**(a) Retained Earnings**

Balance at the beginning of the year	522,735	504,571	502,674	488,070
Operating result attributable to parent entity	62,179	18,451	61,120	14,891
Transfer to asset revaluation surplus	-	(287)	-	(287)
Balance at the end of the year	<u>584,914</u>	<u>522,735</u>	<u>563,794</u>	<u>502,674</u>

Comparatives have changed due to the correction of a prior year error. Refer to Note 1(w).

NOTES TO THE FINANCIAL STATEMENTS  
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	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>NOTE 30. RESERVES AND RETAINED EARNINGS (cont'd)</b>				
<b>(b) Foreign currency translation reserve</b>				
Balance at the beginning of the year	214	(427)	-	-
Foreign currency exchange difference on translation	575	641	-	-
Balance at the end of the year	789	214	-	-
<b>NOTE 31. COMMITMENTS FOR EXPENDITURE</b>				
<b>Capital expenditure commitments</b>				
Contracted but not provided for and payable:				
- not later than one year	11,134	11,978	8,567	11,952
- later than one year and not later than five years	4,539	2,038	4,539	2,038
	15,673	14,016	13,106	13,990
<b>Operating lease commitments</b>				
Future operating lease rentals of plant and equipment not provided for and payable:				
- not later than one year	10,117	3,746	560	368
- later than one year and not later than five years	15,487	6,912	2,724	1,745
- later than five years	3,666	2,806	3,666	2,806
	29,270	13,464	6,950	4,919
<b>Other contractual commitments</b>				
Future contractual commitments not provided for and payable:				
- not later than one year	12,576	10,730	12,576	10,730
- later than one year and not later than five years	7,315	1,374	7,315	1,374
- later than five years	407	-	407	-
	20,298	12,104	20,298	12,104
Total commitments for expenditure	65,241	39,584	40,354	31,013

**NOTE 32. CONTINGENT LIABILITIES**

There are no contingent liabilities for the financial year ended 31 December 2014.

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NOTE 33. INVESTMENTS IN CONTROLLED ENTITIES

	Note	Reporting date	Country of incorporation	Class of shares	Holding * 2014 %	Holding * 2013 %
JCU Enterprises Pty Ltd	(a)	31 Dec	Australia	Ordinary	100	100
James Cook Holdings Pte Ltd		31 Dec	Singapore	Ordinary	100	100
James Cook Australia Institute of Higher Learning Pte Ltd		31 Dec	Singapore	Ordinary	100	100
JCU Early Learning Centres Pty Ltd	(b)	31 Dec	Australia	Ordinary	100	100
JCU Health Pty Ltd	(c)	31 Dec	Australia	Ordinary	100	100
JCU Univet Pty Ltd	(d)	31 Dec	Australia	Ordinary	100	100
North Queensland Commercialisation Company Pty Ltd	(e)	31 Dec	Australia	Ordinary	100	100
JCU Asset Trust		31 Dec	-	-		
GRW Industries Pty Ltd		31 Dec	Australia	Ordinary	100	100
JCU CPB Pty Ltd	(f)	31 Dec	Australia	Ordinary	100	100
CPB Trust		31 Dec	-	-		
Tropical Queensland Centre for Oral Health Pty Ltd	(g)	31 Dec	Australia	Ordinary	100	100

**Purpose & Principal Activity**

- (a) JCU Enterprises Pty Ltd's purpose and principal activity is a holding company and holds all the shares in James Cook Holdings Pte Ltd.
- (b) JCU Early Learning Centres Pty Ltd's purpose and principal activity is the provision of childcare services. On 1 May 2014 the company's name was changed from Unicare (NQ) Pty Ltd.
- (c) JCU Health Pty Ltd's purpose and principal activity is the provision of medical and allied health services and provides clinical education for students of the University.
- (d) JCU Univet Pty Ltd's purpose and principal activity is the provision of veterinary services and provides clinical education for students of the University.
- (e) North Queensland Commercialisation Company Pty Ltd's purpose and principal activity is trustee for the JCU Asset Trust. The JCU Asset Trust's principal activity is the management and commercialisation of intellectual property.
- (f) JCU CPB Pty Ltd's purpose and principal activity is trustee of the CPB Trust. The CPB Trust's principal activity is the ownership and operation of the Clinical Practice Building.
- (g) Tropical Queensland Centre for Oral Health Pty Ltd's purpose and principal activity is the provision of oral health services and provides clinical education for students of the University.

\* Holding represents the share holdings and voting rights in each entity.

**Directly Controlled Entities - 31 December 2014**

	Total Assets \$'000	Total Liabilities \$'000	Total Revenue \$'000	Operating Result \$'000
JCU Enterprises Pty Ltd	30,811	19,241	41,625	3,030
JCU Early Learning Centres Pty Ltd	1,002	245	1,986	131
JCU Health Pty Ltd	1,229	300	2,227	(147)
JCU Univet Pty Ltd	573	656	4,099	29
North Queensland Commercialisation Company Pty Ltd	-	-	-	-
JCU CPB Pty Ltd	-	-	-	-
Tropical Queensland Centre for Oral Health Pty Ltd	1,463	133	5,745	(331)

**Directly Controlled Entities - 31 December 2013**

	Total Assets \$'000	Total Liabilities \$'000	Total Revenue \$'000	Operating Result \$'000
JCU Enterprises Pty Ltd	34,543	26,578	39,694	3,549
UniCare (NQ) Pty Ltd	865	239	1,839	32
JCU Health Pty Ltd	1,361	286	2,155	(72)
JCU Univet Pty Ltd	731	844	4,021	10
North Queensland Commercialisation Company Pty Ltd	-	-	-	-
JCU CPB Pty Ltd	-	-	-	-
Tropical Queensland Centre for Oral Health Pty Ltd	1,866	206	5,731	203

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**NOTE 33. INVESTMENTS IN CONTROLLED ENTITIES (cont'd)**

**Indirectly Controlled Entities**

	Note	Holding * 2014 %	Holding * 2013 %
James Cook Holdings Pte Ltd	(h)	100	100
James Cook Australia Institute of Higher Learning Pte Ltd		100	100
JCU Asset Trust		-	-
GRW Industries Pty Ltd	(i)	100	100
CPB Trust		-	-

(h) James Cook Holdings Pty Ltd is a wholly owned subsidiary of JCU Enterprises Pty Ltd and owns all the shares of James Cook Australia Institute of Higher Learning Pte Ltd. Both James Cook Holdings Pte Ltd and James Cook Australia Institute of Higher Learning Pte Ltd are companies which have been incorporated in Singapore.

(i) GRW Industries Pty Ltd is wholly owned by the JCU Asset Trust.

\* Holding represents the share holdings and voting rights in each entity.

**NOTE 34. JOINTLY CONTROLLED OPERATIONS AND ASSETS**

(i) AIMS@JCU

On 17 June 2004, James Cook University entered into an unincorporated joint venture agreement (AIMS@JCU) with the Australian Institute of Marine Science (AIMS). The principal activity of the joint venture is to facilitate collaboration between the University and AIMS. In particular, it will increase research activities, capabilities, outputs and outcomes by the two organisations.

