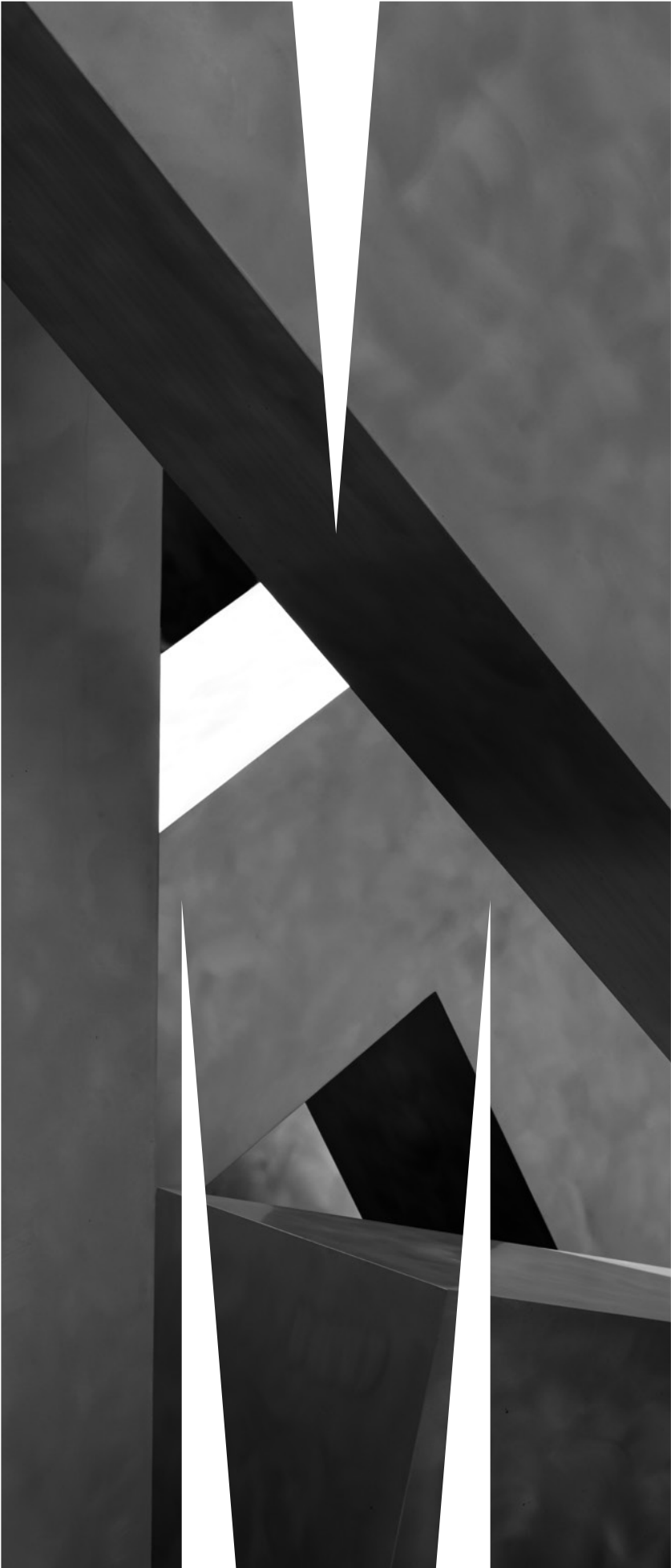


ANNUAL
REPORT
2016

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OVERVIEW

LETTER TO THE MINISTER FOR TRAINING AND SKILLS

The Hon. Gayle Tierney MP

Minister for Training and Skills
2 Treasury Place
EAST MELBOURNE VIC 3002

Wednesday 22 March 2017

Dear Minister,

In accordance with the requirements and regulations under the *Financial Management Act 1994*, I submit for tabling in the Victorian Parliament the Annual Report of Monash University for the year ending 31 December 2016.

This Report was approved by the Monash University Council on Wednesday, 22 March, 2017.

Monash University is a vital component of the Victorian economy and community. Last year the University directly accounted for nearly \$4 billion dollars in economic activity, generating new jobs, driving export income and fostering innovation.

As this Report shows, the University has a wide range of new initiatives and programs in place to enhance the scale and impact of its engagement with the community even further.

The University has every reason to be confident of advancing to even greater success as the importance of education and research becomes ever more vital to the success of both the Victorian and national economy.



Mr Simon McKeon AO
Chancellor

VICE-CHANCELLOR'S STATEMENT

2016 was a very successful year for Monash, as the University continued to advance along the trajectory set out under its ongoing Strategic Plan, *Focus Monash*.

Now in its second year, *Focus Monash* sets out the goals, priorities and key performance indicators of the University over five years. Central to *Focus Monash* are four core goals deemed essential to the culture of the University and to shaping its direction up to 2020: to be *Excellent* by undertaking research and education of the highest quality; to be *International* by building the strength, networks and scale of international research and education; to be *Enterprising* by promoting collaboration and innovation; and to be *Inclusive* by fostering diversity and openness both within Monash and within society at large.

Throughout 2016, Monash University demonstrated outstanding progress in realising each of these goals.

The excellence of our research was demonstrated most clearly by the University's continued improvement in global university rankings. Monash leapt to 79th in the Academic Ranking of World Universities (ARWU) for 2016, placing it among the ARWU Top 100 for the first time. The University also improved five places to 79th in the US News Best Global Universities Rankings, placed 67th in the QS World University Rankings and 74th in the Times Higher Education World University Rankings. While all global rankings use different indicators, weightings and data sources, the clustering of Monash's scores across these rankings provides a consistent and strong message about the quality of our performance. Monash received the highest research income of any university in the final 2016 ARC and NHMRC funding rounds and advanced strongly in the Excellence in Research for Australia assessment, achieving the third-highest ranking in Australia.

Monash continues to deliver exceptional standards of teaching and education. The University recorded a significant improvement in student retention in 2016, and now ranks among the three best universities in Australia for undergraduate and graduate completions. The University also demonstrated outstanding results in career outcomes for graduates. Graduate destination surveys showed that the employment rate for Monash graduates was four percentage points above the Victorian average, which made it the highest-ranked university in the state.

Internationally, Monash University strengthened and expanded its presence in education, research and partnerships worldwide. Monash University is one of the most popular study destinations in Australia for international students. Last year around 19,000 international students enrolled at a Monash campus in Australia, accounting for one quarter of the \$5.6 billion in export income that international education brings to Victoria annually. Undergraduate outbound mobility also exceeded Group of Eight (Go8) and national averages, with nearly one in three Monash domestic students participating in a period of overseas study.

Monash also had the highest level of international research income in Australia for the fifth consecutive year. The number of joint PhD enrolments with overseas research partners such as the Indian Institute of Technology Bombay and Southeast University in China continued to grow as our relationships matured. The success of our unique collaboration with the University of Warwick in the UK was also recognised, with Monash winning the 'Excellence in Innovation in Partnerships and International Engagement' category at the 2016 Victorian International Education Awards as well in the 'International Education' category at the 2016 Australian Financial Review Higher Education Awards.

The University's outstanding track record for Enterprise gained further momentum as it deepened its engagement with local, national and international partners throughout 2016. The opening of the Woodside Innovation Centre – the outcome of a \$10 million philanthropic donation from Woodside Energy – to accelerate advances in materials science, additive manufacturing and data science was a very significant event on the Monash calendar. Other notable events included the launch of a Food Innovation Centre in collaboration with Mondelez International and the Victorian Government, a new multimillion dollar research partnership with Linfox, and the opening of the Biomedicine Discovery Institute in November, which had already received more than \$14 million in research income from industry partners at the time of launch. Invention disclosure rates have also increased since the establishment of Monash Innovation, while research commercialisation income maintained a strong positive trajectory.

Monash University was founded to benefit the community, and its ongoing commitment to this mission is reflected by *Inclusion* being counted among its four core goals. In 2016 we advanced this commitment further through programs and initiatives to further improve our outreach with the public, enhance cohesion within the University community and increase opportunities for students from disadvantaged backgrounds to access higher education.

With its strong emphasis on student access and support programs, the University ranked favourably against other members of the Go8 in access for lower socio-economic status students. Our retention rate for Indigenous students was higher than that of any other university in Victoria, and our success rate for Indigenous students was the highest in Australia. Our commitment to inclusion also extends to Monash staff. In December the Commonwealth Government's Workplace Gender Equality Agency awarded Monash University the 2016 'Employer of Choice for Gender Equality' citation in recognition of our employer commitment to, and leading practice in, promoting gender equality in Australian workplaces.

All of these achievements have been supported by our strong financial situation. In 2016 Monash University recorded an operating result of \$104.6 million excluding subsidiaries. In total, the University enrolled 73,864* students across its Malaysia, Berwick, Caulfield, Clayton, Parkville and Peninsula campuses.



Professor Margaret Gardner, AO
Vice-Chancellor and President

*2016 data is preliminary and based on the extract as at 5 March

REPORT OF MEMBERS OF MONASH UNIVERSITY COUNCIL

The councillors of Monash University presented their report together with the consolidated financial statements for the year ended 31 December 2016.

ESTABLISHMENT, OBJECTIVES, AND PRINCIPAL ACTIVITIES

Monash University was established under an Act of the Victorian Parliament on 30 May 1958, with a revised Act, the *Monash University Act 2009*, modernising aspects of the original Act. A body politic and corporate under the name 'Monash University', it had perpetual succession, a common seal and is capable in law of suing and being sued. The responsible minister in the Victorian Parliament was The Hon. Gayle Tierney MP, the Minister for Training and Skills.

The objectives of the University, as stated in section 5 of Division 1 of the *Monash University Act 2009*, include:

- (a) to provide and maintain a teaching and learning environment of excellent quality offering higher education at an international standard
- (b) to provide vocational education and training, further education and other forms of education determined by the University to support and complement the provision of higher education by the University
- (c) to undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and to apply those matters to the advancement of knowledge and to the benefit of the wellbeing of the Victorian, Australian and international communities
- (d) to equip graduates of the University to excel in their chosen careers and to contribute to the life of the community
- (e) to serve the Victorian, Australian and international communities and the public interest by:
 - (i) enriching cultural and community life
 - (ii) elevating public awareness of educational, scientific and artistic developments
 - (iii) promoting critical and free enquiry, informed intellectual discourse and public debate within the University and in the wider society
- (f) to use its expertise and resources to involve Aboriginal and Torres Strait Islander people of Australia in its teaching, learning, research and advancement of knowledge activities and thereby contribute to:
 - (i) realising Aboriginal and Torres Strait Islander aspirations
 - (ii) the safeguarding of the ancient and rich Aboriginal and Torres Strait Islander cultural heritage
- (g) to provide programs and services in a way that reflects principles of equity and social justice
- (h) to confer degrees and other awards
- (i) to utilise or exploit its expertise or resources, whether commercially or otherwise.

The governing authority of the University was the Monash University Council, which was advised by its subordinate standing committees, other boards and committees, the Vice-Chancellor and senior officers of the University. The principal activities of Monash University in 2016 were the provision of post-secondary education and the undertaking of innovative research across a wide range of disciplines.

Faculties of the University were Art, Design and Architecture; Arts; Business and Economics; Education; Engineering; Information Technology; Law; Medicine, Nursing and Health Sciences; Pharmacy and Pharmaceutical Sciences; and Science. Each provided undergraduate and graduate qualifications. In addition to the faculties, a range of centres expressed the research interests of staff members and provided specialised nuclei for graduate and some undergraduate study. Many of these acted as a focus for interdisciplinary research. The work of the University was expanded and supported by affiliated institutions, which cooperated in various ways with teaching and research courses at Monash.

MEMBERS OF COUNCIL

The following persons were members of Monash University Council during 2016.

■ Chancellor (ex-officio)

Mr Simon McKeon AO
BCom LLB *Melb* HonDPH *La Trobe*

Member of Council since 1 January 2016.

Sub-committees of Council membership: Executive Committee (Chair), Resources and Finance Committee, Membership Committee (Chair), Selection and Remuneration Committee (Chair), Honorary Degrees Committee (Chair), Estates Committee.

■ Vice-Chancellor and President (ex-officio)

Professor Margaret Gardner AO
BEcon(Hons) Phd *Syd* DUniv *Griffith* FAIM GAICD

Member of Council since 1 September 2014.

Sub-committees of Council membership: Executive Committee, Resources and Finance Committee, Selection and Remuneration Committee, Honorary Degrees Committee, Estates Committee.

■ President of the Academic Board (ex-officio)

Professor Chris Davies
BSc(Eng) DIC Phd CEng GCHE *Monash* ARSM MIMMM

Member of Council since 1 January 2016.

Sub-committees of Council membership: Honorary Degrees Committee.

■ Appointed Councillors

Mr Yehudi Blacher PSM
BA(Hons) MA FIPAA

Member of Council since 11 February 2008.

Deputy Chancellor since 1 January 2014.

Sub-committees of Council membership: Resources and Finance Committee, Membership Committee, Selection and Remuneration Committee, Estates Committee (Chair).

Professor Rebekah Brown
BEng(Hons) PhD

Member of Council since 1 January 2014.

Sub-committees of Council membership: Estates Committee.

Mr Shane Buggle
BComm NUJ DPA FCA FCPA MAICD

Member of Council since 15 May 2007.

Deputy Chancellor since 1 January 2015.

Sub-committees of Council membership: Executive Committee, Resources and Finance Committee (Chair), Selection and Remuneration Committee, Investment Advisory Committee.

Ms Heather Carmody
BSocSc Grad-DipHlthSc CU GradDipOrgnDev RMIT MAICD

Member of Council since 1 January 2010.

Sub-committees of Council membership: Resources and Finance Committee, Membership Committee, Honorary Degrees Committee.

Dr Megan Clark AC
PhD BSc(Hons) FATSE FAICD FAusIMM Hon D.Sc UWA Hon D App.Sci. RMIT Hon D.Sc Macquarie Hon LL.D Monash

Member of Council since 1 April 2015.

Sub-committees of Council membership: Membership Committee, Audit and Risk Committee.

The Hon Simon Crean
BEC LLB HonDLitt Deakin

Member of Council since 1 January 2014.

Sub-committees of Council membership: Resources and Finance Committee, Estates Committee.

Mr Mark Cubit
BEC Monash

Member of Council since 21 October 2014.

Sub-committees of Council membership: Resources and Finance Committee, Investment Advisory Committee (Chair).

Dr Helen Drennen AM
BA BSc(Hons) PhD DipEd AMP FACE FACEL

Member of Council since 1 January 2014.

Sub-committees of Council membership: Honorary Degrees Committee.

Ms Meghan Hopper
BA RMIT AssocDegBusComm GradDipArts(Research) GAICD

Member of Council since 1 January 2014.

Sub-committees of Council membership: Audit and Risk Committee, Resources and Finance Committee, Honorary Degrees Committee

Dr Christine Nixon APM
DipLabRel&Law Syd BA Macq MPA Harv HonDLitt Macq HonDUniv Ballarat HonLLD Monash HonDLitt Woll FIPAA FAIM FAIPM

Member of Council since 1 January 2009.

Deputy Chancellor since 1 January 2014.

Sub-committees of Council membership: Membership Committee, Selection and Remuneration Committee, Honorary Degrees Committee.

Mr John Simpson
BA Melb MAICD

Member of Council since 21 October 2014.

Sub-committees of Council membership: Membership Committee, Resources and Finance Committee, Audit and Risk Committee

The Hon Peter Young QC
BJuris LLB Monash

Member of Council since 1 January 2014.

Sub-committees of Council membership: Executive Committee, Honorary Degrees Committee, Audit and Risk Committee (Chair).

■ **Staff Elected Councillor**

Professor Ross Coppel
BMedSci MBBS DTM&H PhD Melb FASM FAHMS

Member of Council since 1 November 2016.

■ **Student Elected Councillor**

Mr Ziyang Zhang

Member of Council since 1 November 2016.