James Cook University holds a 50% interest in the AIMS@JCU unincorporated joint venture. The venture is controlled by a Board, comprising an independent Chairperson and equal representation from both organisations, which determines the research objective for funding. The agreement specifies that the share that each participant is to receive from the joint venture is to be determined by the Board.

The University has recorded the share of the investment that directly relates to the University.

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>Financial Performance</b>				
Income	115	38	-	-
Expenses	(125)	(38)	-	-
<b>Profit / (loss)</b>	<b>(10)</b>	<b>-</b>	<b>-</b>	<b>-</b>

(ii) Tropical Landscapes Joint Venture (TLJV)

On 20 January 2006, James Cook University entered into an unincorporated joint venture agreement (TLJV) with the Commonwealth Scientific and Industrial Research Organisation (CSIRO). The principal activity of the joint venture is to encourage relevant collaborative research and consultancy work in the field of sustainable management of tropical landscapes.

The venture is controlled by a Board, comprising an independent Chairperson and equal representation from both organisations. The Board approves the budget and the research plan.

As the TLJV Fund Manager, the University has recorded the cash contributions received and expenses incurred, in respect of the TLJV, in the statement of comprehensive income.

**JAMES COOK UNIVERSITY**

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**NOTE 34. JOINTLY CONTROLLED OPERATIONS AND ASSETS (cont'd)**

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>Financial Performance</b>				
Income	409	394	-	-
Expenses	(241)	(422)	-	-
<b>Profit / (loss)</b>	<b>168</b>	<b>(28)</b>	-	-
<b>Share of jointly controlled entity profit / (loss)</b>	<b>84</b>	<b>(14)</b>	-	-
<b>Financial Position</b>				
Accumulated funds	231	63	-	-
<b>Share of jointly controlled entity net assets</b>	<b>116</b>	<b>32</b>	-	-

**NOTE 35. RELATED PARTY TRANSACTIONS**

**(a) Parent entity**

The ultimate parent entity is James Cook University.

**(b) Subsidiaries**

Interest in subsidiaries is set out in Note 33.

**(c) Key management personnel**

Disclosures relating to Council members and executive officers are set out in Note 15.

**(d) Transactions with related parties**

The following transactions occurred with related parties:

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>Revenue</b>				
Contributions received from subsidiaries	667	-	667	-
Royalties received from subsidiaries	5,145	4,458	5,145	4,458
Fees and charges received from subsidiaries	-	-	1,353	-
Rental received from subsidiaries	1,137	24	1,137	24
<b>Expenses</b>				
Donation to subsidiary	17	15	17	15
Grants, contributions to subsidiary	3,753	3,793	3,753	3,793
Fees paid to subsidiaries for seconded staff	2,325	2,368	2,325	2,368

**(e) Outstanding balances arising from transactions with related parties**

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

Current receivables - subsidiaries	-	-	1,040	1,576
Current payables - subsidiaries	-	-	163	209

No provision for impairment of trade receivables has been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

**(f) Loans to / from related parties**

<b>Loans to subsidiaries</b>				
Balance at the beginning of the year	33,804	14,272	-	-
Loan advanced	51	19,300	-	-
Loan repayments received	(5,000)	-	-	-
Interest charged	1,367	1,327	-	-
Interest received	(2,021)	(1,095)	-	-
<b>Balance at the end of the year</b>	<b>28,201</b>	<b>33,804</b>	-	-

Loans to other related parties - \$Nil (2013: \$Nil)

No expense has been recognised in respect of bad or doubtful debts due from related parties in the current year (2013 - \$Nil).

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**NOTE 36. FINANCIAL RISK MANAGEMENT**

The Group's financial instruments consist mainly of deposits with banks, short term deposits, managed funds, interest bearing securities and liabilities, accounts receivable and payable and non interest bearing liabilities.

The Group's activities expose it to a variety of financial risks; credit risk, liquidity risk and market risk (including foreign exchange risk and interest rate risk).

**(a) Credit risk**

The Group has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the financial statements.

The Group does not have any material credit risk exposure to any single receivable or group of receivables.

Cash transactions are limited to Australian Prudential Regulatory Authority (APRA) regulated financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution, according to the institutions' ratings. Significant use is made of the Federal Government Deposit Guarantee.

**(b) Liquidity risk**

The Group manages liquidity risk by the application of stringent budget principles, monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

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

31 December 2014	Average interest %	Variable interest rate \$'000	Less than 1 year \$'000	1 to 5 years \$'000	5+ years \$'000	Non interest \$'000	TOTAL \$'000
<b>Financial Assets</b>							
Cash	3.51	19,756	220,816	-	-	-	240,572
Receivables	-	-	-	-	-	29,152	29,152
Other financial assets	-	-	-	-	-	33,996	33,996
		<u>19,756</u>	<u>220,816</u>	<u>-</u>	<u>-</u>	<u>63,148</u>	<u>303,720</u>

<b>Financial Liabilities</b>							
Payables	-	-	-	-	-	22,336	22,336
Borrowings	4.94	-	7,662	26,139	45,591	13,629	93,021
		<u>-</u>	<u>7,662</u>	<u>26,139</u>	<u>45,591</u>	<u>35,965</u>	<u>115,357</u>

31 December 2013	Average interest %	Variable interest rate \$'000	Less than 1 year \$'000	1 to 5 years \$'000	5+ years \$'000	Non interest \$'000	TOTAL \$'000
<b>Financial Assets</b>							
Cash	3.63	20,123	153,390	-	-	-	173,513
Receivables	-	-	-	-	-	25,382	25,382
Other financial assets	-	-	-	-	-	32,093	32,093
		<u>20,123</u>	<u>153,390</u>	<u>-</u>	<u>-</u>	<u>57,475</u>	<u>230,988</u>

<b>Financial Liabilities</b>							
Payables	-	-	-	-	-	24,032	24,032
Borrowings	5.70	-	7,427	26,283	52,638	11,914	98,262
		<u>-</u>	<u>7,427</u>	<u>26,283</u>	<u>52,638</u>	<u>35,946</u>	<u>122,294</u>

**(c) Market risk**

*(i) Foreign exchange risk*

The Group's main foreign exchange risk arises from currency exposures to the Singapore dollar, as a result of related party transactions between the Parent Entity and a subsidiary. The foreign currency gains and losses associated with these transactions are contained within the Group.

As at 31 December 2014, the translation adjustment of the foreign subsidiary's net assets to the Parent Entity's functional currency amounted to \$0.575m (2013 - \$0.641m). The Group does not hedge foreign currency denominated shareholders' equity as the foreign exchange movements are immaterial.

Foreign exchange exposures relating to receipts from other organisations and purchases from foreign suppliers are predominantly immaterial and are usually transacted at the exchange rates prevailing at the date of the transaction. For significant purchases the University maintains foreign currency accounts to mitigate exchange fluctuation risk.

**NOTE 36. FINANCIAL RISK MANAGEMENT (cont'd)**

*(ii) Interest rate risk*

The Group's interest rate risk arises from interest-bearing assets and long-term borrowings.

*Interest-bearing assets*

An Investment Sub-Committee meets on a regular basis to evaluate investment management strategies in the context of the most recent economic conditions and forecasts and to ensure compliance with the parent entity's investment policies.

For other entities within the Group, their respective Boards monitor interest rate risk.

*Long-term borrowings*

Interest rate risk is managed with a mixture of fixed and floating rate debt. Floating rate debt is primarily used as it allows the flexibility of excess liquidity to be used to reduce interest-bearing debt.

The Parent Entity has interest-bearing borrowings obtained from Queensland Treasury Corporation, which provides cost-effective financing, independent external advice and management of debt pools. The Group also has interest-bearing borrowings with ANZ.

*(iii) Summarised sensitivity analysis*

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

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NOTE 36. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Market risk (cont'd)

(iii) Summarised sensitivity analysis (cont'd)

Consolidated

31 December 2014	Carrying Amount \$'000	Interest rate risk				Foreign exchange risk				Other price risk			
		-2.00%		+2.00%		-11.74%		+11.74%		-1.00%		+1.00%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial Assets</b>													
Cash and cash equivalents	240,572	(4,811)	(4,811)	4,811	4,811	-	-	-	-	-	-	-	-
Trade and other receivables	29,153	-	-	-	-	(871)	(871)	871	871	-	-	-	-
Available for sale financial assets	33,997	-	-	-	-	-	-	-	-	-	-	-	-
	303,722	(4,811)	(4,811)	4,811	4,811	(871)	(871)	871	871	-	-	-	-
<b>Financial Liabilities</b>													
Interest-bearing liabilities	79,392	(1,588)	(1,588)	1,588	1,588	-	-	-	-	-	-	-	-
Non interest-bearing liabilities	13,629	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other Payables	22,336	-	-	-	-	(3)	(3)	3	3	-	-	-	-
	115,357	(1,588)	(1,588)	1,588	1,588	(3)	(3)	3	3	-	-	-	-

31 December 2013	Carrying Amount \$'000	Interest rate risk				Foreign exchange risk				Other price risk			
		-2.00%		+2.00%		-10.00%		+10.00%		-1.00%		+1.00%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial Assets</b>													
Cash and cash equivalents	173,514	(3,470)	(3,470)	3,470	3,470	-	-	-	-	-	-	-	-
Trade and other receivables	25,382	-	-	-	-	(962)	(962)	962	962	-	-	-	-
Available for sale financial assets	32,093	-	-	-	-	-	-	-	-	-	-	-	-
	230,989	(3,470)	(3,470)	3,470	3,470	(962)	(962)	962	962	-	-	-	-
<b>Financial Liabilities</b>													
Interest-bearing liabilities	86,348	(1,727)	(1,727)	1,727	1,727	-	-	-	-	-	-	-	-
Borrowings	11,914	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	24,031	-	-	-	-	(911)	(911)	911	911	-	-	-	-
	122,293	(1,727)	(1,727)	1,727	1,727	(911)	(911)	911	911	-	-	-	-



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**NOTE 37. 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.

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of unlisted shares are measured at cost less impairment if no active market exists for those shares to be traded in and no fair value can be determined.

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

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

	Carrying Amount		Fair Value	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>				
Cash	240,572	173,513	240,572	173,513
Receivables	29,152	25,382	29,152	25,382
Other financial assets	33,996	32,093	33,996	32,093
	<u>303,720</u>	<u>230,988</u>	<u>303,720</u>	<u>230,988</u>
<b>Financial Liabilities</b>				
Payables	<u>22,336</u>	<u>24,032</u>	<u>22,336</u>	<u>24,032</u>
	<u>22,336</u>	<u>24,032</u>	<u>22,336</u>	<u>24,032</u>

**NOTE 37. FAIR VALUE MEASUREMENTS (Cont'd)**

**(a) Fair value measurements (Cont'd)**

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

- Available-for-sale financial assets
- Land, buildings and infrastructure
- library collections
- museums and art

The Group does not subsequently measure any assets or liabilities at fair value on a non-recurring basis.

**(b) Fair value hierarchy**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1 - measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - measurement based on inputs other than quoted prices within level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 - measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair values are observable, the asset or liability is included in level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in level 3 (refer to table on the following page).

**Valuation techniques**

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and reliable data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using best information available about such assumptions are considered unobservable.

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NOTE 37. FAIR VALUE MEASUREMENTS (cont'd)

The following tables provide the fair values of the Group's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy.

	Note	31 December 2014			
		2014 \$'000	Level 1' \$'000	Level 2' \$'000	Level 3' \$'000
<b>Recurring fair value measurements</b>					
<i>Financial assets</i>					
Available-for-sale financial assets					
managed funds	21	33,819	33,819	-	-
unlisted shares	21	177	-	-	177
<b>Total financial assets recognised at fair value</b>		<b>33,996</b>	<b>33,819</b>	<b>-</b>	<b>177</b>
<i>Non-financial assets</i>					
land	22	60,445	-	-	60,445
buildings	22	503,798	-	-	503,798
infrastructure	22	72,155	-	-	72,155
library collections	22	358	-	-	358
museums and art	22	1,076	-	-	1,076
<b>Total non-financial assets recognised at fair value</b>		<b>637,832</b>	<b>-</b>	<b>-</b>	<b>637,832</b>

	Note	31 December 2013			
		2013 \$'000	Level 1' \$'000	Level 2' \$'000	Level 3' \$'000
<b>Recurring fair value measurements</b>					
<i>Financial assets</i>					
Available-for-sale financial assets					
managed funds	21	31,939	31,939	-	-
unlisted shares	21	154	-	-	154
<b>Total financial assets recognised at fair value</b>		<b>32,093</b>	<b>31,939</b>	<b>-</b>	<b>154</b>
<i>Non-financial assets</i>					
land	22	59,583	-	59,583	-
buildings	22	435,603	-	435,603	-
infrastructure	22	76,331	-	76,331	-
library collections	22	358	-	358	-
museums and art	22	1,068	-	1,068	-
<b>Total non-financial assets recognised at fair value</b>		<b>572,943</b>	<b>-</b>	<b>572,943</b>	<b>-</b>

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.

There were no transfers between Level 1 and Level 2 for assets measured at fair value on a recurring basis during the reporting period (2013: no transfers). For transfers in and out of level 3 measurements see (c) below.

**(c) Valuation techniques and unobservable inputs used to measure Level 3 fair values**

**Unlisted shares in companies**

The Group has acquired a small quantity of unlisted shares in companies that are either directly involved in the sector or involved in research which the Group is a participant. The fair value of the shares has been measured using the cost approach.

**Land, buildings and infrastructure assets**

Land, buildings and infrastructure (classified as property, plant and equipment) are valued independently at least every five years. At the end of the reporting period, the Group updates its assessment of the fair value of each asset class, taking into account the most recent independent valuations.

Land is valued using the Direct Comparison method in which the property being appraised is compared to sales of similar properties in order to arrive at a value. Adjustments are made to account for relevant differences between each comparable sale and the subject (eg property size). The most significant input into this valuation approach is price per square metre.