■ **Secretary to Council**

Mr Tony Calder

MEMBERSHIP OF AUDIT AND RISK COMMITTEE

The Hon Peter Young QC
Mr John Simpson
Dr Megan Clark AC
Mr Paul Kirk
Ms Meghan Hopper (until 17 March 2016)

In attendance:

Professor Margaret Gardner AO, President and Vice-Chancellor
Mr Simon McKeon AO, Chancellor
Mr David Pitt, Senior Vice-President and CFO
Mr Peter Marshall, Senior Vice-President and COO
Mr David McWaters, Executive Director Corporate Finance
Mr Peter Dwyer, Director Internal Audit
Ms Moh-Lee Ng, Director Risk and Compliance
Mr Jonathan Thomas, Partner ShineWing

MEETINGS OF MEMBERS

The table below sets out the number of Council and Committee meetings held during the year ended 31 December 2016 and the number attended by each Councillor:

	Years served on council	Council		Executive Committee		Resources and Finance Committee		Membership Committee		Selection and Remuneration Committee		Audit and Risk Committee		Honorary Degrees Committee		Estates Committee	
		Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Mr Y Blacher	9	14	14			7	5	1	1	3	2					4	4
Prof R Brown	3	14	14													4	1
Mr S Buggle	10	14	12	0	0	7	7			3	3						
Ms H Carmody	7	14	14			7	6	1	1					1	1		
Dr M Clark	1 yr 9 mth	14	12					1	1			4	4				
The Hon S Crean	3	14	11			7	6									4	3
Mr M Cubit	2 yr 2 mth	14	13			7	7										
Professor C Davies	1	14	13											1	1		
Dr H Drennen	3	14	11											1	0		
Professor M Gardner	2 yr 4 mth	14	14	0	0	7	7			3	3			1	1	4	4
Ms M Hopper	3	14	14			5	4					1	0	1	1		
Mr S McKeon	1	14	14	0	0	7	6	1	1	3	3			1	1	4	2
Dr C Nixon	8	14	13					1	1	3	3			1	0		
Mr J Simpson	2 yr 2 mth	14	13			2	2	1	0			3	2				
The Hon P Young	3	14	13	0	0							4	4	1	1		
Professor Ross Coppel	2 mth	3	3														
Mr Ziyang Zhang	2 mth	3	3														

SUB-COMMITTEES OF COUNCIL

Under delegation from Council, Executive Committee can exercise all of the powers, authorities, duties and functions of the Council (other than the power of delegation and the power to make statutes) during the periods between the ordinary meeting of Council on any matter that either the Chancellor or a Deputy Chancellor has certified in writing is of such urgency that it ought not to await consideration by the Council at its next meeting.

The Audit and Risk Committee is responsible for strengthening the University's control environment and for assisting Council to discharge its stewardship, leadership and control responsibilities. Its primary functions are to promote accountability, support measures to improve management performance and internal controls, oversee the internal audit function and ensure effective liaison between senior management and the University's external auditors.

The Resources and Finance Committee oversees the physical and financial resources of the University.

The Estates Committee is responsible for ensuring that the image and identity, sustainability, aesthetics, space requirements and capital development strategy of Monash University are appropriately considered in all aspects of the University's built environment and property development.

The Honorary Degrees Committee considers proposals for the conferring of honorary degrees.

The Membership Committee is responsible for the selection and the performance assessment of Council members.

The Selection and Remuneration Committee oversees policy for the recruitment and appointment of senior staff, including involvement of Council in the selection and appointment of specific senior staff and quality assurance relating to the integrity and probity of the University's remuneration policies and practices.

SENIOR OFFICERS

■ Chancellor

Mr Simon McKeon AO, BCom LLB *Melb HonDPH La Trobe*

■ Deputy Chancellors

Mr Yehudi Blacher, PSM, BA(Hons) MA FIPAA

Mr Shane Buggle, BComm *NU/DPA FCA FCPA MAICD*

Dr Christine Nixon, APM, DipLabRel&Law *Syd. BA Macq. MPA Harv. HonDLitt Macq. HonDUniv Ballarat HonLLD Monash HonDLitt Woll. FIPAA FAIM FAIPM*

Vice-Chancellor and President, Professor Margaret Gardner AO BEcon (Hons) PhD *Syd DUniv Griffith FAIM GAICD*

Provost and Senior Vice-President, Professor Edwina Cornish, BSc(Hons) PhD *Melb. FTSE FAIM*

Chief Operating Officer and Senior Vice-President (Administration), Mr Peter Marshall, BEc *Monash CAHRI*

Chief Finance Officer and Senior Vice-President, Mr David Pitt, BSc(Hons) BA *Melb. MBusAdm RMIT FAICD*

INSURANCE OF OFFICERS

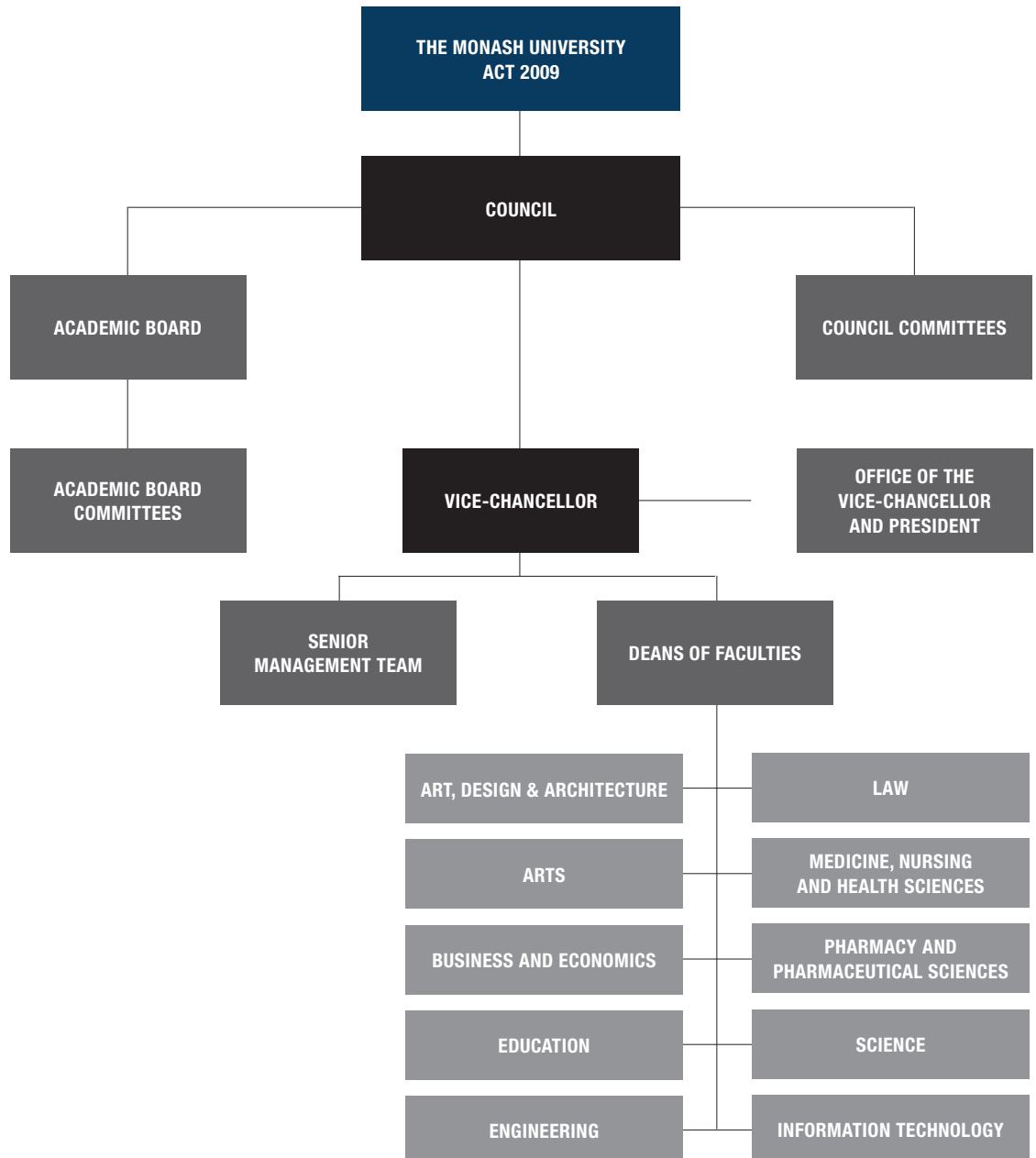
During the reporting period, the University maintained a Directors' and Officers' Liability/Company Reimbursement Insurance Policy for Council members and senior officers.

This report was made in accordance with a resolution of the members of Monash University Council.

Mr Simon McKeon AO
Chancellor

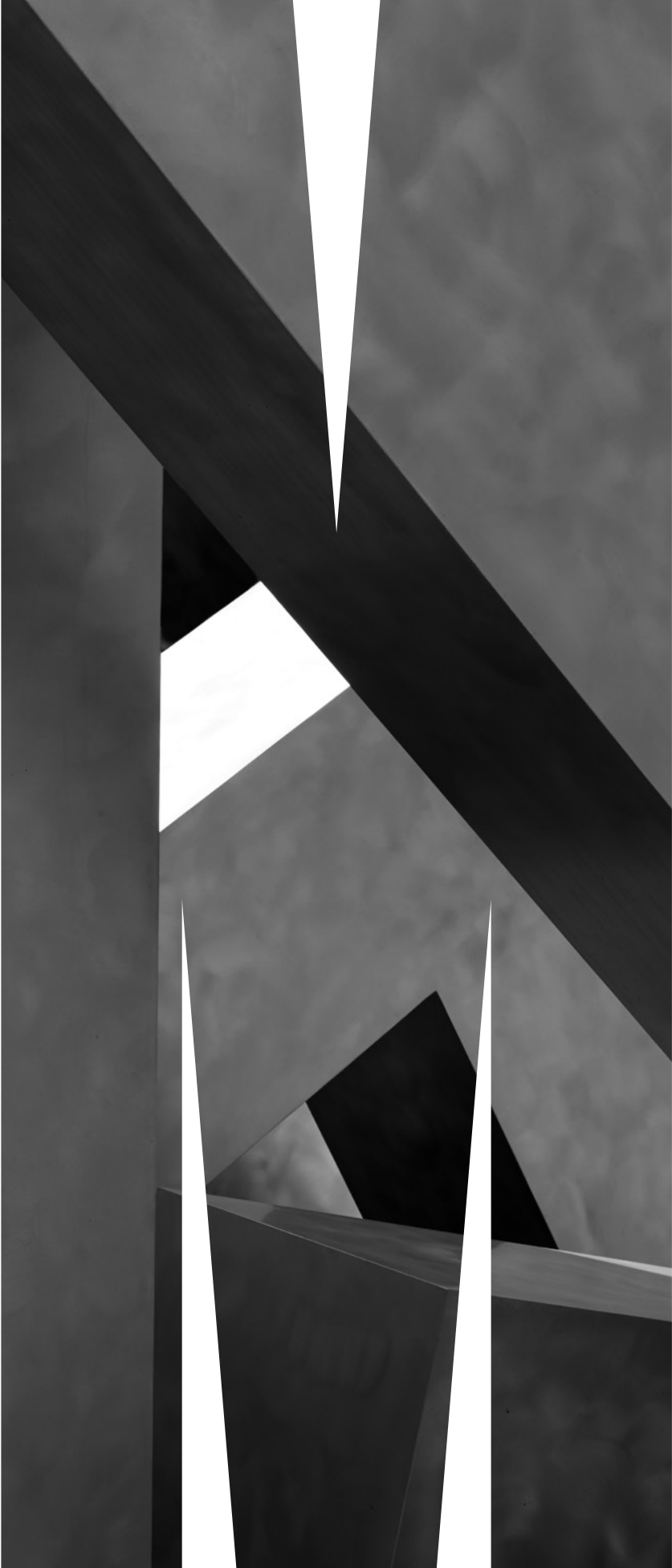
ORGANISATIONAL CHARTS

Overall governance and management



Senior management structure





CORE BUSINESS:
EDUCATION,
RESEARCH,
GLOBAL
ENGAGEMENT

OPERATIONAL OBJECTIVES AND INITIATIVES

KEY INITIATIVES AND PROJECTS

In 2016 Monash University launched the first iteration of the 2016-18 Implementation Plan. The Implementation Plan was devised and developed to put into practice the goals and strategies outlined in the Strategic Plan, *Focus Monash*, which defines the mission, vision and guiding principles of Monash University for the period 2015-2020.

Council approved the Implementation Plan in December 2015, and it was launched and made available to Monash staff in February 2016.

As a cornerstone of the Strategic Planning Framework, the Implementation Plan contains all of the core initiatives to be rolled out at an institutional level over three years to help make *Focus Monash* a reality. Those core initiatives align with the four goals set out in the *Focus Monash* plan: to be Excellent, International, Enterprising and Inclusive. Several supporting initiatives relating to Staff and Sustainability were also developed to assist with the delivery of those goals.

In late 2016, changes were introduced to the Implementation Plan that brought it into alignment with the University's aims and expectations for 2017. These changes were made to clarify and consolidate some initiatives in the Plan, and to calibrate them with new governance structures created by the inaugural positions of Deputy Vice-Chancellor (Education) and Deputy Vice-Chancellor (Enterprise). Several core initiatives underwent significant updates to accommodate this.

Among changes within the scope of Excellence, the 'Better Teaching, Better Learning' (BTBL) initiative became 'Professions of the Future and BTBL' to reflect the University's increased focus on preparing students for emerging careers. The 'Capital Development Plan' replaced the 'New Learning and Teaching Environments' initiative covering major building and space projects across our Australian campuses, including teaching and learning spaces central to the BTBL agenda.

International initiatives were updated to reflect the importance of building alliances that enhance the University's research strength and to improve the orientation experience for international students who are new to Australia.

Five major Enterprise-related initiatives were consolidated into three broader themes: 'Entrepreneurship, Employability and Work Experience', 'Executive Education and Short Courses', and 'Innovation and Commercialisation'. New elements were added to encompass Monash University's work with the Victorian Government to develop an innovation cluster at the Clayton campus and to strengthen the University's ability to address disruption in society triggered by emerging technologies.

Improvements were made to initiatives supporting Monash University's Inclusive goal. New elements were added to the 'Widening Participation' initiative to encompass the University's involvement in developing the Clayton Tech School and to explicitly reference the provision of extra opportunities and support for Indigenous staff and students. The alumni relations initiative was updated to set out detailed priorities for building engagement and the University's donor pipeline.

Environmental and Social Governance Statement

A core aim of the Sustainability enabling element was to develop an Environmental and Social Governance (ESG) Statement to ensure that Monash had a clear position on the principles underpinning how it receives, invests and disburses funds consistent with the ethics and values of the University.

A draft version of the ESG Statement was prepared, outlining the University's commitment and approach to sustainability, including a plan to move towards zero carbon emissions, investment principles and commitment to transparency and monitoring performance against goals.

The draft ESG Statement was made available for comment by all staff and students in March 2016. In response to feedback and contributions received during the consultation phase, the ESG Statement was updated before it was submitted for consideration by the University Council. This statement was approved by Council in August and officially launched on 5 December 2016.

RESEARCH AND EDUCATION: OFFICE OF THE PROVOST

Through its vision, Monash University strives to achieve excellence in research and education, built through a deep and extensive engagement with the world, to serve the good of our communities and environment.

The quality of our research and education performance was demonstrated as Monash further improved its rank in a range of international rankings. Monash University's rank in the Academic Ranking of World Universities (ARWU) improved by 35 places from 114 in 2015 to 79 in 2016.

Monash was placed 57 in the top 100 list for graduate employability based on a major international annual survey published by Times Higher Education as judged by global recruiters and business leaders.

Research

Excellence

Talent

Monash continued to attract and develop high-performing researchers and graduate research students, and to invest in infrastructure and support to underpin our research aspirations.

Twelve researchers were recognised as Highly Cited Researchers by Thomson Reuters, placing Monash third nationally. These researchers are among the top one per cent of the most highly cited researchers in their field across the globe. Monash was equal first globally for the number of highly cited researchers in Pharmacology and Toxicology.

Competitive grants and fellowships

In 2016, Monash University attracted National Health and Medical Research Council (NHMRC) grants totalling in excess of \$77.7 million, which included:

- 11 Early Career Fellowships, totalling \$3.5 million
- Six Research Fellowships, totalling \$4.6 million
- 75 Project Grants, totalling \$62.7 million ranking Monash first nationally for funding awarded
- Five Career Development Fellowships, two Development Grants, one Practitioner Fellowship, and one Partnership Project collectively totalling \$4.4 million
- Centre of Excellence in Prehospital Emergency Care led by Monash totalling \$2.5 million will facilitate collaborative research projects and build capacity in emergency medical services research.

Monash attracted \$98.4 million from the Australian Research Council (ARC), which included:

- Two Australian Laureate Fellowships receiving \$5.7m in funding for projects
- 18 Future Fellowships totalling \$13 million, ranking Monash first nationally in the number awarded.
- 21 Discovery Early Career Researcher Awards (DECRA) totalling \$7.5 million

- 62 Discovery Projects totalling \$24 million
- 17 Linkage Projects totalling \$6.3 million ARC funding and \$12.4 million in cash and in-kind from industry partners
- Five Linkage, Infrastructure, Equipment and Facilities (LIEF) projects totalling \$3.4 million, ranking Monash first nationally for funding awarded
- ARC Centre of Excellence in Future Low-Energy Electronics Technologies totalling \$33.4 million. The Centre will help put Australia at the forefront of new materials technology and research.
- ARC Industrial Transformation Research Hub for Nanoscience-based Construction Material Manufacturing totalling \$5 million (refer to interdisciplinary research section below for more details).

In addition, Monash received the following funding from international organisations:

- \$17.4 million from the UK's biomedical research charity Wellcome Trust for investigations into the health and economic benefits of water-sensitive revitalisation in informal urban settlements
- \$3.6 million from Switzerland's Medicines for Malaria Venture for ADME Lead Optimisation to support MMV Drug Discovery Programs
- \$2.1 million from the National Institutes of Health, USA, for the randomised controlled trial of the effect of low-dose aspirin on the course of age-related macular degeneration
- \$5.3 million from Hoffman-La Roche, a Swiss multinational health-care company for research into IL-37 muteins for treating inflammatory disorders and other diseases
- \$1.7 million from the Weston Brain Institute in Canada to investigate the efficacy of high-frequency rTMS treatment for Alzheimer's disease.