Land types that are commonly traded in the property market would be considered to have level 2 inputs, but due to the characteristics of the University's land assets level 3 valuation inputs have been assigned.

Buildings held by the University are purpose built and as such market evidence is limited. Consequently buildings have been valued within the level 3 hierarchy and measured using the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value.

Infrastructure assets are valued using level 3 inputs using the cost approach. This requires estimating the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates (metres, square metres, tonnes etc) could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets have been classified as having been valued using level 3 valuation inputs.

**Library collections**

The library collections asset comprise of two rare book collections. The fair value has been assessed by establishing the current replacement value which is based on auction records, booksellers' catalogues and online databases of market information. The fair value is then based on a percentage of the replacement value. While some inputs are supported by market evidence other inputs require professional judgement and impacts on the final determination of fair value. On this basis the collection has been valued using level 3 valuation inputs.

**Museums and art**

The art collection is valued using auction records, market information on artists and other available sale information. The museum collection's valuation has been based, so far as is possible, on current values for similar objects.

To the extent that both collections require extensive professional judgement which impacts on the final determination of fair value, the collections have been assigned level 3 valuation inputs.

**JAMES COOK UNIVERSITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**NOTE 37. FAIR VALUE MEASUREMENTS (cont'd)**

**(d) Reconciliation of recurring Level 3 Fair value measurements**

The following table is a reconciliation of level 3 items for the periods ended 31 December 2014 and 2013:

	Unlisted Shares \$'000	Land \$'000	Buildings \$'000	Infrastructure \$'000	Library collections \$'000	Museums and art \$'000	Total \$'000
<b>Level 3 Fair Value Measurements 2014</b>							
Opening balance	154	-	-	-	-	-	154
Transfers from level 2	-	59,583	435,603	76,331	358	1,068	572,943
Additions/transfers (including from WIP)	94	170	43,995	4,415	-	-	48,674
Disposals	-	-	(3,342)	-	-	-	(3,342)
Depreciation	-	-	(25,796)	(3,119)	-	-	(28,915)
Recognised in other comprehensive income	-	692	53,338	(5,472)	-	8	48,566
Gains/(losses) recognised in profit or loss	(71)	-	-	-	-	-	(71)
Closing balance	<u>177</u>	<u>60,445</u>	<u>503,798</u>	<u>72,155</u>	<u>358</u>	<u>1,076</u>	<u>638,009</u>

**Level 3 Fair Value Measurements 2013**

Opening balance	<u>154</u>	-	-	-	-	-	<u>154</u>
Closing balance	<u>154</u>	-	-	-	-	-	<u>154</u>

Land, buildings, infrastructure, library collections, museums and art have been transferred between Level 2 and Level 3 for assets measured at fair value on a recurring basis during the reporting period (2013: no transfers).

The transfers were made in accordance with the "Non-Current Asset Policies for the Queensland Public Sector" (April 2014) appendix 3.2.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 37. FAIR VALUE MEASUREMENTS (cont'd)

(d) Reconciliation of recurring Level 3 Fair value measurements (cont'd)

(i) Valuation inputs and relationships to fair value

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

Description	Fair value at 31 Dec 2014 \$'000	Unobservable inputs	Range of inputs (probability weighted average)		Relationship of unobservable inputs to fair value	
			Lower	Upper	Lower	Upper
Land	60,445	Price per square meter	(2.50)%	2.50%	(1,511)	1,511
Buildings	503,798	Relationship between asset consumption rating scale and the level of consumed service potential.	(2.50)%	2.50%	(10,765)	10,765
Infrastructure	72,155	Relationship between asset consumption rating scale and the level of consumed service potential.	(2.50)%	2.50%	(1,876)	1,876

Usage of alternative values (higher or lower) that are reasonable in the circumstances as at revaluation date would not result in material changes in the reported fair value. Whilst there is some minor correlation between costs to bring to standard and condition rating, either measure in isolation does not materially affect the other. There were no significant inter-relationships between unobservable inputs that materially effects fair value.

(ii) Valuation processes

The valuation process is managed by a team in the University's Financial and Business Services Office which engages external valuers to perform the valuations of assets required for reporting purposes. The Financial and Business Services team reports to the DVC, Resources and Planning. Discussions on valuation processes are held every 12 months.

The University engages external, independent and qualified valuers, and professional engineers to determine the fair value of the University's land, buildings, infrastructure and other non-financial assets on a regular basis. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. If any variation is considered material a revaluation is undertaken either by comprehensive revaluation or by applying an interim revaluation using appropriate indices.

Details regarding the University's comprehensive and interim valuations are disclosed at Note 22(a).

The main level 3 inputs used are derived and evaluated as follows:

- Cost for land restricted in use (non-saleable) - estimated cost to replace the existing land if the University had to acquire it on the open market in competition with other market participants. Due to the restricted nature and unique characteristics of this land there was insufficient market evidence of directly comparable sales. Reference was made of sales of land with a limited level of comparability at distant locations and adjusted by the valuer using professional judgement to take account of the differing characteristics. These were evaluated by reasonableness against the price per area for other restricted in use land held by the University.

- Asset condition - The nature of buildings, road and water network infrastructure is that there is a very large number of components which comprise the assets and as a result it is not physically possible to inspect every asset for the purposes of completing a valuation. As a consequence reliance is placed on the accuracy of data held in the asset management system and its associated internal controls. This includes planned inspections and updates to the system following maintenance activities and renewal treatments. Likewise, especially for water networks infrastructure, a large portion of the portfolio is located underground and may only be inspected on an irregular basis,

- Relationship between asset consumption rating scale and the level of consumed service potential - Under the cost approach the estimated cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. In order to achieve this, the valuer determines an asset consumption rating scale for each asset type based on the inter-relationship between a range of factors. These factors and their relationship to the fair value require professional engineering judgement and include asset condition, legal and commercial obsolesce and the determination of key depreciation related assumptions such as residual values, useful life and pattern of consumption of the future economic benefit.

JAMES COOK UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**NOTE 38. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

The University paid out the Smart State Research Facility Fund loan amount on 5 January 2015 (refer Note 27). There were no other events occurring after the balance sheet date of a material nature.

**NOTE 39. RECONCILIATION OF NET CASH INFLOW FROM OPERATING ACTIVITIES TO OPERATING RESULT**

	Consolidated \$'000		Parent Entity \$'000	
	2014	2013	2014	2013
<b>Net result for the period</b>	62,179	18,451	61,120	14,891
<b>Non-cash items</b>				
Depreciation and amortisation	39,942	29,608	37,194	28,239
Net (gain) / loss on sale of property, plant and equipment	4,377	669	4,377	(47)
Net (gain) / loss on disposal of investments	(2,631)	-	(2,631)	-
Net (gain) / loss from change in fair value of financial liability - Smart State borrowings	-	180	-	180
Accrued interest	331	333	331	372
Unrealised foreign currency gain	(71)	-	(71)	-
Impairment of financial asset	70	109	70	109
Impairment of intangible asset	(10)	127	(10)	127
Write off of financial asset	1	-	1	-
Smart State interest expense	1,624	576	1,624	576
<b>Changes in assets and liabilities associated with operating activities</b>				
Decrease / (Increase) in receivables	(5,295)	2,777	(3,583)	3,565
Decrease / (Increase) in inventories	1,346	30	1,379	57
Decrease / (Increase) in other assets	1,309	96	1,250	49
Increase / (Decrease) in creditors	(1,696)	1,460	(4,261)	660
Increase / (Decrease) in tax liability	(149)	(206)	-	-
Increase / (Decrease) in other liabilities	(1,820)	3,946	(694)	2,619
Increase / (Decrease) in employee benefits liability	4,440	4,781	4,442	4,772
<b>Net cash inflow from operating activities</b>	<b>103,947</b>	<b>62,937</b>	<b>100,538</b>	<b>56,169</b>

Comparatives have changed due to the correction of a prior year error. Refer to Note 1(w).