Prizes and awards

In 2016, Monash researchers were recognised by a range of prestigious prizes and awards including:

- Eureka Prize for Infectious Diseases Research (Research and Innovation)
- Jacques Miller Medal for Experimental Biomedicine
- Victoria Prize for Science and Innovation (Life Sciences)
- Three Business/Higher Education Round Table Awards (Best Research and Development Collaboration Award, Best Research Translation Award, Best Higher Education and Training Collaboration Award)
- Three Young Tall Poppy Science Awards
- The Tom Trauer Evaluation and Research Award.

Philanthropic

Monash raised \$42.1 million in philanthropic funding to undertake research. Significant grants include:

- The Eliminate Dengue Program, a non-profit international research collaboration led by Monash University, received \$20.4 million from the Bill and Melinda Gates Foundation to expand its projects to combat Zika and other mosquito-borne viruses in Colombia and Brazil and for the Eliminate Dengue Wolbachia program.
- Woodside announced that it will contribute \$10 million over five years to the Woodside Innovation Centre to establish a globally connected innovation hub where Woodside engineers and Monash researchers will work to rapidly accelerate advances in materials engineering, additive manufacturing and data science.

Graduate research

In 2016, Monash University's Doctoral Program was refined, with greater emphasis on providing students with individualised and flexible training options that support them to successfully complete their research project and prepare them for life beyond the academy, in areas including industry, government and the community.

Monash has developed a suite of pathways into Graduate Research to ensure we attract the best students. Other Graduate Research initiatives from 2016 include the opening of two large graduate student facilities (which have proven popular with students); grants to seed faculty-based research supervisor development activities; graduate research supervisor development workshops and Early Career Researcher development events including workshops focused on industry engagement.

Infrastructure

The Monash Technology Research Platform strategy continues to support Monash's research infrastructure capability. Significant outcomes were achieved throughout 2016.

MASSIVE M3 (Multi-modal Australian ScienceS Imaging and Visualisation Environment) was launched by Australia's Chief Scientist, a \$2.5m investment made by the University to boost the high-performance computing capabilities supporting key organisations such as Monash, the Australian Synchrotron and CSIRO.

Mellanox in partnership with Monash announced the establishment of their first High-Performance Computing (HPC) centre of excellence in Australia.

The strategic partnerships between the Monash eResearch Centre, NVIDIA and Dell were formalised, with Monash becoming the first spoke of the NVIDIA Technology Centre Asia Pacific. Along with the extension of the Siemens partnership with Monash, our researchers will be able to leverage ultra-fast processing capabilities required for real-time image analysis and deep machine learning algorithms.

The Monash/CSIRO alliance supported the development of the Biomedical Materials Translation Facility in the Clayton Precinct with the launch of Australia's only research dedicated dual modality PET-MR scanner.

The Fragment Based Drug Design platform at the Monash Institute for Pharmaceutical Sciences and the X-ray Analytical platform were launched, providing open access to these Australian Research Council Linkage Infrastructure, Equipment and Facilities (LIEF) funded capabilities.

A further 10 Technology Research Platforms (total of 18 Platforms) have achieved ISO:9001 certification for the management of integrated research technology platforms and the provision of innovative technologies to enable research outcomes.

Interdisciplinary research

Monash was awarded \$5 million by the Australian Research Council to advance the development of construction materials through the creation of an Industrial Transformation Research Hub. The ARC Research Hub for Nanoscience-based Construction Material Manufacturing will develop novel construction materials including binders, cement additives, high-performance concrete materials, concrete structural systems, polymer composites, and pavement materials. It will create a cutting-edge knowledge platform for training researchers and practitioners in engineering and materials science.

A new Food and Dairy Graduate Research Industry Program (GRIP), established in 2016, to include established academics and PhD students from several different faculties and a range of partner organisations including Lion, SIRA, Bega Dairy, Bega Bionutrients, Tatura and Simplot Australia.

Monash received a million dollar grant from the Australia-China Science and Research Fund (ACSRF) to establish the Monash Joint Research Centre in Future Dairy Manufacturing. This centre will focus on seeking engineering solutions to practical problems in the dairy manufacturing sector. Research directions include the development of innovative, high-value dairy products such as probiotics and protein enriched products, as well as improving efficiencies in the industry. The centre will also promote links between Australian dairy product manufacturers and the large distribution network in China. Monash provided internal Interdisciplinary Research (IDR) support programs valued at \$410,000, offering seed or major project funding to new IDR initiatives for researchers.

Enterprising

In 2016, Monash researchers continued to build solid partnerships with organisations that have the national and international reach necessary to address major challenges and have impact across regions and populations. Some examples are highlighted below:

- Monash and Linfox announced a strategic partnership to provide leadership and executive education for Linfox staff, and drive industry research, innovation and technological advances across the supply chain network. The multimillion dollar partnership brought together Monash's world-leading research and technological capability with the largest privately owned supply chain solutions company in Asia Pacific.
- As part of the Victorian Government's Future Industries initiative, in 2016 it was announced that Monash University will lead the development of a world-class Medicines Manufacturing Innovation Centre (MMIC). The MMIC will provide Victoria's medicines manufacturers with access to specialist scientific capabilities to solve technical challenges as well as encouraging investment in research and development, high-tech manufacturing, skills development and collaboration. The centre will also support education by offering internships within manufacturing companies, giving students invaluable experience and training so they can confidently enter the workforce. Investments from the State Government and contributions from private sector corporations will be made to establish the centre.
- The Food Innovation Centre launched in October 2016. The Monash centre provides Australia's food industry with unrivalled technology and product development services including consumer-aided design as well as research capabilities in areas such as food chemistry, packaging design and food ethics. The centre enables businesses to rapidly export to target markets by acquiring a deeper understanding of middle-class consumers in Asia. The centre has already entered into a strategic partnership with COFCO NHRI (China's biggest, state-owned food company), as part of its overall food and agricultural innovation strategy. Under the agreement aimed at boosting exports to China, the Food Innovation Centre at Monash will have access to COFCO NHRI's technical resources, in-depth knowledge of Chinese consumers, regulatory expertise and market delivery platforms to fast-track supply opportunities for Australian exporters.
- The Monash Biomedicine Discovery Institute (BDI) was launched and Monash University, along with the Hudson Institute of Medical Research, announced a new research collaboration with the Swiss-based health care company Roche (F. Hoffmann-La Roche Ltd and Hoffmann-La Roche Inc.). The collaboration aims to develop next-generation treatments for autoimmune diseases, focused on proteins targeting novel molecular pathways. The partnership will enable the multidisciplinary research team and Roche to work together to advance and translate existing and new intellectual property into novel treatments.

Monash Innovation

In 2016, Monash University in partnership with the University of Melbourne established BioCurate Pty Ltd. This \$80 million company was developed to enable the translation of basic biomedical research from the two universities into industry-ready opportunities suitable for investment or partnering. This was facilitated by significant funding of \$10 million from the Victorian State Government.

Monash University's FODMAP Diet™ application for smartphones and tablets remained the number one medical application for over two years, being actively used by over 100,000 people to manage irritable bowel syndrome symptoms. The application raised approximately \$2 million in sales, enabling the support of further research.

Monash, the Hudson Institute of Medical Research and pharmaceutical company Roche entered into an agreement to commercialise Monash and Hudson technology to develop next-generation treatments for autoimmune diseases, with significant additional research funding coming back to Monash and Hudson.

Monash spin-out company Amaero Engineering Pty Ltd, with support from Monash University, entered into a major production deal with French-based Safran Group to produce 3D-printed metal parts for Safran Power Units for use in aerospace applications. This is a validation of the capabilities of Amaero and has potential for significant revenue.

Entrepreneur program

Monash University's entrepreneur program 'The Generator' was successfully launched in 2016. Programs were established with dedicated co-working and incubator spaces fitted out, and participation from 400 students and staff. More than 90 teams participated in a competition with funding awarded to seven teams to take them through the 'ACCELERATOR' program to learn and apply leadership and commercial practices required to grow and scale their ventures.

The Pratt Foundation funded the Monash-Ben-Gurion Student Entrepreneurship Program in 2016, with the objective of the program to promote and support entrepreneurship in Israel and Australia, provide a platform for further collaboration between Monash and Ben-Gurion universities and to offer a select group of students from each university the opportunity to learn about another country and culture.

Education

Excellence

Monash aspires to provide an exceptional student learning experience and set an ambitious vision for reform and revitalisation of education. Our series of integrated initiatives aimed to effect widespread structural change in learning and teaching.

Teaching and learning

Reform and revitalisation of teaching and learning at Monash was driven by a four-year Better Teaching, Better Learning (BTBL) agenda comprising University-wide initiatives focusing on graduate outcomes; student success; development of our educators; as well as education spaces and technology. A number of initiatives were implemented in 2016.

Graduate outcomes

In 2016, Student Futures was launched. It is an online tool for students to record and articulate to prospective employers their curricular and co-curricular achievements at Monash. Through a targeted engagement strategy, more than 6500 students were registered (10 per cent of the University total), and Student Futures listed 1000 opportunities for students to develop their employability skills through co-curricular activities. Such is the impact of Student Futures that it received the prestigious 2016 Best Practice Award from the National Association of Graduate Career Advisory Services (NAGCAS).

Student success

Under the Unit Enhancement program, specialist Educational Designers were embedded in the faculties to support academic staff with unit and assessment design, and an educational design Community of Practice was fully established. Learning analytics capability was developed to support more personalised learning at Monash: academic staff can better support individual students, and students can better direct their own learning. Monash also introduced a powerful new survey tool for the Student Evaluations of Teaching and Units (SETU) that provides educators with significantly enhanced student feedback on their learning experience.

Development of our Educators

The Monash Education Academy is well-established, hosting a range of initiatives and major events focused on inspiring and recognising teaching excellence. Similarly, the Continuing Education Excellence Development framework (CEED) is also well-established, with more than 30 professional development modules having been delivered to academic staff in 2016. Educators had access to the Teaching and Learning Bytes, a set of on-demand, online learning and teaching resources and training materials. New Education Performance Standards and peer-support mechanisms were introduced to support staff to demonstrate their teaching achievements for academic promotion.

In 2016, Monash received three Promotion of Excellence in Learning and Teaching in Higher Education (PELTHE) Citations for Outstanding Contributions to Student Learning, recognising significant contributions to the quality of student learning.

Spaces and Technology

Construction continued on the new Learning and Teaching Building (LTB), due for completion in early 2018. The LTB is dedicated to state-of-the-art learning and teaching through a mix of next-generation teaching spaces and informal learning spaces all underpinned by a pedagogy of active, collaborative learning. The Better Teaching, Better Learning Education Technology Roadmap led to the roll-out to academic staff of a range of facilities and tools to support active learning, from micro-studios to sophisticated audience response systems.

Enterprising

Online education

In 2016, Monash continued to develop online education offerings in partnership with Pearson and through a range of Massive Open Online Courses (MOOCs) offered through the FutureLearn platform.

Monash offered a suite of eight open online courses through the FutureLearn platform, and registrations for these courses in 2016 exceeded 250,000. Monash also offered the first for-fee professional development course aimed at practising health care professionals through FutureLearn, and plans to launch other such courses in 2017.

In 2016, the Monash-Pearson Alliance had five full-fee paying graduate courses enrolling students – the Graduate Diploma of Psychology, the Graduate Diploma in Psychology (Advanced), the Master of Health Administration, the Master of Public Health and the Graduate Diploma of Data Science. There were more than 4500 unit enrolments across these courses.

Education Technology Innovation

Monash became a Founding Member of EduGrowth, a national, not-for-profit organisation supporting ed-tech innovation and entrepreneurship in Australia. Being a founding member will give Monash staff and students the opportunity to take part in EduGrowth entrepreneurship programs. This will also give the University the opportunity to work with the brightest ed-tech start-ups across the country to further enhance teaching and learning. Membership of EduGrowth aligned well with the successful development of internal student and staff entrepreneurship programs at Monash under the banner of The Generator.

Executive and Continuing Education

In 2016, Monash invested in strengthening the administrative and marketing platforms for its Executive and Continuing Education offerings.

Monash University in collaboration with the Harvard Macy Institute introduced a unique program on Leadership, Innovation and Sustainability in Health to provide innovative ways to tackle global health care challenges.

Inclusive

Widening participation

Monash is committed to becoming the Australian university making the greatest contribution to social mobility through its capacity to recognise, support and extend talented students from educationally disadvantaged backgrounds. The flagship Access Monash Mentoring Program grew in strength with 470 mentees drawn from 37 partner schools being mentored by 314 mentors in 2016. Ninety-three per cent of 2015 mentees contacted in 2016 had received a university offer.

The University progressively improved its recognition of the impact of circumstances on students' school results through the Special Entry Access Scheme (SEAS) and the Monash Guarantee. In 2016, for admission in 2017, Monash introduced the Indigenous Entry Scheme, which enabled entry to a range of Monash courses at reduced ATAR levels. Monash also introduced the new Pathway to Law via Arts, Science or Commerce for Indigenous Australians, students who lived in a low socio-economic status area or those who have experienced financial hardship and do not quite meet the direct entry requirements for Law. These schemes sought to create a greater opportunity for those who aspire to an exceptional education.

In 2016, Monash launched its Achieving Potential campaign to build philanthropic support for our activities and scholarships.

GLOBAL ENGAGEMENT

During 2016, Monash University continued to strengthen its international engagement in teaching and research. Key achievements and activities are outlined below.

Monash University Malaysia

Monash University Malaysia was awarded a further five-year term of self-accreditation status by the Ministry of Higher Education and continued to grow as a destination for quality higher education in Malaysia and the region. Total enrolments reached 7850 in 2016, an increase of 7.8 per cent on 2015. International students represented almost 25 per cent of enrolments and the number of inbound mobility students increased by 24 per cent. Graduate coursework enrolments grew by 18.8 per cent with the establishment of three new master's coursework programs. Higher degrees by research (HDR) completions reached their highest level to-date, with 53 graduations in 2016.

The campus continued to strengthen its research and was ranked four-star by the annual Malaysian Research Assessment. Three new patents were filed, bringing the total to 14. The Monash Malaysia R&D (MMR&D) Company was established and received Malaysian Investment Development Authority (MIDA) R&D company status in 2016. Industry engagement was strengthened, resulting in five significant new MoUs with national and international companies.

The campus master plan was finalised, setting out a 10-year vision to develop the campus' physical spaces and to meet contemporary teaching, learning and research requirements.

Monash South Africa

Monash retained 25 per cent ownership of Monash South Africa (MSA) during 2016, with Laureate International B.V. retaining the balance of ownership. Monash programs in business, computing, public health and social sciences continued to be offered. Focus continued on the development of MSA-specific programs sourced from within the international network of Laureate. An MSA-specific MBA program was introduced, along with a graduate diploma in integrated water management.

Monash in China

Monash-Southeast University (SEU) Joint Graduate School (JGS) and Joint Research Institute (JRI)

JGS enrolled 192 students, including five PhD students. An application for the renewal of the JGS licence for a further five-year term was submitted to the Chinese Ministry of Education.

JRI continued to develop in various aspects in 2016: its members successfully organised four international symposia and workshops in Suzhou and won research grants from various sources in China. A specialised research institute for process modelling and optimisation was established, supported by Jiangsu Industrial Technology Research Institute and Suzhou Industrial Park. Also, a Suzhou-based team was established to better support the Monash research and development activities in China. SEU-Monash joint science-related publications have increased from six in 2014 to 34 in 2016.

Monash in India

IITB-Monash Research Academy (Academy)

In 2016, the Academy completed its fourth graduation, bringing the total number of graduates to 50. Strong demand for limited places in the joint PhD program continued, with 200 PhD students enrolled. Several of the labs within the newly constructed building were inaugurated and made operational for use by researchers and students. These included a wet chemistry, materials laboratory, earth sciences and biology laboratory. The Academy conducted two workshops: in the 'Waste to Wealth' workshop, participants discussed innovations around biomass waste management; a 'Medical Devices' workshop conducted at Monash brought together researchers from IITB, Monash and CSIRO to identify new PhD topics in biomedical devices.

Monash in Europe

Monash Prato Centre, Italy

The Centre continued to serve as a base for education and research collaborations in Europe. Seven of 10 Monash faculties taught programs at the Centre in 2016: Arts, Engineering, Law, Information Technology, Education, Business and Economics, and Art, Design and Architecture. The majority of programs were taught at the undergraduate level but there was an increase in graduate courses in 2016.

The Centre also hosted a series of research meetings and conferences, many of which involved collaborations with European and other partners including Harvard University, Max Planck Institute and the Newcastle Business School. These workshops ranged across a wide spectrum of research areas including pharmacy, cognitive neuroscience, cultural linguistics, literature, history, community informatics and health care improvement and innovation.

Alliance with University of Warwick, UK

A second term for the Monash-Warwick Alliance was approved by the Councils of the two universities in 2016. Over the first term, more than 500 academics at Monash and Warwick collaborated and the number of students participating in Alliance activities grew to more than 1000 each year.