JAMES COOK UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 40. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

Education - CGS and Other Education Grants	Commonwealth Grants Scheme		Indigenous Support Program		Partnership & Participation Program		Disability Support Program		Capital Development Pool	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period	136,591	136,549	2,071	2,003	3,391	3,508	44	35	-	-
Net accrual adjustment	198	(664)	-	-	21	-	-	-	-	-
Revenue for the period	136,789	135,885	2,071	2,003	3,412	3,508	44	35	-	-
Surplus / (deficit) from the previous year	-	-	-	360	440	-	-	-	-	158
Total revenue including accrued revenue	136,789	135,885	2,071	2,363	3,852	3,508	44	35	-	158
Less expenses including accrued expenses	(136,789)	(135,885)	(2,071)	(2,363)	(3,118)	(3,068)	(44)	(35)	-	(158)
Surplus / (deficit) for reporting period	-	-	-	-	734	440	-	-	-	-

Education - CGS and Other Education Grants (cont'd)	Learning & Teaching Performance Fund		Diversity and Structural Adjustment Fund		Clinical Outreach Program		Promo of Exc In Learn and Teaching		Reward Funding		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period	-	-	-	-	-	2,237	544	305	-	583	142,641	145,220
Net accrual adjustment	-	-	-	-	-	-	-	49	-	-	219	(615)
Revenue for the period	-	-	-	-	-	2,237	544	354	-	583	142,860	144,605
Surplus / (deficit) from the previous year	-	43	-	3,472	145	-	138	75	-	-	723	4,108
Total revenue including accrued revenue	-	43	-	3,472	145	2,237	682	429	-	583	143,583	148,713
Less expenses including accrued expenses	-	(43)	-	(3,472)	(145)	(2,092)	(154)	(291)	-	(583)	(142,321)	(147,990)
Surplus / (deficit) for reporting period	-	-	-	-	-	145	528	138	-	-	1,262	723

Higher Education Loan Programs (excl OS-HELP)	HECS-HELP Australian Gov't payments only		FEE-HELP		SA-HELP		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash payable / (receivable) at beginning of year	(1,092)	(193)	(305)	(257)	(13)	(27)	(1,410)	(477)
Financial assistance received in cash during the reporting period	68,652	65,909	3,505	2,540	2,130	2,040	74,287	70,489
Cash available for period	67,560	65,716	3,200	2,283	2,117	2,013	72,877	70,012
Revenue earned	(70,507)	(66,808)	(3,396)	(2,588)	(1,985)	(2,026)	(75,888)	(71,422)
Cash payable / (receivable) at end of year	(2,947)	(1,092)	(196)	(305)	132	(13)	(3,011)	(1,410)



JAMES COOK UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 40. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (cont'd)

Scholarships	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships		Commonwealth Accommodation Scholarships		Indigenous Access Scholarships		Indigenous Staff Scholarships		National Priority Scholarships		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period	3,428	3,042	274	237	341	(185)	194	(89)	221	242	80	-	-	(1,437)	4,538	1,810
Net accrual adjustment	-	-	-	-	267	696	180	440	207	271	-	-	-	2,025	654	3,432
Revenue for the period	3,428	3,042	274	237	608	511	374	351	428	513	80	-	-	588	5,192	5,242
Surplus / (deficit) from the previous year	648	437	-	-	12	-	-	-	-	-	-	-	8	-	668	437
Total revenue including accrued revenue	4,076	3,479	274	237	620	511	374	351	428	513	80	-	8	588	5,860	5,679
Less expenses including accrued expenses	(3,351)	(2,831)	(274)	(237)	(620)	(499)	(374)	(351)	(428)	(513)	(80)	-	(8)	(580)	(5,135)	(5,011)
Surplus / (deficit) for reporting period	725	648	-	-	-	12	-	-	-	-	-	-	-	8	725	668

Education Research	Joint Research Engagement		JRE Engineering Cadetships		Research Training Scheme		Sustainable Research Excellence in Universities		Research Infrastructure Block Grants	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period	3,807	3,315	48	30	8,727	8,258	2,151	2,145	3,222	3,144
Net accrual adjustment	-	-	-	-	-	-	-	-	-	-
Revenue for the period	3,807	3,315	48	30	8,727	8,258	2,151	2,145	3,222	3,144
Surplus / (deficit) from the previous year	-	-	-	-	-	-	-	-	100	347
Total revenue including accrued revenue	3,807	3,315	48	30	8,727	8,258	2,151	2,145	3,322	3,491
Less expenses including accrued expenses	(3,807)	(3,315)	(48)	(30)	(8,727)	(8,258)	(2,151)	(2,145)	(3,263)	(3,391)
Surplus / (deficit) for reporting period	-	-	-	-	-	-	-	-	59	100

Education Research (cont'd)	Commercialisation Training Scheme		Aust Scheme for Higher Education Repositories		Total	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period	-	-	-	-	17,955	16,892
Transfers / return of grant	-	-	-	-	-	-
Net accrual adjustment	-	-	-	-	-	-
Revenue for the period	-	-	-	-	17,955	16,892
Surplus / (deficit) from the previous year	-	127	-	-	100	474
Total revenue including accrued revenue	-	127	-	-	18,055	17,366
Less expenses including accrued expenses	-	(127)	-	-	(17,996)	(17,266)
Surplus / (deficit) for reporting period	-	-	-	-	59	100

The reported surplus for Research Infrastructure Blocks Grants of \$0.059m for 2014 is expected to be rolled over for future use by Education.