Of the 21 Australian Research Council Centres of Excellence funded since 2014, Monash and Warwick have been involved together in four. Citations of co-publications between Monash and Warwick researchers have risen from 270 in 2013 to an anticipated 2000 in 2016 (Source: Scopus, Science Direct, Google Scholar).

Education collaborations continued to develop with Warwick. Programs established under the Alliance such as the International Conference of Undergraduate Research (ICUR) and Reinvention journal continued, and student exchange programs grew.

In 2016, the Alliance won the Australian Financial Review Higher Education Award for International Education and the Victorian International Education Award for Excellence in Innovation in Partnership and International Engagement.

Monash and Indonesia

Australia-Indonesia Centre

In 2016, the Australia-Indonesia Centre (AIC), a joint initiative between Monash, the University of Melbourne, the University of Sydney, the Australian National University and seven of Indonesia's top-tier universities, continued to support research in pursuing solutions to shared challenges in infrastructure, energy, urban water and health, while maintaining critical relationships between Australia and Indonesia.

Monash Indonesia Representative Office

The Monash Indonesia Representative Office (MIRO) opened in 2016, as part of a commitment by Monash to work more closely with Indonesia. MIRO has provided a platform to build on Monash's longstanding academic and alumni links in Indonesia and to facilitate shared endeavours across research and education, alumni engagement, and industry and government linkages. During 2016, MIRO supported projects in rail technology, aquaculture, a PhD recruitment showcase, an alumni book launch, and undertook regional outreach events. Monash also continued to engage with Indonesian sponsoring agencies, as part of our broader engagement in Indonesia. As at the end of 2016, Monash has, among Australian universities, cumulatively hosted the largest cohort of funded Indonesian LPDP (Indonesia Endowment Fund for Education, funded by Indonesian government) scholars.

Monash and the Middle East

Monash continued to contribute to the Middle East region's capacity building through education and training, research collaboration and consultancy contracts. An agreement was signed with the Ministry of Health and Prevention in the UAE to support the upskilling of the UAE workforce through Monash short courses and professional development programs. In Saudi Arabia, Monash agreed with the Ministry of Education to host 40 Saudi teachers for six months in Australia as part of the 'Building Leadership for Change through School Immersion' project. Monash participated in the 2016 Think Science Fair in Dubai to promote STEM education in the Middle East region.

Monash continued to develop its research and education partnerships in Israel. This included collaborations with Ben-Gurion University of the Negev and Tel Aviv University in sustainability, health, natural sciences and entrepreneurship education.

Monash and North America

Research relationships with the US continue to grow. Among these, the Biomedicine Discovery Institute at Monash partnered with Yale University to work with Yale's program in Integrative Cell Signalling and Neurobiology of Metabolism (ICSNM), and to exchange staff, students and resources. Other collaborations entered into included work with Stanford University on water issues, and the Harvard Macy Institute on medical professional education programs. The focus was on strengthening further institutional partnerships to build opportunities for students and further research collaborations. As part of this effort, Monash welcomed senior delegations from Penn State University and the University of California, San Diego (UCSD), to discuss stronger institutional collaboration.

Monash and Latin America

Monash renegotiated a number of sponsor agreements with Latin American funding bodies in 2016. Monash has experienced strong first preferences in some of these markets such as Colombia where the University received the largest number of COLFUTURO (a Colombian foundation supported by the government and private sector) funded students of all Australian universities. Monash also participated in the Australia Government Austrade mission to Latin America in April 2016 and has partnered with leading universities in the region including Universidade de São Paulo (Brazil) and Universidad de Chile (Chile) for international research collaboration and student mobility.

International student mobility

During 2016, Monash enabled more than 3000 students to undertake an international program and welcomed more than 1200 students from partner institutions on non-award programs. Monash students were awarded three New Colombo Plan (NCP) scholarships to destinations in Singapore and Vanuatu. Students were also successful in securing short-term mobility program grants under the NCP. Other program highlights included the expansion of faculty-led programs to reach more disciplines and destinations, the launch of new programs at the Prato Centre, and growth in participation of students in intercampus exchange opportunities. In 2016, to maintain high quality in student advising while increasing student participation, Monash successfully piloted a flexible, web-based enrolment and application management solution that increased the institution's capability around risk management and student safety abroad.

International Research Income

(HERDC Category 3 – Calendar Year 2015)

During 2016, federal government figures were released for 2015 that indicated Monash secured \$48 million in research income from international sources (excluding fees for HDR by research students). More than half of this was sourced from the US.

REPORT OF THE PRESIDENT, ACADEMIC BOARD

Introduction

2016 was another productive year for Academic Board as it worked through its responsibility to Council for the maintenance of high standards in education and research, thereby contributing to the University's drive toward academic excellence.

In a year that has continued to pose challenges for the tertiary education sector, members of the Board continued to be informed about the environment in which they and Monash generally operate. The Board received regular reports from the Vice-Chancellor and members of senior management on developments at federal level relating to the tertiary education landscape, TEQSA initiatives including the proposed review of university governance arrangements, developments in and successes achieved by significant international collaborations including renewal by Council of the Monash-Warwick Alliance, Monash success in competitive grants schemes and outstanding achievements in global rankings.

In addition to acknowledging individual staff and student success in external awards and recognition, the Board was pleased to acknowledge the good progress made by many sections of the Monash community, including ongoing work to advance Monash's international footprint and grow its industry engagement.

As foreshadowed by last year's Annual Report, engagement with Monash research performance during 2016 was a particular focus for Academic Board. A highlight for the year was the opportunity to consider and provide input into development of the Monash Research Agenda (2016-2020), which was commended as effectively articulating the case for strategic investment to ensure Monash continues to improve its research performance and align with Monash institutional and academic strategies.

A 'watershed' moment for Academic Board and Monash generally during 2016 was approval by the Board of a proposal to increase opportunities for entry by Indigenous Australians to Monash University by providing an Indigenous access category for admission to a small number of existing bachelor courses, determined in consultation with faculties. This represented not only an opportunity to improve the number of first and second preferences by Indigenous VTAC applicants to Monash but, more importantly, to make a significant difference to this cohort of applicants.

Also in the equity space, Academic Board approved expansion of eligibility for the Monash Guarantee. The Monash Guarantee is the guaranteed entry scheme for students who are financially disadvantaged, are from a Monash-listed, under-represented school or are Indigenous Australians. The expansion will include students who live in a low socio-economic status area (based on Australian Bureau of Statistics Statistical Area 1 in the bottom 50 per cent of Socio-Economic Indexes for Areas Index of Education and Occupation ranking).

The Board approved introduction of staggered membership terms for its elected and appointed membership cohorts, observing that this will ensure continuity of experience, enhance corporate memory and improve quality of informed discussion. The Board continued to value the contributions made by its cohort of student members, and during the reporting year, in addition to engaging with issues raised by this cohort, considered a range of strategies for enhancing the student voice on and increasing student knowledge of/and engagement with the Board.

In addition to items requiring its action, during 2016 Academic Board received regular reports from all of its standing committees – on which it relies to provide close scrutiny of matters affecting Monash's academic endeavours. These are Steering Committee of Academic Board, Academic Standards Committee, Monash University Research Committee, Graduate Research Committee, Coursework Admissions and Programs Committee and Learning and Teaching Committee.

Academic Structure

During the reporting year, Academic Board considered and endorsed the establishment of several significant academic organisational units for approval by the Vice-Chancellor, including:

- The Monash Institute for Health and Clinical Education, a virtual Institute which will provide an overarching and cohesive structure for the Faculty of Medicine, Nursing and Health Sciences' continuing education programs and which aims to become a premium provider for upskilling health professionals nationally and internationally.
- Monash Infrastructure, a virtual institute that aims to increase the visibility of infrastructure at Monash through development of an infrastructure 'brand', develop impact by broadening industry engagement (including provision for industry of a single access point and means of accessing cross-faculty connections at Monash) and harness interdisciplinary research and education strengths.
- The School of Primary and Allied Health Care in the Faculty of Medicine, Nursing and Health Sciences, which will enhance the development of an integrated health and education precinct at Peninsula campus and Frankston Hospital in emergency medicine, physiotherapy, general practice, social work and occupational therapy, and include a new focus on research in the areas of rehabilitation, addiction and family violence.
- The Centre for Undergraduate Research Initiatives and Excellence, which has evolved from a range of Monash-Warwick Alliance undergraduate research initiatives and consequential aim to bring together existing and future undergraduate research initiatives and opportunities at Monash, with a distinctive partnership model between staff and students.
- Monash Gender, Peace and Security (GPS), which aims to establish itself as a research centre to progress the vision to create Monash as the Asia Pacific hub for gender, peace and security research and education.

Academic Standards and Quality

During the reporting year, Academic Board considered a range of issues relevant to its focus on academic standards and quality, including:

- The extension of the very successful 10-week Monash English Bridging (MEB) program to all students at the SEU-Monash Joint Graduate School (Suzhou). The program was offered in Suzhou to prospective SEU-Monash Joint Graduate School (JGS) students who have met academic requirements but narrowly missed the English requirements for direct entry. In approving such extension, the Board noted the strong performance of MEB students in their destination degrees in Suzhou and in comparison with onshore MEB and direct entry students.
- Monash's approach to and the regulatory/policy architecture around coursework admissions and exemptions, including clarification of the policy and guidelines around English entry requirements. Individual instances of admissions matters dealt with by the Board included approval of the addition of the Law School Admissions Test (LSAT) to the list of approved aptitude tests listed within the Admissions to Coursework Courses and Units of Study Procedures.

- Developments in the academic integrity/plagiarism space, an area in which considerable work has been undertaken by the Academic Integrity Working Party, and in relation to which a range of concrete proposals are anticipated early in the new year.
- Implementation of the Board's recommendations arising from the Review of Student Evaluation of Teaching and Units.
- Quality improvements in the Higher Degrees by Research (HDR) space, including enhancements to the Monash Doctoral Program, and replacement of the current Graduate Research Activity Management System by Cornerstone OnDemand.

As Monash is a multi-campus university, Academic Board's responsibility for standards extends to academic activities at overseas campuses and locations. During 2016, the Board has continued to discharge this responsibility, including the commissioning of reports on cohort progress, considering the results and evaluation of student academic support programs and regional developments impacting program development and delivery.

In addition to the specific initiatives mentioned above, Academic Board continued to utilise the ongoing resources available to assist its oversight of academic quality at Monash. During 2016, the Board considered reports from a range of sources such as the faculty reports on proceedings of their Discipline Committees, the annual summaries of appeals received by the Exclusion Appeals Panel and Faculty Academic Progress Committees and the annual Report of Student Grievances. The report on Academic Reviews undertaken in 2015-16 was of particular interest, prompting reflection by the Board on issues highlighted by its Academic Standards Committee, including the extent of information required for effective review, and how best to oversee professional accreditation reviews within the University's review framework.

Academic Program Development and Review

Academic Board worked through another busy year of considering proposals relating to coursework courses, a small sample of which includes:

- The accreditation of approximately 12 completely new courses, including the Bachelor of Media Communication, Master of Advanced Nursing and double degrees Bachelor of Engineering (Honours) – Bachelor of Information Technology and Bachelor of Engineering (Honours) – Bachelor of Computer Science.
- Approval of a number of amendments to existing courses, such as addition of new specialisations to enable new offerings under the Course Architecture framework.
- Coursework Admissions and Programs Committee's approval (by delegation) of amendments such as addition of entry levels, exit awards and pathways to existing courses, including approval of vertical double degrees e.g. Bachelor of Architectural Design and Master of Architecture and addition of a 'Master's accelerated pathway' option to the Bachelor of Arts.
- Re-accreditation of a range of courses including the Master of Clinical Pharmacy, Master of Business Administration and suites of Biostatistics and Occupational and Environmental Health courses.

During the reporting year, Academic Board also oversaw a range of initiatives designed to strengthen efficiency in course development and delivery in a way that enhances quality outcomes for students. This included alignment of coursework accreditation, quality review and like processes with a view to achieving tangible benefits from the implementation of Monash's revised Coursework Course Architecture.

As noted in previous reports, an important objective of Course Architecture is to enable a whole-of-University approach to, and oversight of, the coursework portfolio, through presentation of the portfolio of undergraduate and graduate courses to be marketed in the next calendar year for delivery the year after. During 2016, Academic Board therefore received the Monash Undergraduate Portfolio for 2018, noting that it represented a manifestation of the outcome of the Course Architecture process and enabled a simpler, more elegant overview of Monash's coursework offerings. Similarly, the Board received the Monash Graduate Coursework Portfolio for 2018, noting that graduate coursework had become a growth area for Monash, and that a number of new courses had been developed as a result of much cross-faculty/disciplinary collaboration.

In the higher degrees by research (HDR) space, Academic Board approved a range of proposals relating to HDR programs, including:

- Introduction of a domestic Joint PhD between Monash and the University of Western Australia, the first agreement under the Group of Eight (Go8) Memorandum of Understanding relating to the introduction of joint member PhDs.
- The Joint Master's by Research Degree between South-East University (Suzhou) and Monash proposed by the Faculty of Engineering and subsequent extension of the Monash English Bridging Program to students enrolling in this program.
- The Doctor of Medical and Health Sciences, a Higher Doctorate proposed by the Faculty of Medicine, Nursing and Health Sciences, which will enable the offer of a prestigious graduate research degree by the faculty to professionals with numerous Monash-linked publications.
- Joint/dual award PhD programs with overseas institutions e.g. renewal of the Dual Award PhD agreement between Monash and Shanghai Jiao Tong University and approval of the Dual Award PhD agreement between Monash and Fudan University.

The Board endorsed disestablishment of a number of coursework and higher degree by research courses during this period. As noted in previous reports, the need to consider disestablishment may arise from changes in student demand; as a result of a major course revision; or from a change to strategic positioning.

Academic Board also considered reports on other key academic initiatives, including:

- Developments in the Executive Education space, where progress is being made on implementing a unified approach to currently dispersed activities, including development of appropriate management structures, administrative systems and web-based resources.
- The annual Monash MOOCs (Massive Open Online Courses) update, which highlighted the excellent completion rates achieved by learners enrolled in the Monash courses offered on the FutureLearn platform, alignment of the suite of MOOCs with the Better Teaching Better Learning agenda, and opportunities for MOOCs going forward.

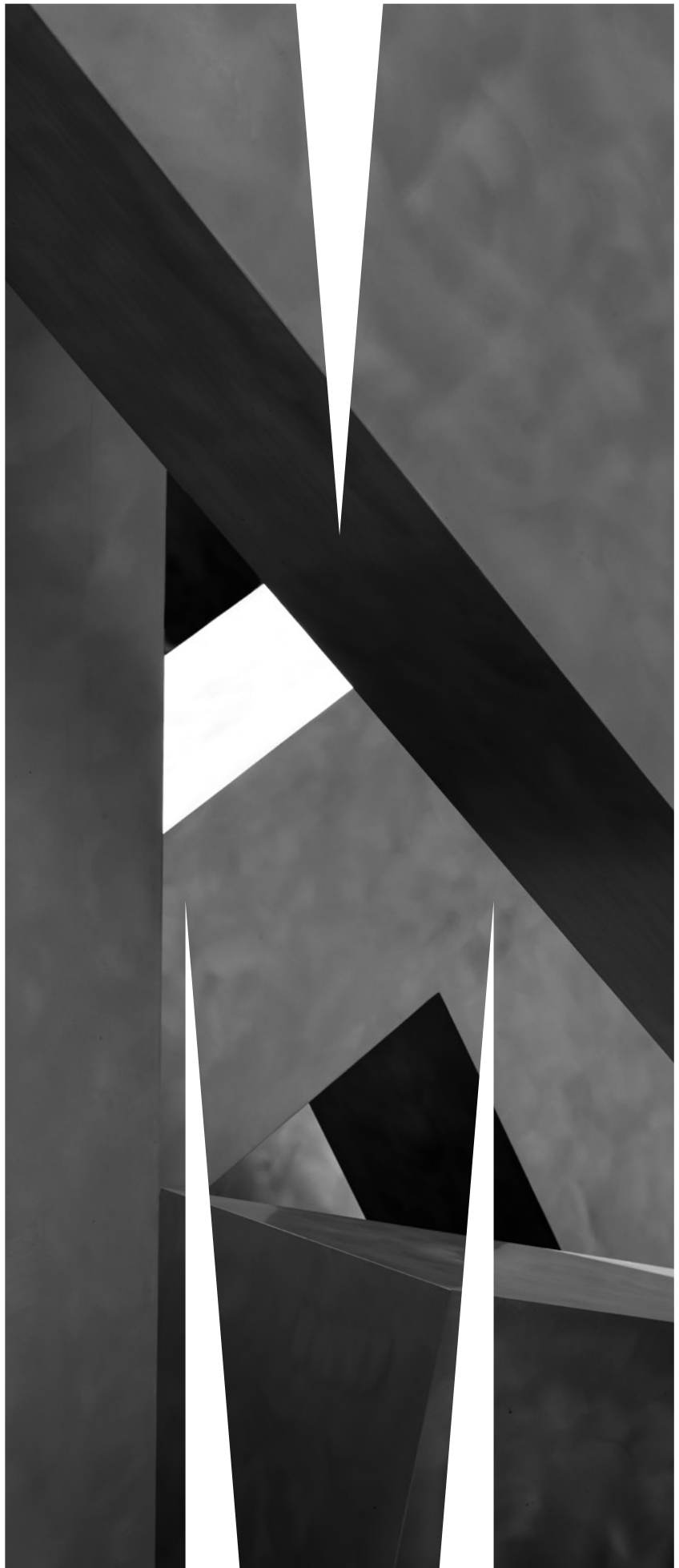
Legislation and Policy Development and Review

Academic Board approved a range of new and amended policies (and, where applicable, noted associated procedures). A representative sample of the policy matters considered by the Board during 2016 includes:

- The revised Course Design Policy, describing the framework and principles that inform the design of coursework and graduate research courses at Monash and incorporating course design principles from several different sources, including the Monash Graduate Attributes.
- The revised Credit Policy, ensuring alignment of various forms of credit and prior learning with requirements of Course Architecture.
- The Graduate Research Progress Management Policy and its associated Procedures, with a view to reinforcing the concept of 'milestones' as a more positive experience and simplifying language within, and making aspects of the Procedure more accessible.
- Review of the Graduate Research Course Review Policy, to simplify and bring the research program review policy framework up to date in view of developments within the Monash Doctoral Program and to ensure (as far as possible) consistency with the coursework policy framework.
- Revision to the Coursework Course and Unit Accreditation Policy and Procedures to clarify responsibilities relating to course reviews in the case of double degrees.
- Review of the Assessment in Coursework Units Policy, which will enable Monash's assessment regime to capture the new Assessment Vision, better align with the Better Teaching, Better Learning agenda and improve accessibility and navigation of relevant assessment procedures.
- Revision to the Student Complaints and Grievances Policy and Procedures to ensure that a clear process is followed once an investigating officer has concluded their investigation of a student grievance.