JAMES COOK UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 40. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (cont'd)

Australian Research Council Grants

(a) Discovery

	Projects		Fellowships		Future Fellowships		Indigenous Researchers Development		Super Science Fellowship		Laureate Fellowship		Early Career Researcher Award		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period	2,645	2,854	-	191	1,413	1,339	187	182	157	434	1,950	1,449	1,226	1,066	7,578	7,515
Transfers / return of grant	276	45	-	-	468	77	-	-	-	-	-	-	-	3	744	125
Net accrual adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	2,921	2,899	-	191	1,881	1,416	187	182	157	434	1,950	1,449	1,226	1,069	8,322	7,640
Surplus / (deficit) from the previous year	1,395	1,248	37	228	982	911	177	154	133	168	932	693	384	113	4,040	3,515
Total revenue including accrued revenue	4,316	4,147	37	419	2,863	2,327	364	336	290	602	2,882	2,142	1,610	1,182	12,362	11,155
Less expenses including accrued expenses	(2,866)	(2,752)	(34)	(382)	(1,637)	(1,345)	(284)	(159)	(260)	(469)	(1,347)	(1,210)	(960)	(798)	(7,388)	(7,115)
Surplus / (deficit) for reporting period	1,450	1,395	3	37	1,226	982	80	177	30	133	1,535	932	650	384	4,974	4,040

Australian Research Council Grants

(b) Linkages

	Infrastructure		Projects		Industrial Transformation Research Hubs		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period	168	160	669	657	1,030	-	1,867	817
Transfers / return of grant	-	-	-	28	500	-	500	28
Net accrual adjustment	-	-	-	-	-	-	-	-
Revenue for the period	168	160	669	685	1,530	-	2,367	845
Surplus / (deficit) from the previous year	21	236	946	867	-	-	967	1,103
Total revenue including accrued revenue	189	396	1,615	1,552	1,530	-	3,334	1,948
Less expenses including accrued expenses	(10)	(375)	(875)	(606)	-	-	(885)	(981)
Surplus / (deficit) for reporting period	179	21	740	946	1,530	-	2,449	967

JAMES COOK UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 40. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (cont'd)

Australian Research Council Grants (c) Networks and Centres	Centres		Special Research Initiatives		Total	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period	4,121	3,194	36,000	-	40,121	3,194
Transfers / return of grant	-	-	-	-	-	-
Net accrual adjustment	-	-	-	-	-	-
Revenue for the period	4,121	3,194	36,000	-	40,121	3,194
Surplus / (deficit) from the previous year	2,223	1,463	-	-	6,841	6,081
Total revenue including accrued revenue	6,344	4,657	36,000	-	46,962	9,275
Less expenses including accrued expenses	(4,079)	(2,434)	(954)	-	(5,033)	(2,434)
Surplus / (deficit) for reporting period	2,265	2,223	35,046	-	41,929	6,841

OS-Help

	2014	2013
	\$'000	\$'000
Cash received during the reporting period	1,134	330
Cash spent during the reporting period	(886)	(338)
Net cash received	248	(8)
Cash surplus / (deficit) from the previous period	140	148
Cash surplus / (deficit) for the reporting period	248	(8)
	388	140

Student Services and Amenities Fee

	2014	2013
	\$'000	\$'000
Unspent / (overspent) revenue from previous period	566	895
SA-HELP revenue earned	1,985	3,402
Student Services Fees direct from students	1,876	-
Total revenue expendable in period	4,427	4,297
Student Services expenses in period	3,482	3,731
Unspent / (overspent) Student Services revenue	945	566

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Revenue \$'000		Results \$'000		Assets \$'000	
	2014	2013	2014	2013	2014	2013
<b>NOTE 41. DISAGGREGATED INFORMATION</b>						
Geographical - Consolidated Entity						
Australia	512,271	445,697	59,149	15,506	991,114	882,430
Singapore	41,625	39,694	3,030	2,945	30,716	34,449
	<u>553,896</u>	<u>485,391</u>	<u>62,179</u>	<u>18,451</u>	<u>1,021,830</u>	<u>916,879</u>

The University reports revenue, results and assets by geographical regions in accordance with the Financial Statement Guidelines for Australian Higher Education Providers for the 2014 reporting period issued by the Department of Education.

## **Certification of financial statements (management certificate)**

The following page contains the management certificate

## JAMES COOK UNIVERSITY

### MANAGEMENT CERTIFICATE

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We have prepared the annual financial statements pursuant to the provisions of the *Financial Accountability Act 2009*, the *Financial Management and Performance Standard 2009* and other prescribed requirements and we certify that -

- (a) the financial statements and consolidated financial statements are in agreement with the accounts and records of James Cook University and its controlled entities;
- (b) in our opinion -
  - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied within all material respects;
  - (ii) the financial statements have been drawn up to present a true and fair view of the transactions of James Cook University and controlled entities for the period 1 January 2014 to 31 December 2014, and the financial position as at 31 December 2014 in accordance with prescribed accounting standards and conform with the Financial Statement Guidelines for Australian Higher Education Providers for the 2014 reporting period issued by the Australian Government Department of Education.
  - (iii) at the time of this Certificate there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
  - (iv) the amount of Australian Government financial assistance expended during the year was for the purpose(s) for which it was intended;
  - (v) James Cook University has complied with applicable legislation, contracts, agreements and programme guidelines in making that expenditure.

J.C. Grey AC  
Chancellor

Date 27 February, 2015

S.L. Harding  
Vice-Chancellor

Date 27 February, 2015

P.C. Brand  
Deputy Vice Chancellor  
Services and Resources

Date 27 February, 2015

## **Independent Auditor's Report**

The following pages contain the Independent Auditor's Report

## INDEPENDENT AUDITOR'S REPORT

To the Council of James Cook University

### Report on the Financial Report

I have audited the accompanying financial report of James Cook University, which comprises the statements of financial position as at 31 December 2014, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chancellor, Vice-Chancellor and the Deputy Vice-Chancellor, Services and Resources, of the University and the consolidated entity comprising James Cook University and the entities it controlled at the year's end or from time to time during the financial year.

#### *The Council's Responsibility for the Financial Report*

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, 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 report that gives 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, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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



### *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

### *Opinion*

In accordance with s.40 of the *Auditor-General Act 2009*:

- (a) I have received all the information and explanations which I have required
- (b) in my opinion:
  - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects
  - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of James Cook University and the consolidated entity for the financial year 1 January 2014 to 31 December 2014 and of the financial position as at the end of that year.

### **Other Matters - Electronic Presentation of the Audited Financial Report**

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



J F WELSH FCPA  
As Delegate of the Auditor-General of Queensland



Queensland Audit Office  
Brisbane

## **Financial information for the year ended**

The following pages contain the underlying operating results

**FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**UNDERLYING OPERATING RESULTS**

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

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

- Higher Education Support Act 2003 (Cth) (Financial Statement Guidelines)
- Financial Accountability Act 2009 (Qld)
- Financial Reporting Requirements for Queensland Government Agencies (including Accounting Policy Guidelines)

James Cook University is a not-for-profit entity and these statements have been prepared on that basis. Some of the requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards (IFRS) requirements. The Summary of Significant Accounting Policies in Note 1 of the financial statements reflects these standards and requirements.

Under these standards included as income are grants and other funding committed to specific capital and research projects that are not available for general operations. This statement has been constructed to reflect the Accounting Standards that apply to for-profit organisations, but those standards have not been strictly applied in all aspects. The statement discloses adjustments to the operating result to determine a clearer view of the underlying operating result. The adjustments are made on the following basis:

**(a) Unspent Committed Research Grant Funds**

The nature of grant funding is such that income is recognised as revenue when received while the expenditure may not be recognised in the same reporting period. The expenditure may be incurred over a number of reporting periods depending on the terms of the funding agreements. The result is that the income from research grant funding may not match the expenditure when incurred. The following is a summary of the unspent committed research grant funding for the parent entity. The results for 2014 reveal that the expenditure during the reporting period is matching revenue received in prior periods.