Academic Board also approved various amendments to the Academic Board Regulations. These provided for updates relating to credit towards a course of study, deferred final assessment in units of study, matters relating to graduate research and, significantly, to enable the Board to designate bachelor degrees for which a minimum ATAR of 50.00 will apply for Aboriginal or Torres Strait Islander applicants, thus providing the legislative framework for the Board's approval of the proposal to increase opportunities for entry by Indigenous Australians.

SOCIAL
PERFORMANCE



MONASH PEOPLE

Workforce profile

Table 1: Academic and Professional Workforce Profile – Australian Campuses

Category of staff	2014	2015	2016
Academic			
Female	1127	1146	1210
Male	1420	1446	1469
Total	2547	2592	2679
Professional			
Female	2397	2377	2433
Male	1366	1385	1365
Total	3763	3762	3798
All staff			
Female	3524	3524	3643
Male	2785	2831	2834
Total	6309	6355	6477

Notes:

1. Data is expressed as Full-Time Equivalent (FTE), rounded to nearest whole number and includes staff employed on a Full-Time (FT) and Fractional Full-Time (FFT) basis as at 31 March each year.
2. The data excludes Monash Malaysia and Monash South Africa but includes Independent Operations staff for each year.

STAFF ENGAGEMENT AND EMPLOYMENT CONDUCT

Human resources strategy

Talent, Culture and Performance are the three core elements of our human resources strategy, which aligns with the University's *Focus Monash* strategic direction. A workforce enabling plan guided priority work on strengthening the academy, building a contemporary professional workforce, shaping the workforce profile and leadership in 2016.

New technology was implemented to support more effective and efficient performance development, learning and recruitment.

Recruitment and induction

Under the HR Service Effectiveness Action plan internal recruitment processes were streamlined, reducing the time to fill professional staff vacancies by 55 per cent. Additional resources were allocated to support senior academic appointments.

The recruitment approach taken by the centralised recruitment team better supported managers and candidates and improved delivery of service excellence. The Jobs for Students initiative continued to place students in suitable casual vacancies within the University, providing quality work experiences and financial support.

Staff engagement

In 2016, work continued on the faculty and divisional action plans from the 2014 triennial Staff Engagement Survey. At the organisational level, tools to support career planning were assessed and a pilot run. Planning commenced for the 2017 staff engagement survey.

Staff retention

Staff retention is linked to staff engagement and organisational performance. One indicator of staff retention is median length of service. The University's measure in this regard remained steady overall, with a slight increase in Professional staff tenure.

Table 2: Median length of service (Years)

Year	Academic	Professional	Total University
2014	5.1	5.2	5.1
2015	4.9	5.4	5.2
2016	4.9	5.5	5.2

Notes:

Considers all active Fixed Term and Ongoing (Employee Groups A-D) staff as at 31 March in each reference year. Tenure is calculated as a continuous period of employment as fixed term and/or tenured. Tenure calculation differs from organisational length of service metrics as other employment types are not considered and breaks of service constitute loss of organisational tenure. Backdated adjustments may be applied annually to ensure accuracy.

Development and performance

The University's performance development process was based on the principles of growth, feedback and accountability, and was facilitated through performance conversations and the online performance development (myPlan) system.

Individual staff development needs were identified in consultation with supervisors and were met through both formal and informal methods. These included in-house and online training, outside study programs, on-the-job training, attendance at conferences and seminars, award courses, study leave, coaching, mentoring, self-directed learning, job rotation/lateral transfers, temporarily filling higher positions, membership of committees, working parties or taskforces and involvement with professional networks and associations.

More than 10,000 Monash staff accessed professional development activities this year and more than 985 learning and development programs were delivered. The programs addressed learning and development skills in areas such as leadership, management, working with others, occupational health and safety, equal opportunity and technology systems.

Staff recognition

The University recognised exceptional performance of staff through a range of programs, including the Vice Chancellor's Awards for Excellence. This year's awardees are listed below:

Teaching awards

Vice-Chancellor's Citations for Outstanding Contribution to Student Learning

- Dr Kristal Lee, Faculty of Medicine, Nursing and Health Sciences
- Dr Kirsten McLean, Faculty of Arts
- Team McIntosh (Associate Professor Michelle McIntosh, Dr Laurence Orlando, Ms Kim Styles), Faculty of Pharmacy and Pharmaceutical Sciences
- Dr Russell Anderson, Faculty of Science
- Ms Jiachun Huang, Faculty of Engineering

Vice-Chancellor's Award for Teaching Excellence

- Dr Simon Angus, Monash Business School
- Dr Julie Choate, Faculty of Medicine, Nursing and Health Sciences
- Dr Elizabeth Yuriev, Faculty of Pharmacy and Pharmaceutical Sciences
- Dr Jamie Walvisch (Early Career Award), Faculty of Law

Vice-Chancellor's Award for Programs that Enhance Learning

Faculty of Education:

- Ms Naomi Browning
- Mr Wing Keung Chan
- Ms Crystal Chatterton
- Ms Allie Clemans
- Dr Julie Faulkner
- Ms Helen Ferguson
- Dr Angela Fitzgerald
- Ms Sigredo Gatuz
- Mr Mayur Katariya
- Dr Anne Keary
- Mrs Rhonda Lee
- Ms Seshna Maharaj
- Mrs Karen Marangio
- Assoc Prof Graham Parr
- Dr Michael Phillips
- Ms Monique Sharp
- Dr Pearl Subban
- Dr Rosalie Triolo
- Mrs Tania Webster
- Dr Judy Williams

Vice-Chancellor's Award for Programs for Excellence in Honours Supervision

- Dr Robert Bryson-Richards, Faculty of Science

Office for Learning and Teaching Citation Winners

Australian Government Department of Education and Training Promotion of Excellence in Learning and Teaching in Higher Education (PELTHE) Citations for Outstanding Contributions to Student Learning:

- Dr Kathleen Neal, Faculty of Arts
- Dr Claire Palermo, Faculty of Medicine, Nursing and Health Sciences
- Dr Norman Do, Faculty of Science

Education and Research Awards

Vice-Chancellor's Award for Research Impact (Economic and Social Impact)

- Professor Peter Gibson, Faculty of Medicine, Nursing and Health Sciences
- Dr Jane Muir, Faculty of Medicine, Nursing and Health Sciences
- Dr Jacqueline Barrett, Faculty of Medicine, Nursing and Health Sciences

Vice-Chancellor's Award for Excellence in Research Early Career Researcher Science and Technology

- Dr Janette Tong, Faculty of Medicine, Nursing and Health Sciences

Vice-Chancellor's Award for Excellence in Research Early Career Researcher Humanities and Social Sciences

- Dr Kate Fitz-Gibbon, Faculty of Arts

Vice-Chancellor's Award for Excellence in Postgraduate Supervision

- Professor Graeme Hodge, Faculty of Law

OH&S awards

Vice-Chancellor's Award for Exceptional Contribution to Occupational Health and Safety

Individual winner

- Mr Riccardo San Martin, School of Biological Sciences

Team winner

- Ms Rukimi Bose-Rahman and Ms Thanuja Wijesinghe, Monash Caulfield Child Care Centre

Professional staff awards

The Vice-Chancellor's Awards for Exceptional Performance by Professional Staff

- Mrs Louise Broadbent, Admissions and Student Services, Faculty of Education
- Ms Lucretia Blanchard, Teaching Support, Faculty of Arts
- Ms Vanja Radojevic, Arts Research Business Development Office, Faculty of Arts
- Mr Varun Sood, Central Clinical School and School of Public Health Preventive Medicine
- Monash Connect Leadership Team: Mr George Stamatelos, Ms Georgina Dianiska, Mr Lee Johnson, Mr Michael Neuzerling, Ms Pauline Coulepis, Mr Peter Catania, Mr Peter Thomas, Ms Prue Miller and Ms Luciana Andriani
- Platform Quality Management System (PQMS) Team: Ms Camilla Cohen, Dr Caroline Laverty, Mrs Shane Reeve, Dr David Steer, Mr Lee Brindle, Ms Julie Rothacker, Dr John Phelps and Ms Vivien Vasic
- Wellbeing at Monash Team: Mr Andrew Marks, Ms Anne Ohlmus, Mrs Belinda Campaign, Mr Brett Lavale, Ms Bryley Conley, Ms Caroline Lawrence, Ms Catherine Lombard, Ms Claire Palermo, Ms Clare Swanson, Dr Craig Hassed, Ms Helen Powell, Professor Helen Truby, Ms Jane Dancey, Ms Jennifer Dordevic, Mr Jonathan Brown, Mr Matt Sheldon-Collins, Ms Melanie Elston, Ms Melany Blackwell, Ms Natasha Bucker, Mr Paul Barton, Mr Richard Chambers, Mr Rodney Van Riet, Ms Rose Bond, Ms Sarah Fowler, Ms Trisha Prpich and Dr Vicki Ashton

Vice-Chancellor's Diversity and Inclusion Awards

The 2016 Vice-Chancellor's Diversity and Inclusion Awards recognised the efforts of staff and students who contributed to creating and sustaining an inclusive working and learning environment at Monash. The six winners comprising of students and staff were recognised for their outstanding contributions at Monash and in the broader community. The awards recognise programs and initiatives that support the ethos of the University's commitment to inclusion as a pillar of the *Focus Monash* 2015-2020 Strategic Plan. They were presented by President and Vice-Chancellor, Professor Margaret Gardner AO, with a keynote address delivered by Mr Jason Ball, beyondblue ambassador and national advocate for combating homophobia in sport.

The winners were:

- Dr Maithri Goonetilleke, Dr Debbi Long, Ms Nishani Nithianandan and Dr Hui Ling Yeoh (Faculty of Medicine, Nursing and Health Sciences) for their work leading the Possible Dreams School Diversity Program, a student-led program, supported by staff, that challenges structural exclusion through education and provides targeted advocacy in schools
- Dr Laura Jobson (Faculty of Medicine, Nursing and Health Sciences) for work developing an Indigenous curriculum within the School of Psychological Sciences
- The Monash Residential Services team of Ms Cassianne Martin, Mr Jonathan Brown, Ms Emma Fletcher, Mr Minto Felix, Ms Inala Cooper, Mr Christopher Albertson and Ms Stephanie Meachen for launching the Aiming Higher Initiative, a program introduced to advance the engagement of Indigenous students living on campus

- Mr Jacob Thomas (Monash Warwick Alliance) for ongoing advocacy at the intersection of LGBTIQ issues and mental health
- Ms Karen Dunwoodie (Faculty of Education) for support and advocacy work for refugees and asylum seekers
- The Mental Health Champions team, led by Mr Minto Felix, for its targeted approach to destigmatisation and demonstrating positive attitudes to mental health and help-seeking.

Leadership development

Monash provided a diverse range of leadership development activities, events and programs that were supported by a leadership capability framework. This framework articulated the key behaviours required by leaders to successfully perform in senior academic and professional roles at Monash. The key areas of focus are developing strategic thinking and leading and managing people.

In 2016 a total of 16 targeted programs and initiatives were provided that included leadership development programs, forums, network meetings, coaching and mentoring. A total of 500 senior leaders participated in these programs.

Workplace relations

During the course of 2016, the University finalised implementation of the Monash University Enterprise Agreement (Academic and Professional) Staff 2014. This implementation included the establishment of several consultative bodies with terms of reference relating to the monitoring of Indigenous employment outcomes, and of academic workload management, and the introduction of a new academic employment category, the Scholarly Teaching Fellows.

While the University and the National Tertiary Education Union Monash Branch engaged in dispute resolution processes on a number of occasions during 2016, as in previous years, the University has not been the subject of any adverse findings in industrial courts or tribunals this year.

STUDENT PROFILE

Table 3: Student Enrolment by Attendance Type and Coordinating Campus: 2011-2016 Preliminary Data*

Campus	Student attendance type	Reference year					
		2011	2012	2013	2014	2015	2016*
Berwick	Full-time	1766	1753	1604	1590	1530	1497
	Part-time	283	265	292	283	220	181
Total		2049	2018	1896	1873	1750	1678
Caulfield	Full-time	11,029	11,030	11,776	13,283	14,798	16,185
	Part-time	3265	3094	2886	2801	2795	2594
Total		14,294	14,124	14,662	16,084	17,593	18,779
Clayton	Full-time	22,037	22,425	23,365	25,084	26,713	28,939
	Part-time	5658	5444	5451	5871	6714	7251
Total		27,695	27,869	28,816	30,955	33,427	36,190
Gippsland	Full-time	2109	2065	2053	1314	870	528
	Part-time	2002	1784	1687	1078	591	312
Total		4111	3849	3740	2392	1461	840
Parkville	Full-time	1109	1123	1118	1184	1231	1275
	Part-time	569	608	630	632	652	698
Total		1678	1731	1748	1816	1883	1973
Peninsula	Full-time	3071	2958	2955	3062	2961	3039
	Part-time	1022	1002	931	885	779	747
Total		4093	3960	3886	3947	3740	3786
Grand Total		53,920	53,551	54,748	57,067	59,854	63,246

Notes:

1. 2016 data are preliminary as of 30 October 2016.
2. Enrolment figures based on full-year data reported to the Government Department of Education.
3. Does not include students enrolled on overseas campuses or offshore partners.
4. Monash University transferred its Gippsland campus to be part of Federation University Australia on 1 January 2014. Monash ceased making offers to new students, and has made arrangements with Federation University Australia for teaching its continuing students. One Monash course will continue to admit Monash students at Gippsland, and that is the medicine course MBBS.

Source: University Planning and Statistics, Government Department of Education Submission Data.

Table 4: Student Enrolment by Attendance Mode and Coordinating Campus: 2011-2016 Preliminary Data*

Campus	Student attendance type	Reference year					
		2011	2012	2013	2014	2015	2016*
Berwick	Internal	1807	1741	1579	1576	1271	1482
	External	49	46	44	40	19	13
	Multi-modal	193	231	273	257	460	183
Total		2049	2018	1896	1873	1750	1678
Caulfield	Internal	12,672	12,602	13,006	14,550	15,956	16,948
	External	893	832	834	816	885	696
	Multi-modal	729	690	822	718	752	1135
Total		14,294	14,124	14,662	16,084	17,593	18,779
Clayton	Internal	24,229	24,311	24,942	25,936	27,038	28,341
	External	2048	1901	1922	2330	3246	3557
	Multi-modal	1418	1657	1952	2689	3143	4292
Total		27,695	27,869	28,816	30,955	33,427	36,190
Gippsland	Internal	1615	1573	1469	953	674	458
	External	1798	1662	1651	987	539	241
	Multi-modal	698	614	620	452	248	141
Total		4111	3849	3740	2392	1461	840
Parkville	Internal	1155	1185	1202	1278	1346	1382
	External	287	351	526	509	530	577
	Multi-modal	236	195	20	29	7	14
Total		1678	1731	1748	1816	1883	1973
Peninsula	Internal	3214	3033	2967	2894	2669	2971
	External	419	497	504	483	345	227
	Multi-modal	460	430	415	570	696	588
Total		4093	3960	3886	3947	3740	3786
Grand Total		53,920	53,551	54,748	57,067	59,854	63,246

Notes:

1. *2016 data are preliminary as of 30 October 2016.
2. Enrolment figures based on full-year data reported to the Government Department of Education.
3. Student Attendance Mode:
 - External: Study where materials are delivered to the student, and any associated attendance by the student at the institution is of an incidental, irregular, special or voluntary nature.
 - Internal: Study is undertaken through attendance at Monash University on a regular basis.
 - Multi-modal: Study is undertaken partially on an internal mode of attendance and partially on an external mode of attendance.
4. Does not include students enrolled on overseas campuses or off-shore partners.

5. Monash University transferred its Gippsland campus to be part of Federation University Australia on 1 January 2014. Monash ceased making offers to new students, and has made arrangements with Federation University Australia for teaching its continuing students. One Monash course will continue to admit Monash students at Gippsland, and that is the medicine course MBBS.

Source: University Planning and Statistics, Government Department of Education Submission Data.

Student experience

More than 8000 students took advantage of co-curricular programs and events in 2016 by undertaking volunteering opportunities, internships, study abroad units and leadership programs, such as the Vice-Chancellor's Ancora Imparo Student Leadership Program. The University's Campus Community Division took lead responsibility for student experience at Monash, delivering a number of significant programs in 2016. These included the non-residential colleges program to foster a greater sense of community among students, which included the launch of two new colleges in 2016. It also included continuation of the highly successful MonTrack Program, which provides a supportive service for first-year undergraduate students, as well as TeamMonash, which continued to foster stronger community engagement by students.

Our campus activation program of on-campus events continued in 2016. Highlights included SummerFest and Winterfest, week-long festivals with events on most campuses that provided experiences covering musical, artistic, sporting and visual activities. These events were delivered with significant student input, ranging from volunteering and casual work opportunities to student talent being showcased as part of all activities.

Student surveys

Teaching

In 2016, the Student Evaluation of Teaching and Units (SETU), a single teaching/unit evaluation survey, was administered over semesters 1, 2 and summer across all Monash campuses and locations. All units are required to be evaluated at least once in each year they are taught. SETU reporting includes indicators aligned with the University's Key Performance Indicators. Units are flagged as 'outstanding', 'meeting aspirations', 'needing improvement' or 'needing critical attention'.

All results provided in Table 5 are reported using the 'current' response band ranges (which were updated in 2015 to shift the 'Meeting Aspirations' and 'Needing Improvement' response bands upwards. There has been a steady decrease in unit offerings in the 'Needing Critical Attention' response band from semester 1, 2012 (from 5.2 per cent in semester 1, 2012 down to 4.3 per cent in semester 2, 2016). There has been a concurrent improvement in the proportion of unit offerings rated as 'Outstanding' (from 6.8 per cent in semester 1, 2012 up to 11.9 per cent in semester 1, 2016 and 10.2 per cent in semester 2, 2016).

Graduation and beyond

All graduating students nationwide were invited to complete the Australian Graduate Surveys (AGS). The AGS incorporates the Graduate Destination Survey for all graduates, the Course Experience Questionnaire (CEQ) for coursework graduates and the Postgraduate Research Experience Questionnaire for research

graduates. The 2016 AGS collected responses from 2015 course completers. Monash University's 2016 CEQ overall satisfaction remained stable. Monash ranked first in the Group of Eight universities for the second year running.

Orientation and transition

MonTrack continued to be a pillar of Monash's early engagement program for first-year undergraduate students. The program provided a supportive service throughout the students' first year, using multiple communication channels. This included personal phone contact from peers acting as Student Success Advisers; they were responsible for providing general advice in relation to common transition issues experienced by students and making referrals to appropriate support services. As part of the program, students identified as 'First in Family' to attend university received additional early contact.

The number of students attending Orientation activities continued to grow in 2016. Students recognised Orientation Week (O-Week) as the official start of the semester and engaged with online orientation resources prior to O-Week. The Orientation ePlanner, which enabled students to download a personalised orientation schedule based on their student profile, was widely accessed. Activities provided by student associations continued to be well attended; camps were fully booked, social events were popular and membership for the vast variety of clubs and societies were at high levels across all campuses. Attendance at international student welcomes and essential information sessions have continued the recent trend of strong positive growth.

Student learning experience

Extensive services, programs and resources were provided by the Library for students to develop their academic skills for achievement of Monash graduate attributes, employability and lifelong learning. Along with opportunities for students to develop their information research and learning skills through face-to-face and blended learning programs within and alongside curriculum, a range of self-paced e-learning tutorials and other online resources were also provided. The latter included online reading lists, recorded lectures and an extensive collection of e-books, e-journals and databases. Research and Learning Online went live in February as the student gateway to the Library's online learning materials, and Library online modules and other e-learning resources were a key component of the new Get Started website for commencing students. As major refurbishment of the Caulfield and Sir Louis Matheson libraries continued across the year, a mix of physical research and learning environments were provided for students within seven libraries, including quiet and group study spaces equipped with a range of technology.

Other support services for students included accommodation and housing advice, medical and health services, financial aid, counselling and welfare programs, international student support, course progression/transfer advice and programs aimed at strengthening social, community and academic networks. Students were provided with direct access to online services such as course and unit information, enrolment, examinations, information and application for scholarships, fee statements and payment options, timetabling, graduation applications and information, as well as student letters and transcripts. Student associations at each campus also provided support to students, including travel services, advocacy and student rights services, welfare assistance, clubs and societies, volunteering opportunities and training.

Table 5: Student Unit Evaluation Survey results: 2012-2016

Survey Period	Response Band Percentage							
	Needing critical attention		Needs improvement		Meeting aspirations		Outstanding	
	Semester 1	Semester 2	Semester 1	Semester 2	Semester 1	Semester 2	Semester 1	Semester 2
2012	5.2%	5.1%	18.0%	19.5%	70.0%	66.5%	6.8%	9.0%
2013	5.7%	4.4%	17.8%	16.9%	67.9%	69.0%	8.6%	9.6%
2014	4.4%	4.0%	17.3%	17.7%	70.2%	68.7%	8.2%	9.6%
2015	3.8%	4.3%	15.9%	17.0%	69.3%	67.1%	11.0%	11.5%
2016	4.1%	4.3%	15.7%	15.8%	68.2%	69.7%	11.9%	10.2%

The Monash Minds Program is offered to high-achieving first-year students and aims to cultivate the next generation of leaders. In 2016, 149 students participated in leadership masterclasses with speakers who included Ms Laura John, Sir John Monash Medallist; Ms Jan Owen, CEO for the Foundation for Young Australians; Mr Easton Wood, Acting Captain of the Western Bulldogs AFL football team; Lara Davenport, OAM and gold medallist in swimming at the Beijing Olympics; and the Honourable John Brumby, former Victorian Premier. As part of the program, 11 Monash Minds students, one Ancora Imparo alumna and two staff members from Careers, Leadership and Volunteering participated in a trip to the National Centre for Indigenous Excellence in Redfern, Sydney, to undertake volunteering and fundraising for their school holiday program.

The Vice-Chancellor's Ancora Imparo Student Leadership Program is designed to assist selected, community-minded second year undergraduate students to prepare for future leadership roles. In 2016, 40 participants attended a three-day residential workshop in February and monthly seminars with presentations from inspiring leaders such as Mr Julian Burnside AO QC, Sydney Peace prize recipient; Dr Christine Nixon, Chair, Monash College and Deputy Chancellor; The Hon Michael Kirby AC CMG, former High Court Justice; and Dr Megan Clark AC, former Chief Executive Officer of CSIRO, Non-Executive Director of the board of Rio Tinto.

Graduate destinations

Careers, Leadership and Volunteering has continued to grow and develop throughout 2016. A number of pilot programs were run in partnership with faculties and other University departments to deliver bespoke career development programs. These programs included the inaugural 'Byte into your IT career – Exhibition and seminar series', which was facilitated in collaboration with the Faculty of IT, and the 'Investment Banking and Consulting evening' with the Monash Business School. Both of these events had unprecedented attendance from students, providing the opportunity for networking with industry professionals and learning more about careers in their chosen field.

Career Connect, now in its second year, continued supporting employability through increased student consultations, job application checking and work rights advice. The Student Leadership Summit was a resounding success with guest speakers, including Waleed Aly, inspiring students to reflect upon their own leadership styles and further develop their capability. This was complemented by the Leap Into Leadership Online suite launching an additional six modules. The successful collaboration with Campus Experience and Major Events for WinterFest, the awards for Student Volunteer of the Year and the implementation of Value of Volunteering seminars were other noteworthy achievements and events in 2016.

The 2016 Australian Graduate Survey revealed that 68.2 per cent of Monash University domestic bachelor graduates who sought full-time employment had obtained it within four months of graduation, with Monash University ranked fourth in the Group of Eight (Go8) universities and above all other Victorian universities.

Alumni

In 2016, Monash celebrated with more than 16,000 graduates who have now joined the 330,000-strong global alumni network. Monash created opportunities and programs for alumni, in Australia and internationally, built on intelligence gathered through the alumni affinity survey. This work continues with Monash Careers Leadership and Volunteering, which will provide avenues for alumni to influence the student experience through mentoring, internships, guest lecturers, leadership programs and via the Student Futures and Career Gateway platforms.

Monash Life magazine was distributed in hard and soft copy to more than 200,000 alumni worldwide, keeping them updated on the University's progress and impressive achievements of their peers, while the alumni social media platforms have also been reinvigorated to share Monash news. The University participated in the 2016 CASE Asia-Pacific alumni survey, which enabled Monash to benchmark against institutions across the region.

Continued development of the Global Leaders Network occurred across eight priority global regions, culminating in the Vice-Chancellor's Global Leaders Summit, hosted at Clayton where more than 30 senior alumni and Global Leaders returned to campus to continue building the network and engage with Monash research and education initiatives. The active network of international alumni grew through Global Leaders groups established on the east and west coasts of the US, the UK and new appointments made in Singapore. Key events included hosting Monash Sustainable Development Institute staff to meet with New York alumni based around the September sitting of the UN, and a sustainability conference at Columbia University.

Monash alumni continued to be acknowledged through formal Monash awards and also externally – e.g. Australia China Alumni Association, Telstra Business Women's Awards and Victorian Government International Education Awards. The Singapore Alumni Association celebrated its 20th anniversary with the award for Most Outstanding Australian Alumni Association in Singapore.

The Global Discovery Program continued to send students to New York in 2016, enabling them to network with leaders from business, government and not-for-profit organisations. This initiative is led by our senior alumni on the US east coast and supported by our locally employed international alumni manager and returned 2015 scholars. Also in 2016, the UK Global Discovery Program was developed by the UK Global Leaders and a Monash international alumni manager was appointed in the UK.

In excess of 4650 alumni made donations towards growing the Monash philanthropic base, supporting a wide range of initiatives within the *Focus Monash* strategic plan across scholarships, research and faculty-led projects.

HEALTH, SAFETY, WELLBEING AND FAMILY

Counselling and mental health programs

Counselling and mental health programs operated across all Australian campuses in 2016.

The Monash Counselling service operated under a five-tiered mental health strategy. It aimed to provide a strong community focus through programs and services that de-stigmatise mental health issues; foster resilience and wellbeing; enable early identification and intervention for those who are struggling; and enable easy access to triage, brief counselling and referral, as well as rapid response to those in need of emergency mental health management.

In 2016, the counselling service saw 3401 individual students and staff for a total of 9937 visits for face-to-face counselling. In addition, the online email counselling service was used by 273 students with 1003 email exchanges. Students participated in a range of mental health programs, building on 2015 participation. In total, 13,111 students and staff participated in resilience and wellbeing programs and 1088 in mental health literacy programs such as Mental Health First Aid (704); SafeTALK, a suicide prevention program (201); and the Mental Health Awareness program (183). These programs strengthened the University community's capacity to identify emerging mental health issues and seek early treatment. Fifty-nine students and staff were seen for outreach psychological support as follow-up to critical incidents.

Staff and students at Monash also had the opportunity to learn mindfulness skills as a path to improve resilience as well as work and study performance. A range of programs were available, including Mindfulness for Academic Success (263 participants), Staff Mindfulness programs (130 participants) and free lunchtime Mindfulness meditation (1259 participants).

In addition to the face-to-face counselling and program participation Monash introduced the Mental Health Champions initiative. This initiative comprised of students who went through a rigorous selection process to become one of 16 'champions' within the Monash Community for 2016. The program was designed to give students who are passionate about promoting mental health a platform from which to create and deliver events and activities designed to reduce stigma around mental illness and promote healthy behaviours to enhance mental wellbeing. This initiative won one of the 2016 Vice-Chancellor's Diversity and Inclusion Awards.

Safer community

The Safer Community Unit encouraged early identification of observable behaviour that presents a risk to the safety and wellbeing of self or others. Staff from the Safer Community Unit provided information, advice, support and, where necessary, intervention to those persons impacted and to the person demonstrating the behaviour of concern. In collaboration with a multidisciplinary team and in accordance with current research, best practice, and University policy and procedures, the Safer Community Unit provided an investigation, risk assessment/management and coordination role to reduce the risk to staff, students and the organisation of inappropriate, concerning and/or threatening behaviour. To assist with contact there is a designated Safer Community telephone line and email. Many cases managed by the Safer Community Unit required extensive investigation, intervention, coordination and ongoing active monitoring of risk.

There are four designated Family Violence Contact officers within the Safer Community Unit. All Safer Community staff have completed competency-based training in responding appropriately to family violence.

The Safer Community Respectful Community Initiative was a primary prevention program aimed at generating initiatives and strategies intended to stop violence and problem behaviours before they occur through promotion of positive healthy relationships and sexuality, encourage safe bystander intervention and seek to change behaviour and social norms in healthy and safe directions. The Primary Preventions Project Officer presented workshops and presentations on ethical sex and respectful relationships. This year, Monash created and released a video addressing sexual assault and harassment; the video articulates the importance of consent and educates viewers on what is consent – 'Consent: all the time, every time'. All students are automatically enrolled in the online module.

External collaborative relationships were forged with forensic behavioural science experts in Australia and overseas, crisis assessment and treatment teams, the Victoria Police sexual offences and child abuse investigation teams, domestic violence officers, criminal investigation units, police local to campuses and the State Intelligence and Covert Support Command.

Monash University also hosted screenings of *The Hunting Ground* documentary on all our Australian campuses. These were facilitated by senior leaders of Monash with panel members from CASA, Victoria Police, student associations and other support areas.

Sporting participation

The 2016 year started with Monash Sport providing more than 1000 complimentary, one-month memberships to newly enrolled students. Monash Sport achieved more than one million visits in 2016 to its facilities, programs, services, events and activities. More than 19,000 students enrolled in Monash Sport programs and activities or joined up as Monash Sport members in 2016 at the Caulfield, Clayton and Peninsula campuses.

Significant facility refurbishments were undertaken to enhance the experience of students and staff participating in sport and recreation activities. These refurbishments included the resurfacing of the Frearson Oval (Clayton campus) and the Peninsula Hockey Pitch (Peninsula campus), the refurbishment of the Group Fitness Studio and Cafe (Clayton campus) and the development of a dedicated walking and running track (The Tan Track, Clayton campus). In addition, new cardio gymnasium equipment has been procured for the gymnasium at the Caulfield, Clayton and Peninsula campuses, to ensure Monash Sport services and programs can be delivered to meet student and staff expectations.

In the 2016 GO8 Benchmarking, Monash University recorded the highest (ranked first) total annual visits to its sports facilities and had the second-largest (ranked second) number of students employed from the GO8 Universities. Growing programs and services include the Social Sport programs, the Water Wise program, health and wellness memberships and programs and the Staff Wellbeing Activity Program (SWAP), which facilitated 177 programs in 2016 (more than 13,000 participant experiences).

Social sport competitions continued to grow in 2016. More than 590 teams comprising in excess of 6000 individual participants took part in weekly competitions. Students' overall university experience was enhanced through the delivery of innovative student engagement events including Let it Glow, Monash Games, Play On! Festivals and the College Clash. The College Clash event saw 1000 Monash Residential Services and Non-Residential College students compete in a range of fun activities, culminating in the first College Cup cardboard boat race.

The Student Services and Amenities Fee (SSAF)-funded Water Wise program proved very successful again in 2016 with more than 1500 Monash students participating in this program during the year. The Learn to Swim program at the Doug Ellis Swimming Pool continued to provide a valuable community connection; 1300 children participated in private swimming lessons each week at the pool and 30 local schools utilised the facility for school swimming programs.

Approximately 1800 students represented Monash University under the TeamMONASH banner in intervarsity sporting and cultural events, an 18 per cent increase from 2015. The University also affiliated 43 sporting clubs; they provide a wide range of competitive and recreational activities for more than 4500 students. Approximately 282 students were supported through the University's Talented Student Support program, including six of the 14 Monash University representatives at the Rio Olympic and Paralympic Games. Monash University had the largest team at the Australian University Games (659) and 35 students were awarded Green and Gold status at this event. Monash University won six Champion Pennants in Australian University Sport events, including the League of Legends and Cheerleading championships, as well as winning the inaugural GO8 AFL Trophy. More than 1000 volunteers supported these representation activities across the TeamMONASH-delivered programs in 2016.