	Parent Entity \$'000	
	2014	2013
Unspent committed research grant funds	12,577	(2,121)

**(b) Capital Grant Income and Expense**

Capital grant income is such that much of the associated expenditure is not recorded in the statement of comprehensive income, but rather as assets in the statement of financial position. The following is a summary of the income and expenses (excluding capitalised expenditure) associated with capital grant projects undertaken, which have been included in the statement of comprehensive income.

	Parent Entity			
	2014 \$'000	2014 \$'000	2013 \$'000	2013 \$'000
	Income	Expenditure	Income	Expenditure
<b>Australian Government Capital Grants</b>				
Australian Research Council	26,000	17	-	-
Teaching and Learning Capital Fund	-	63	-	-
Dept. of Education	14,824	166	-	37
Dept. of Innovation, Industry, Science & Research	-	703	1,862	713
Rural Health Multidisciplinary Training Program	-	467	-	2,491
Health Workforce Australia - Clinical Training Program	430	2,094	5,694	4,498
	<u>41,254</u>	<u>3,510</u>	<u>7,556</u>	<u>7,739</u>
<b>Other Australian and State Government Capital Grants</b>				
Dept. of Science, Information Technology, Innovation & the Arts	4,000	43	2,090	2
Queensland Health	-	174	200	688
Dept. of Employment, Economic Development & Innovation	-	-	19	19
	<u>4,000</u>	<u>217</u>	<u>2,309</u>	<u>709</u>
<b>Other</b>				
Commonwealth Scientific and Industrial Research Organisation (CSIRO)	350	-	-	-
Ergon Energy	-	-	242	-
	<u>350</u>	<u>-</u>	<u>242</u>	<u>-</u>
	<u>45,604</u>	<u>3,727</u>	<u>10,107</u>	<u>8,448</u>
Capital grant income less expenses (net)		<u>41,877</u>		<u>1,659</u>

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**(c) Smart State Borrowings Income and Expense**

Accounting standards require the Smart State borrowings (i.e. interest free, 30 year term, 10 year repayment moratorium and debt forgiveness on one-third of the loan balance) to be carried at their net present value. The following is a summary of the income and expenses associated with the Smart State borrowings which have been included in the statement of comprehensive Income.

	Parent Entity			
	2014 \$'000 Income	2014 \$'000 Expenditure	2013 \$'000 Income	2013 \$'000 Expenditure
<b>Australian Tropical Forest Institute (ATFI)</b>				
Interest expense	-	462	-	136
<b>Australian Tropical Science Innovation Precinct (ATSIP)</b>				
Interest expense	-	1,060	-	261
Net gain from change in fair value of financial liability	-	-	(180)	-
	-	1,060	(180)	261
<b>Queensland Tropical Health Alliance (QTHA)</b>				
Interest expense	-	101	-	180
	-	101	-	180
	-	1,623	(180)	577
Smart State income less expenses (net)		<u>(1,623)</u>		<u>(757)</u>

	Parent Entity \$'000	
	2014	2013
<b>Operating result adjusted for capital grant income and associated expenses and Smart State income and expenses</b>		
Net operating result as per statement of comprehensive income	61,120	14,891
(a) less: unspent committed grant funds	12,577	(2,121)
(b) less: capital grant income less expenses (net)	41,877	1,659
(c) less: Smart State income less expenses (net)	(1,623)	(757)
<b>Adjusted net underlying operating result</b>	<u>8,289</u>	<u>16,110</u>