Family and childcare support

Monash-supported childcare services were offered at Caulfield, Clayton and Peninsula campuses. With the exception of the Peninsula service, these were operated by parent management committees. An on-site School Holiday Program was offered across the four Victorian school holiday periods, providing daily care for approximately 70 primary school-aged children of Monash University staff members and students. Monash continued to provide a range of family events and trips that supported engagement with the University and family support services.

Complaint management

Staff

The University's framework for resolving complaints of unacceptable behaviour encouraged local and early resolution of complaints alleging bullying, discrimination, harassment or other forms of unacceptable behaviour. Where necessary, trained advisers were available to assist with facilitating an early resolution or the complainant could lodge a formal complaint. In 2016, the University received 11 complaints of alleged unacceptable behaviour. At the time of writing, four complaints were found to be unproven following investigation, two were resolved by facilitated discussion between the parties, one complaint resulted in first-stage disciplinary action and four remain under investigation.

Staff members who had been aggrieved by decisions made by the University, for example redundancy decisions, reclassification of professional staff positions and decisions relating to misconduct and disciplinary matters, had recourse to appropriate review committees, which were convened to address each of those issues.

Staff who had a specific concern or grievance were encouraged to approach their supervisor for resolution in the first instance. If the situation remained unresolved, the recommended escalation process was to consult first with their organisational head and then if still not resolved, to the Director of Workplace Relations to consider options for resolution.

Students

The University Student Ombudsman investigated complaints after going through a formal complaint process with the faculty, relevant service area or graduate school of research. The University Student Ombudsman operated in accordance with the University's Policy and Procedures for Student Complaints and Grievances. The University Student Ombudsman tried to resolve complaints informally through negotiation and conciliation. Where a formal investigation was undertaken, the Student Ombudsman made recommendations to the Provost for the resolution of the grievance. As at mid-November 2016, the University Student Ombudsman had received 86 complaints, of which 85 were resolved, and one is still in progress. Some of the complaints investigated had not yet been addressed at the faculty or department level, and the students were advised to take the complaint to the faculty or department in the first instance.

Occupational Health and Safety (OH&S) and Wellbeing

OH&S was an essential and critical component of working at Monash University. Through a continuous improvement approach, Monash University's OH&S Management System has been certified to international best-practice standards. Our proactive approach has resulted in low OH&S incident and claims rates.

OH&S key achievements in 2016 included:

- Recertification of the University's OH&S Management System to OHSAS 18001 and AS4801
- Implementation of an online OH&S risk management system with a comprehensive analytics tool
- Development of a high-level OH&S data reporting module
- Continued development of online, competency-based, OH&S training modules and inductions
- Delivery of a highly successful OH&S Conference open to participants from Monash and other Australasian universities.

The University continued to focus on encouraging a proactive safety culture that fostered communication and innovation. One such primary initiative is the annual Vice-Chancellor's Award for Exceptional Contribution to OH&S. Individuals and teams are encouraged to submit improvements they have made to enhance OH&S. The 2016 Vice-Chancellor's Award for an individual was presented to Mr Ricardo San Martin from the School of Biological Sciences (Faculty of Science) for the development and implementation of a new fieldwork safety communication and management procedure, based on state-of-the-art satellite technology and software. The award for a team was presented to Ms Rukimi Bose-Rahman and Ms Thanuja Wijesinghe from the Monash Caulfield Child Care Centre. They developed a tailored emergency evacuation and introduced a purpose-built evacuation cot on wheels for the safe and comfortable transportation of young children who may not be independently mobile during emergency evacuation.

Monash University demonstrated a continuing commitment to OH&S training to ensure staff and students are trained and skilled to undertake the teaching, research and campus support activities and functions. In 2016, 3475 staff attended a structured program of 29 OH&S courses.

Monash is committed to reducing staff and student injuries and illnesses. In 2016, two primary strategies to improve injury prevention involved increasing hazard reporting and improving the speed of implementation of corrective actions of identified hazards or workplace incidents. Hazard reporting significantly increased in 2015 and continued to increase in 2016, contributing to the primary strategy of identifying and rectifying hazards before anyone is injured.

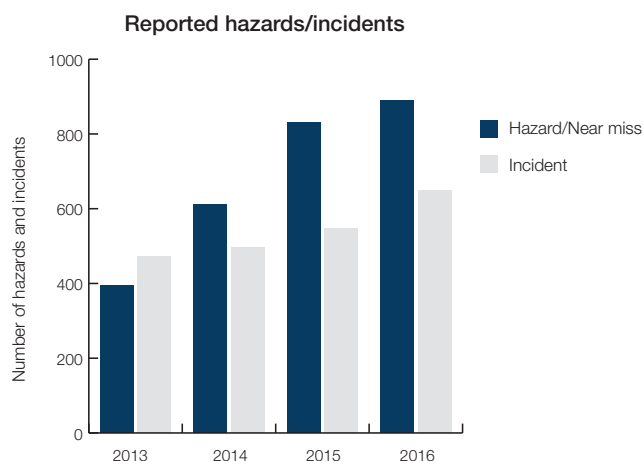


Figure 1: Number of hazards and incidents 2013-2016

A combination of early-intervention strategies and continuous improvement of the University's OH&S Management System has resulted in Monash University consistently recording a low number of WorkCover claims (Table 6) and a lower lost-time incident rate compared to most other Australian tertiary education institutions, including the Group of Eight Universities (Figure 2).

Table 6: Reported workplace injuries resulting in an accepted WorkCover claim

Year	Sprains and strains	Contusions	Lacerations	Burns	Stress	Fracture	Other	Total
2010	32	0	1	0	3	3	2	41
2011	15	1	2	1	0	7	0	26
2012	14	5	5	0	1	1	1	27
2013	18	4	0	0	2	5	0	29
2014	19	3	0	0	1	3	1	27
2015	18	1	2	0	1	5	6	33
2016	10	2	1	0	4	3	2	22

Lost-Time Incident Rate per 100 Employees

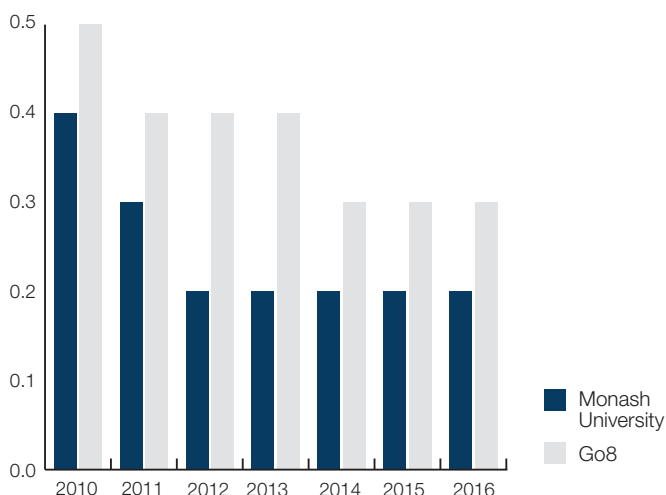


Figure 2: Incident Rate per 100 Employees 2011-2016

While the rate of hazards and incidents per 100 employees reported in 2016 remained relatively stable compared to previous years, the claims rate per 100 employees significantly decreased due to proactive return to work strategies and targeted interventions. In 2016, the average cost per claim was comparable to 2015, and although the claims rate had reduced, higher costs of medical intervention were experienced (Table 7). No notifiable incidents occurred during 2016.

Table 7: Hazards/incidents, standard claims and associated costs: 2014-2016

	2013	2014	2015	2016
Number of reported hazards/ incidents per 100 full-time equivalent staff members	12.6	15.9	20.7	14.4
Number of standard claims per 100 full-time equivalent staff members	0.43	0.37	0.44	0.29
Average cost per claim (payment to date + estimate of outstanding claim costs)	\$58,474.52	\$26,422.14	\$36,785.61	\$37,383.00

Wellbeing

The Staff Wellbeing Activity Program once again delivered high-quality physical, mental, general and nutritional health programs University-wide. This included the successful Monash 10,000 Steps Challenge and Global Walk/Run, which attracted thousands of participants, alongside high attendances in the extensive range of mental health, mindfulness, diabetes and men's and women's health programs on offer throughout the year. Engagement in Wellbeing continues with record participation.

The Wellbeing at Monash Program appointed a Specialist Nutrition Consultant, responsible for improving healthy food choices on campus through catering, retail and vending. Monash Smoke-Free Initiative continues its success, as part of a broader commitment to healthier smoke-free environments.

In recognition of its healthy workplace programs, and for its contribution to workplace health, the Wellbeing at Monash program won the 2016 Global Healthy Workplaces Award (large employer category), in Washington, DC, US. The International Awards Program is dedicated solely to the recognition of healthy practices and programs in the workplace. In addition, the Wellbeing at Monash Program received the Vice-Chancellor's Award for Exceptional Performance by Professional Staff for its fostering of strong collaboration across the University community.

EQUITY, ACCESS AND DIVERSITY – STUDENTS AND STAFF

Diversity and inclusion

In 2016, Monash furthered its commitment to social justice and human rights, providing a diverse working and learning environment supportive of inclusion for Indigenous Australians, people from financially and socially disadvantaged backgrounds, people from rural and regional areas, people with disabilities, women in the workplace, people of diverse genders and sexualities, and people from diverse cultural backgrounds.

The University held its annual Diversity and Inclusion Week with the theme 'Inclusion Works'. This week provided an opportunity for staff, students and visitors to celebrate and engage with the Monash commitment to diversity and inclusion. The program focused on gender equity, Indigenous engagement, disability awareness, diverse genders and sexualities, student equity, intercultural competence and other social justice initiatives. A variety of events were held across Victorian campuses, including a walking tour of the Aboriginal Garden, highlighting the importance of Indigenous knowledge; staff workshops on supporting students with autism spectrum disorders; a workshop on bridging the gap between domestic and international students; the launch of the Monash Queer Mentoring Program for lesbian, gay, transgender, intersex and queer students; and an Access Monash seminar on the influence of family relationships on higher education participation and engagement.

Monash University complied with relevant federal and state anti-discrimination legislation, including:

- *Age Discrimination Act 2004 No. 68 (Cth)*
- *Australian Human Rights Commission Act 1986 No. 135 (Cth)*
- *Charter of Human Rights and Responsibilities Act 2006 (Vic)*
- *Disability Discrimination Act 1992 No. 135 (Cth)*
- *Disability Discrimination Amendment (Education Standards) Act 2005 (Cth)*
- *Equal Opportunity Act 2010 No. 16 (Vic)*
- *Racial and Religious Tolerance Act 2001 No. 47 (Vic)*
- *Racial Discrimination Act 1975 No. 52 (Cth)*
- *Sex and Age Discrimination Legislation Amendment Act 2011 (Cth)*
- *Sex Discrimination Act 1984 No. 4 (Cth)*
- *Sex Discrimination Amendment (Sexual Orientation, Gender Identity and Intersex Status) Act 2013 (Cth)*
- *Workplace Gender Equality Act 2012 1986 No. 91 (Cth)*

Gender

In 2016, the Workplace Gender Equality Agency (WGEA) once again awarded Monash University the prestigious Employer of Choice for Gender Equality citation, which recognises employer commitment and best practice in promoting gender equality. Monash remains the only Group of Eight institution and one of only 106 organisations in Australia to hold the citation.

The Vice-Chancellor and the Provost, who co-chair the Equal Opportunity for Women Committee, continued to support strategies and initiatives aimed at improving workplace gender equality and increasing representation of women in senior roles.

The representation of women in senior roles at the University reached 36 per cent (31 March 2016), with the most notable improvement in the representation of women in senior professional roles, reaching 47.2 per cent (94 per cent parity). Women currently comprise 32.1 per cent of all senior academic staff at the University.

Table 8: Representation of female staff in senior roles: 2012-2016

Representation of female staff in senior roles	2012	2013	2014	2015	2016	5-year change
Senior academic roles (Level D+)	29.1%	29.8%	30.7%	31.5%	32.1%	3.0%
Senior professional roles (HEW 10 and above)	40.8%	41.8%	43.3%	44.3%	47.2%	6.5%
Senior roles total	32.3%	33.2%	34.3%	35.0%	36.0%	3.7%

Targeted HR support was provided to areas of the University that are most significantly under-represented by women in senior roles and best-practice tailored models were developed and implemented in consultation with these areas. Aligned with this commitment, the Provost endorsed new gender equity targets for senior academic positions in STEM (Science, Technology, Engineering, Mathematics, and Medicine) faculties.

To further support the University's strategic focus on improving gender diversity in STEM disciplines, the University commenced its program of work as an inaugural member of the Science in Australia Gender Equity pilot of the Athena SWAN Charter, an accreditation program that aims to address the unequal representation of women in STEM disciplines while improving the workplace environment for people of all genders.

Professor Margaret Gardner AO became an ambassador of pay equity by joining a national campaign of the Workplace Gender Equality Agency. Pay Equity Ambassadors work with the Agency to promote and improve gender equality and to drive change in the community by reinforcing their commitment to pay equity within their own organisations.

Senior management continued supporting gender equity initiatives aimed at increasing the number of women in senior roles and fostering the development of a workplace culture where female staff are able to demonstrate their leadership potential.

In 2016, the University's Senior Women's Shadowing program matched 14 high-potential women with members of the senior executive, and provided networking opportunities and professional development workshops. The purpose of the shadowing program, which was introduced in 2006, is to foster existing talent and enhance leadership capabilities of female staff.

The Advancing Women's Research Success Grant program was funded for the fifth year and is considered a flagship strategy supporting the recruitment, retention and advancement of academic women. By providing financial support to eligible women, the program aimed to alleviate the pressure of balancing academic success with significant carer responsibilities and the effect this can have on research productivity. A total of 17 female academics were offered the grant in 2016, which included an optional professional career coaching service to assist women with long-term research career plans. Since its inception in 2012, the University has invested more than \$1 million into this program and has seen a significant return on this investment.

In 2016, a pilot program, 'Write Yourself to Success', was introduced to assist early to mid-career female researchers to improve their performance on research grant submissions and publications. Thirty-three women participated in this program, attending a series of writing skills workshop during which they were able to develop their grant and fellowship applications.

In the pursuit of promoting a diverse and inclusive workplace culture, the University introduced new paid leave options for primary caregivers. The leave is available to eligible staff who are the spouse or domestic partner of a birth mother, and who take on the primary responsibility of the care of a newborn child.

The University celebrated International Women's Day in 2016 with more than 500 staff attending associated events. The theme was Pledge for Parity, calling for gender-balanced leadership, valuing diversity and eliminating conscious and unconscious bias in workplace. The University also continued its commitment to the White Ribbon initiative and ending violence against women; it hosted a number of events at which influential Monash staff spoke on addressing domestic violence.

Support for students and staff who are lesbian, gay, bisexual, transgender, intersex or queer (LGBTIQ)

The Ally Network at Monash continued to promote Monash as a safe and inclusive space for LGBTIQ people. At the end of 2016 there were 160 trained and registered Allies across Australian campuses. Allies were afforded professional development opportunities, including workshops delivered by Transgender Victoria and a one-day conference themed 'Where have we come from, where are we now and where are we going' for members of the network and the broader Monash community.

Training was delivered to student leaders, student groups and frontline staff across 19 workshops to assist them in gaining a greater understanding of diverse genders and sexualities, equip them to work and learn effectively and respectfully with LGBTIQ people and empower them to make positive change in their communities.

Monash University continued to work with Pride in Diversity, Australia's first and only national not-for-profit employer support program for all aspects of LGBTIQ inclusion to provide strategic advice and deliver training for the Ally Network.

The Diverse Genders and Sexualities Advisory Group continued to drive initiatives around LGBTIQ support and inclusion, including the development and publication of Inclusive Education Guidelines for Diverse Genders and Sexualities.

Monash held a number of events to celebrate and promote inclusion for LGBTIQ people, including a festival to mark the International Day Against Homophobia, Transphobia and Biphobia (IDAHOTB) in May, flying the pride flag alongside the national, state, Indigenous and Torres Strait Island flags on all Australian campuses. A Queer Networking Night was held for students and staff and, for the first time, Monash participated in the annual Midsumma Pride March, which recognises and celebrates Victoria's lesbian, gay, bisexual, transgender, intersex and queer (LGBTIQ) community. The University contingent was led by the Vice-Chancellor.

Cultural inclusion and anti-racism

Monash renewed its commitment to the Australian Human Rights Commission's 'Racism. It Stops with Me' campaign. The campaign invites organisations and individuals to reflect on what they can do to counter racism wherever it happens.

A number of resources were developed to support this commitment and cultural inclusion more broadly, including the 'Fostering an anti-racist campus culture at Monash: Identifying and eliminating racism' guide developed by the Social Justice Unit, and the 'Guidelines to Accommodate Students and Staff with Strict Religious Observance Obligations (Australia)' published in the Monash Policy Bank.

Monash hosted events and training to promote intercultural competence and anti-racism for students and staff, including a 'Racism. It Stops with Me' photo booth as part of Diversity and Inclusion Week, Arab Cultural Competence workshops, Courageous Conversations about Race workshops for students, and a Reflexive Anti-Racism session for staff delivered by the Victorian Equal Opportunity and Human Rights Commission.