## Glossary

<p><b>AARNet</b> Australia’s Academic and Research Network</p> <p><b>AASB</b> Australian Accounting Standards Board</p> <p><b>AC</b> Companion of the Order of Australia</p> <p><b>ACIAR</b> Australian Centre for International Agricultural Research</p> <p><b>ACMER</b> Australian Centre for Minerals Extension and Research</p> <p><b>ACOR</b> Australian Council of Recycling</p> <p><b>AITHM</b> Australian Institute of Tropical Health and Medicine</p> <p><b>AJIE</b> Australian Journal of Indigenous Education</p> <p><b>ALTC</b> Australian Learning and Teaching Council</p> <p><b>AM</b> Member of the Order of Australia</p> <p><b>ANU</b> Australian National University</p> <p><b>AO</b> Order of Australia</p> <p><b>APAIE</b> Asia Pacific Association for International Education</p> <p><b>ARC</b> Australian Research Council</p> <p><b>ARWU</b> Academic Ranking of World Universities</p> <p><b>ASX</b> Australian Stock Exchange</p> <p><b>ATFI</b> Australian Tropical Forest Institute</p> <p><b>ATH</b> Australian Tropical Herbarium</p> <p><b>ATSE</b> Academy of Technological Sciences and Engineering</p> <p><b>ATSIP</b> Australian Tropical Sciences and Innovation Precinct</p> <p><b>ATSIS</b> Aboriginal and Torres Strait Islander Studies Unit</p> <p><b>AUQA</b> Australian Universities Quality Agency</p> <p><b>AusAID</b> Australian Agency for International Development</p> <p><b>BJUT</b> Beijing University of Technology</p> <p><b>CBD</b> Central Business District</p> <p><b>CDC</b> Centre for Disease Control</p> <p><b>CEC</b> Community Education Counsellor</p> <p><b>CEO</b> Chief Executive Officer</p> <p><b>CEQ</b> Course experience questionnaire</p> <p><b>CGS</b> Commonwealth Grant Scheme</p> <p><b>CIPL</b> Centre for Innovation in Professional Learning</p> <p><b>CoE</b> Centre of Excellence</p> <p><b>CPB</b> Clinical Practice Building</p> <p><b>CPD</b> Continuing Professional Development</p> <p><b>CPE</b> Continuing Professional Education</p> <p><b>CQU</b> Central Queensland University</p> <p><b>CRC</b> Cooperative Research Centre</p> <p><b>CRN</b> Collaborative Research Networks</p> <p><b>CSIRO</b> Commonwealth Scientific and Industrial Research Organisation</p> <p><b>CTS</b> Cyclone Testing Station</p> <p><b>DEEDI</b> Department of Employment, Economic Development and Innovation</p>	<p><b>DEEWR</b> Federal Department of Education, Employment and Work Relations</p> <p><b>DIISR</b> Department of Innovation, Industry, Science and Research</p> <p><b>DLGP</b> Department of Local Government and Planning</p> <p><b>DRO</b> Daintree Rainforest Observatory</p> <p><b>DTHM</b> Division of Tropical Health &amp; Medicine</p> <p><b>DTES</b> Division of Tropical Environments &amp; Societies</p> <p><b>EAIE</b> European Association for International Education in Europe</p> <p><b>ECR</b> Early Career Researcher</p> <p><b>EDRMS</b> Electronic Document and Records Management System</p> <p><b>EFTSL</b> Equivalent full-time student load</p> <p><b>ERA</b> Excellence in Research Australia</p> <p><b>ERM</b> Enterprise risk management</p> <p><b>ERMS</b> Electronic risk management system</p> <p><b>ESOL</b> English for speakers of other languages</p> <p><b>FAQ</b> Frequently asked questions</p> <p><b>FBT</b> Fringe Benefits Tax</p> <p><b>FDA</b> Food and Drug Administration</p> <p><b>FIAC</b> Facilities and Infrastructure Advisory Committee</p> <p><b>FTE</b> Full-time equivalent</p> <p><b>GATCF</b> General Access and Teaching Computer Facilities</p> <p><b>GIS</b> Geospatial information system</p> <p><b>GIZ</b> Deutsche Gesellschaft für Technische Zusammenarbeit</p> <p><b>GFA</b> Gross floor area</p> <p><b>GPA</b> Grade Point Average</p> <p><b>GST</b> Goods and services tax</p> <p><b>HDR</b> Higher degree by research</p> <p><b>hGH</b> Human growth hormone</p> <p><b>HECS-HELP</b> A loan available to eligible students enrolled in Federal Government supported places</p> <p><b>HEESP</b> Higher Education Equity Support Program</p> <p><b>HEP</b> Higher education provider</p> <p><b>HERDC</b> Higher Education Research Data Collection</p> <p><b>HERS</b> Higher education research and scholarship</p> <p><b>HEPPP</b> Higher Education Participation and Partnerships Program</p> <p><b>HoS</b> Head of School</p> <p><b>HR</b> Human resources</p> <p><b>iCEVAL</b> Institutional course evaluations</p> <p><b>ICT</b> Information Communication Technology</p> <p><b>IFRS</b> International financial reporting standards</p> <p><b>IGS</b> Institutional Grant Scheme</p>
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<p><b>IHCAP</b> Indigenous Health Careers Access Program</p> <p><b>IML</b> Institute of Modern Languages</p> <p><b>IP</b> Intellectual property</p> <p><b>IRU</b> Innovative Research Universities</p> <p><b>IT</b> Information technology</p> <p><b>ITR</b> Information technology and resources</p> <p><b>JCU</b> James Cook University</p> <p><b>JCUS</b> JCU Singapore</p> <p><b>KPI</b> Key performance indicator</p> <p><b>kL</b> Kilolitre</p> <p><b>kWh</b> Kilowatt hours</p> <p><b>LMU</b> Ludwig-Maximilians-Universität München</p> <p><b>MIT</b> Massachusetts Institute of Technology</p> <p><b>MoU</b> Memorandum of understanding</p> <p><b>MRI</b> Magnetic resonance imaging</p> <p><b>MTSRF</b> Marine and Tropical Sciences Research Facility</p> <p><b>MTB</b> Marine and Tropical Biology</p> <p><b>NAFSA</b> North American Association of International Educators</p> <p><b>NAIDOC</b> National Aboriginal and Islander Day of Celebration</p> <p><b>NERP</b> National Environmental Research Program</p> <p><b>NGER</b> National Greenhouse and Energy Reporting</p> <p><b>NGO</b> Non-government agency</p> <p><b>NHMRC</b> National Health and Medical Research Council</p> <p><b>NIRAP</b> National and International Research Alliances Program</p> <p><b>NMR</b> Nuclear magnetic resonance</p> <p><b>NQAA</b> National Quality Assurance Authority</p> <p><b>NZ</b> New Zealand</p> <p><b>OER</b> Open educational resource</p> <p><b>OHS</b> Occupational health and safety</p> <p><b>OP</b> Overall position score for Qld Year 12 students</p> <p><b>OS HELP</b> Student loan scheme</p> <p><b>PG</b> Postgraduate</p> <p><b>PBL</b> Problem-based learning</p> <p><b>PDR</b> Planning, development and review</p> <p><b>PET</b> Positron emission tomography</p> <p><b>PNG</b> Papua New Guinea</p> <p><b>QAAFI</b> Queensland Alliance for Agriculture and Food Innovation</p> <p><b>QTAAS</b> Queensland Tropical Agriculture and Aquatic Sciences</p> <p><b>QTAC</b> Queensland Tertiary Admissions Centre</p> <p><b>QTHA</b> Queensland Tropical Health Alliance</p> <p><b>QUT</b> Queensland University of Technology</p> <p><b>RATEP</b> Remote Area Teacher Education Program</p> <p><b>R&amp;D</b> Research and development</p> <p><b>RHD</b> Research higher degree</p> <p><b>RHE</b> Russo Higher Education</p> <p><b>RIBG</b> Research infrastructure block grant</p> <p><b>RNAi</b> Ribonucleic acid interference</p> <p><b>RTO</b> Registered training organisation</p> <p><b>RTS</b> Research training scheme grant</p> <p><b>SAMP</b> Strategic Asset Management Plan</p>	<p><b>SES</b> Socio-economic status</p> <p><b>SFS</b> Student feedback survey</p> <p><b>SSRFF</b> Smart State Research Facilities Fund</p> <p><b>SPC</b> Secretariat of the Pacific Community</p> <p><b>TAFE</b> Technical and Further Education</p> <p><b>TERN</b> Terrestrial Ecosystem Research Network</p> <p><b>TEQSA</b> Tertiary Education Quality Standards Authority</p> <p><b>TESOL</b> Teaching English to speakers of other languages</p> <p><b>TEVALS</b> Teaching evaluations</p> <p><b>TF</b> Teaching focused</p> <p><b>TLEP</b> Teaching and Learning Enhancement Plan</p> <p><b>TLJV</b> Tropical Landscapes Joint Venture</p> <p><b>TRI</b> Translational Research Institute Queensland</p> <p><b>TSXPO</b> annual tertiary studies exhibition</p> <p><b>UA</b> Universities Australia</p> <p><b>UG</b> Undergraduate</p> <p><b>UIIT</b> Universities Innovation and Investment Trust</p> <p><b>UIL</b> Union Institute of Language</p> <p><b>UK</b> United Kingdom</p> <p><b>ULMP</b> University Level Performance Measure</p> <p><b>UN</b> United Nations</p> <p><b>UNESCO</b> United Nations Educational, Scientific and Cultural Organisation</p> <p><b>UniSA</b> University of South Australia</p> <p><b>UNICEF</b> United Nations Children's Fund</p> <p><b>UNSW</b> University of New South Wales</p> <p><b>UQ</b> University of Queensland</p> <p><b>USA</b> United States of America</p> <p><b>USC</b> University of the Sunshine Coast</p> <p><b>USFDA</b> United States Food and Drug Administration</p> <p><b>USQ</b> University of Southern Queensland</p> <p><b>UWA</b> University of Western Australia</p> <p><b>VET</b> Vocational Education and Training</p> <p><b>VM</b> Virtual machine</p> <p><b>VoIP</b> Voice over Internet Protocol</p> <p><b>WIL</b> Work integrated learning</p> <p><b>WIP</b> work in progress</p> <p><b>WHO</b> World Health Organisation</p> <p><b>WHSQ</b> Workplace Health &amp; Safety Queensland</p>
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