Indigenous

In 2016, the Yulendj Indigenous Engagement Unit – responsible for Indigenous student recruitment and support, employment, executive support for the Indigenous Advisory Council, and strategic planning and communications – worked with faculties to continue to increase Indigenous access, participation and success at Monash. Widening access for Indigenous students through the new pathway into and the Faculty of Law was a high priority with broad success.

A new Indigenous Admissions Strategy was approved by Academic Board in August, providing for students to access comprehensive degrees with a base ATAR of 50. Yulendj's tailored support services, including book allowances and tutoring, mean that the new Strategy will widen access for talented Indigenous students.

The eighth annual Elders Day, held at the Clayton campus, was a celebration of our connections and relationships with local Indigenous people and communities. More than 90 local Elders and community members, Indigenous student volunteers, and senior staff attended. The morning forum was hosted by Professor Colin Bourke MBE, Chair of the Indigenous Advisory Council, and included presentations by Dr Ian McNiven (Monash Indigenous Studies Centre) on his work with the Gunditjmarra people, and Aunty Carolyn Briggs, Boon Wurrung Elder, on her work in education.

The Elders Day luncheon was hosted by the Chancellor and Vice-Chancellor and included a performance by the Mullum Mullum Choir. A joint Welcome to Country was made by both Wurundjeri and Boon Wurrung Elders. Representatives from Career Trackers, an organisation linking Indigenous students with corporate internships, presented the Vice-Chancellor with a gift of a knowledge tree to mark the partnership between Career Trackers and Monash.

The Indigenous Advisory Council's Employment Working Group (chaired by the Provost, Professor Edwina Cornish) has continued to focus on developing strategies to increase and retain Indigenous academic staff, as well as the representation of Indigenous staff at international conferences, and the implementation of a new traineeship program due to commence in 2017.

The Inaugural Reconciliation Lecture was held in October at the State Library of Victoria. Attended by about 100 people, the event featured Senator Patrick Dodson in conversation with Ms Tracey Holmes.

Yulendj, in collaboration with faculties, held the fifth Indigenous Experience Monash Day in May, at which about 100 Indigenous secondary students from across Victoria participated in activities at the Clayton campus. The Indigenous Hands On Monash Camp was held in December; 26 senior secondary students from across Victoria and interstate took up residence on Clayton campus for three days. The Camp ran sessions with faculties to introduce students to the possibilities of studying at Monash. All faculties presented to students on the final day of the camp about access, entry criteria, and opportunities at Monash, including studying abroad.

Low socio-economic status (SES) students

Monash is committed to becoming the Australian university with the greatest impact on social mobility, through its capacity to recognise, support and extend talented students from educationally disadvantaged backgrounds. Access Monash led the University's strategy for improving the access and participation in higher education of students from lower socio-economic communities, while ensuring their future success.

In 2016, key engagement achievements included:

- Schools Access Monash (SAM) – an outreach program for students in Years 8 to 12 at our 40-plus partner schools. SAM is a program of in-school and on-campus activities that aims to inform students' decision-making and support their engagement and knowledge of university and the opportunities it provides.
- Access Monash Champions – a personal development and leadership program for high-achieving Year 9 and 10 students at our partner schools. Students work in groups with an Access Monash Mentor to develop and deliver a community project.
- Access Monash Mentoring Program – a flagship program offering intensive one-on-one mentoring for Year 11 and 12 students who aspire to university study. Our Access Monash Mentors are current Monash students who are committed to community leadership. In 2016, the program grew in scale and strength, with 470 Year 11 and 12 students being mentored by 314 mentors and delivering 6140 hours of mentoring plus 7195 hours of other activities. Among 2015 mentees, 93 per cent of those contacted had received a university offer in 2016.
- Strengthening Engagement and Achievement in Mathematics and Sciences (SEAMS) – a program run in partnership with the University of Melbourne aimed at increasing equitable participation and attainment in science and maths-related disciplines for Year 11 and 12 students from selected schools across Victoria.
- Faculty Experiences – Monash faculties developed programs and experiences for students from under-represented communities; for example, the Hands On Health program, the Learning and Making in Art Design and Architecture camp (MADA) and Monash Media Camp (Faculty of Arts).

- The University sought to create a level playing field for those who aspire to an exceptional education through the Special Entry Access Scheme (SEAS) and the Monash Guarantee. Entry levels for every Monash course were adjusted to recognise disadvantage. During 2016, we added the Indigenous Entry Scheme, which enables entry to a range of Monash courses at reduced ATAR levels and a Pathway to Law via Arts, Science or Commerce for disadvantaged students who do not quite meet the direct entry requirements for Law.
- The Achieving Potential campaign built philanthropic support for our activities and scholarships.

Disability Support Services – Enabling the Success of Students

In 2016, 387 students who were registered with Disability Support Services (DSS) successfully completed their courses. One hundred and fifty-seven of these successful students were registered with a mental health condition. DSS recorded a 21 per cent increase in registered students from 1250 students in September 2015 to 1509 in September 2016. By the end of the November exam period in 2016, 1742 students had registered for support, 47 per cent of whom were registered with a mental health condition. In comparison, 32 per cent of registered students in April 2011 were registered with a mental health condition.

In conjunction with the Office of Learning and Teaching, DSS launched a new way to raise awareness of student accommodation with faculties and academic staff via Moodle and the Monash Reporting System. This increased the efficiency of DSS but is also simplifying the process for registered students. This initiative was presented at the MoodleMoot Conference in Perth and also at the Pathways conference in Canberra.

DSS also collaborated with the Office of Teaching and Learning to offer the Teaching Inclusively for Disability module as part of the Continuing Education Excellence Development (CEED) Framework supporting teaching staff.

In 2016, Disability Support Services began providing assistance to students who are carers of a person who has a disability, medical condition, mental health condition or is aged and frail. By the end of 2016, 10 student carers had registered for support.

As part of the PEERS student mentoring program, 26 students with disability were matched with PEERS volunteers during 2016. The PEERS mentoring program aims to provide students with disability the opportunity to develop and expand their social network at Monash and gain the confidence to successfully manage their university experience.

During 2016, 11 students with disability successfully gained paid internships through the Stepping Into program and three students participated in the Positive Action towards Career Engagement (PACE) mentoring program offered by the Australian Network on Disability (AND).

Disability Support Services' 2016 survey results indicated that 92 per cent of registered students believed the support they had received had moderately to extremely enhanced their academic performance; 96 per cent were satisfied with DSS and 97 per cent stated that they would recommend DSS to their friends. These results were a highly positive reflection of the support for students with disability provided by the dedicated Disability Support Services team.

SOCIAL RESPONSIBILITY

Universities today are not only centres of knowledge, learning and research, but are also complex communities in which people engage, live and collaborate. In achieving our goals, consideration of the rights and responsibilities we owe to each other, to Monash University, and to the many communities in which Monash operates is crucial.

Monash expected all staff to develop an understanding of the University's legal obligations and responsibilities relating to occupational health and safety, equal opportunity, privacy, and ethical behaviour. The University's mandatory online training takes staff through all of these critical frameworks.

Ethical conduct

Focus Monash identified five guiding principles fundamental to achieving goals. These principles align with the Monash University Ethics Statement developed by staff and students. It details the high ethical values and principles expected of all members of the Monash community. It comprises general principles, which guide individuals in their decision-making, and considers:

- Monash as a place for people to work and study
- Monash as a learning, teaching and research institution
- Monash in society.

This Monash University Ethics Statement underpins all of the University's policies and procedures and provides a decision-making framework for effectively resolving ethical issues. The University complied with all relevant state and federal legislation relating to these issues. It provides advice and support through Monash HR, the Office of the General Counsel and through a network of volunteer advisers.

Human ethics in research

The Monash University Human Research Ethics Committee continued to assist the University in meeting the requirements of the National Statement on Ethical Conduct in Research Involving Humans by reviewing all new research proposals. This ensured they were planned and conducted with the highest ethical standards, thus mitigating any risks to participants and making sure benefits from the research activities were shared with the community.

Animal welfare

Monash University operated six animal ethics committees registered under six Scientific Procedures Premises Licences issued by the Victorian Bureau of Animal Welfare. All activities of the six animal ethics committees complied with state law and the Australian Code of Practice for the Care and Use of Animals for Scientific Purposes (2013). New staff and students continued to receive training in the care and use of laboratory animals.

Community engagement

During 2016, University-level activities included the Monash Minds Redfern project. As part of this activity, the selected participants in the leadership program for first-year students travelled to the National Centre for Indigenous Excellence (NCIE) in Redfern (Sydney) to undertake volunteering and fundraising for the NCIE school holiday program. As part of the Monash Minds Student Leadership program, students participated in one of the three service-learning projects:

- The Monash Minds Redfern trip
- Volunteering at either Noble Park Primary, Clayton North Primary or Scouts Victoria
- Committing at least 15 hours to a particular volunteer opportunity that the students sourced themselves.

TeamMONASH was the University directorate responsible for promoting student representation opportunities, both sporting and volunteering. Activities provided by this group supported local charities through fundraising, volunteering and awareness campaigns, benefiting groups such as Ronald McDonald House-Clayton, The Oaktree Foundation, the Emer Casey Foundation and the Evonne Goolagong-Cawley National Indigenous Tennis Camp.

Community engagement was also undertaken at a campus level. At Clayton, activities included liaison with the City of Monash on international student support programs such as the Clayton Canvas initiative, an innovative anti-gambling program, and joint University/City of Monash student welcome events.

WinterFest 2016 was hosted at Monash Sport (Clayton campus) during August, and drew large numbers of staff, students and members of the community to the sports precinct. The Friday evening 'Let It Glow' family event drew more than 6500 participants who were treated to a variety of sports, food, movies, rides and activities, despite the cold, windy weather. The Tan Track was opened at this event, hosting the first 'glow fun run' around the newly laid, one-kilometre walking/running circuit.

The inaugural Monash In Motion event was undertaken in partnership with the City of Monash during September, and featured a range of collaborative activities for students to participate in, such as swimming and soccer and some less formal 'come and try activities' such as tai chi and zumba. International students in the University's Water Wise program had the opportunity to experience the wave pool at Monash Aquatic and Recreation Centre. They benefited tremendously from these sessions and gained significant confidence. The week-long event was concluded by the 24-hour Mega Swim at the Doug Ellis Swimming Pool on Clayton campus, which raised more than \$20,000 for MS research.

The sporting precinct also hosted a range of University activities in 2016, including exams, the Chancellor's Distinguished Alumni Awards event and the University's Careers Fair. Significant community engagement events from Australian Council for Health, Physical Education and Recreation (ACHPER) and Girl Sport Victoria were also hosted.

Human rights

Monash remained listed as a participant in the Academia category of the United Nations Global Compact and was committed to promoting equal opportunity in education and employment in recognition of global principles of equity and justice according to the United Nations and International Labour Organisation Conventions, Covenants and Declarations. Human rights issues regarding staff and students within Australia were implicit in the legislation the University complied with.

Socially responsible economic considerations

Loans

In 2016, Monash offered a student loan scheme where both domestic and international students could apply for an interest-free loan if their financial situations affected their ability to continue studying. The loans covered a wide range of study-related expenses such as books, computers, cars and housing. They were offered over favourable periods, with a guarantee not required for loans of up to \$1000 over a period of six months.

Accounts payable

While the University generally applied a standard trading term on disbursements of 30 days from end of month of invoice date, shorter terms were applied when vendor circumstances warranted this. For example, the University generally agreed with rural vendors who requested shorter payment terms to ease cash flow burdens experienced in rural communities, and also catering/food vendors, as these businesses are predominantly sole proprietors and reliant on this income as their sole source.

Accounts receivable

Monash University applied a general debtor payment due policy of 30 days net from the date of the generated and printed invoice. As with disbursements, discretion was applied in considering debtor circumstances, especially in the case of students. Wherever possible, a negotiated arrangement was seen as preferential to placing the debt in the hands of collection agencies.

STATEMENTS OF COMPLIANCE

Statutes revocation and statute promulgation

There were no statutes revoked or promulgated in 2016.

Freedom of information

Monash University received 24 requests under the *Freedom of Information Act 1982* as against 30 in the previous year. In addition, there were three requests for consultation under section 34 of the Act concerning release of University documents by other agencies.

Departments within the central administration maintain most vital records relating to institutional policy and administration. The principal hard copy records series are:

- Student files (1961 to current)
- Student record cards (1961 to 1990)
- Administrative correspondence (1962 to current)
- Staff files (1962 to current).

Files within these record series were held or processed in accordance with best practice and approved record-keeping policies.

Major electronic database record series (including archived systems) were:

- Monash archived accounting systems (MARS 1978-1999; ARIES 1983-1999)
- Integrated human resources systems (ISIS 1981-1999; SAP 2000-current)
- Monash University student information systems (MUSIS 1982-2000; Callista 2000-current).
- Accounting and funds management system (SAP 2000-current)

Reports from these systems were not accessible online by members of the public.

Monash University Council and Academic Board agendas and minutes, which were the most accessible records series reflecting policy and procedures, have long been available in near-complete form in the Sir Louis Matheson Library, Clayton campus, and may be consulted without notice during normal library hours (generally 9am to 5.30pm, Mondays to Fridays, during semester). These may also be accessed via the Monash University website. These and other principal University records series available were as follows:

- Monash University Council minutes (1961-2006)
- Academic Board minutes (1960-1996)
- Monash University Council Annual Reports (1961-current)
- Annual examination papers (1961-current)
- Faculty handbooks (1962-current).

The University has included material as set out in Part II of the *Freedom of Information Act 1982* on the website. Use of the search facility allowed access to the relevant information.

Monash produced a wide range of publications about the University's teaching, learning and research activities in print, online and video formats. These included undergraduate and graduate handbooks that described degree requirements, courses and units, a guide for international students on specific aspects of the University's key functions, and publications on research and research outcomes. The University also produced a range of brochures, booklets and information kits describing the activities and expertise of faculties, departments and research centres. The University's Advancement division produced a range of publications that were distributed throughout the University and to the media, secondary schools, the business sector, and community leaders. General guides to the University's activities and services were also available in print and video formats.

Should formal Freedom of Information (FOI) access to documents pursuant to the *Freedom of Information Act* be required, preliminary inquiries may be made to the FOI officer on +61 3 9905 5137. Formal FOI requests for access to University records under the *Freedom of Information Act 1982* must be made in writing, addressed to the FOI Officer and be accompanied by an application fee of \$27.90, as prescribed by the Act. Such requests for access should contain sufficient detail to enable the specific documents required to be identified.

Applicants would be notified in writing of the decision on a request as soon as possible but at maximum within 45 days of the application being received. If access were granted, the applicant would be advised at this time of the arrangements for gaining access to the requested documents.

Charges for access complied with the *Freedom of Information (Access Charges) Regulations 2014*.

Requests should be sent to:

Ms Fiona Hunt
Freedom of Information Officer
Executive Services
Chancellery, Building A
Monash University 3800 Victoria

Further information about FOI could be found at the Executive Services website at monash.edu/execserv

Compliance with the *Protected Disclosures Act 2012*

The Victorian Government *Protected Disclosure Act 2012* (the PD Act), the *Independent Broad-Based Anti-Corruption Commission Act 2011* (the IBAC Act) and the *Ombudsman Act 1973* (the Ombudsman Act) aim to encourage and facilitate the making of disclosures of improper conduct or detrimental action, in contravention of those Acts, by public officers and public bodies. They provide protection to whistleblowers who make disclosures in accordance with the PD Act, and establish systems for the matters disclosed to be investigated and for remedial action to be taken.

Monash University is a public body under the IBAC Act. Employees at Monash University, as well as Council members of Monash University, are public officers under the IBAC Act.

It is the complainant's right and responsibility to elect to take a complaint of improper conduct or detrimental action in reprisal for a protected disclosure to IBAC or the Ombudsman.

Any person contemplating making a disclosure of improper conduct or detrimental action related to Monash University should contact IBAC in the first instance. Monash University's protected disclosure coordinator is not authorised under the PD Act and IBAC Act to receive or assess a disclosure.

Any person who chooses to make a complaint directly to Monash, rather than to IBAC or the Ombudsman, will have their complaint dealt with under Monash University's policies and procedures, unless Monash University is otherwise instructed by IBAC or the Ombudsman.

Monash University does not tolerate improper conduct by employees, Monash University Council members, or any person performing public services or public functions on behalf of Monash University. Monash University does not tolerate the taking of reprisals against those people who disclose such conduct.

Further information can be found at: adm.monash.edu.au/workplace-policy/conduct-compliance/whistleblowers.html

National competition policy

The University continued to implement its established policies and practices consistent with its obligations in relation to the National Competition Policy. During 2016, the University was not the subject of any National Competition Policy-related action.

An online Australian Consumer Law Compliance Guide provided guidance for compliance with the *Competition and Consumer Act 2010* (Cth) (known as the Australian Consumer Law) (as amended from time to time). The Office of the General Counsel provided advice on the law of consumer law, trade practices and competition.

Privacy

Monash is required to comply with the *Privacy and Data Protection Act 2014* (Vic), the *Health Records Act 2001* (Vic) and the *Freedom of Information Act 1982* (Vic).

Monash is committed to the protection of personal information and has established a privacy regimen that strives to:

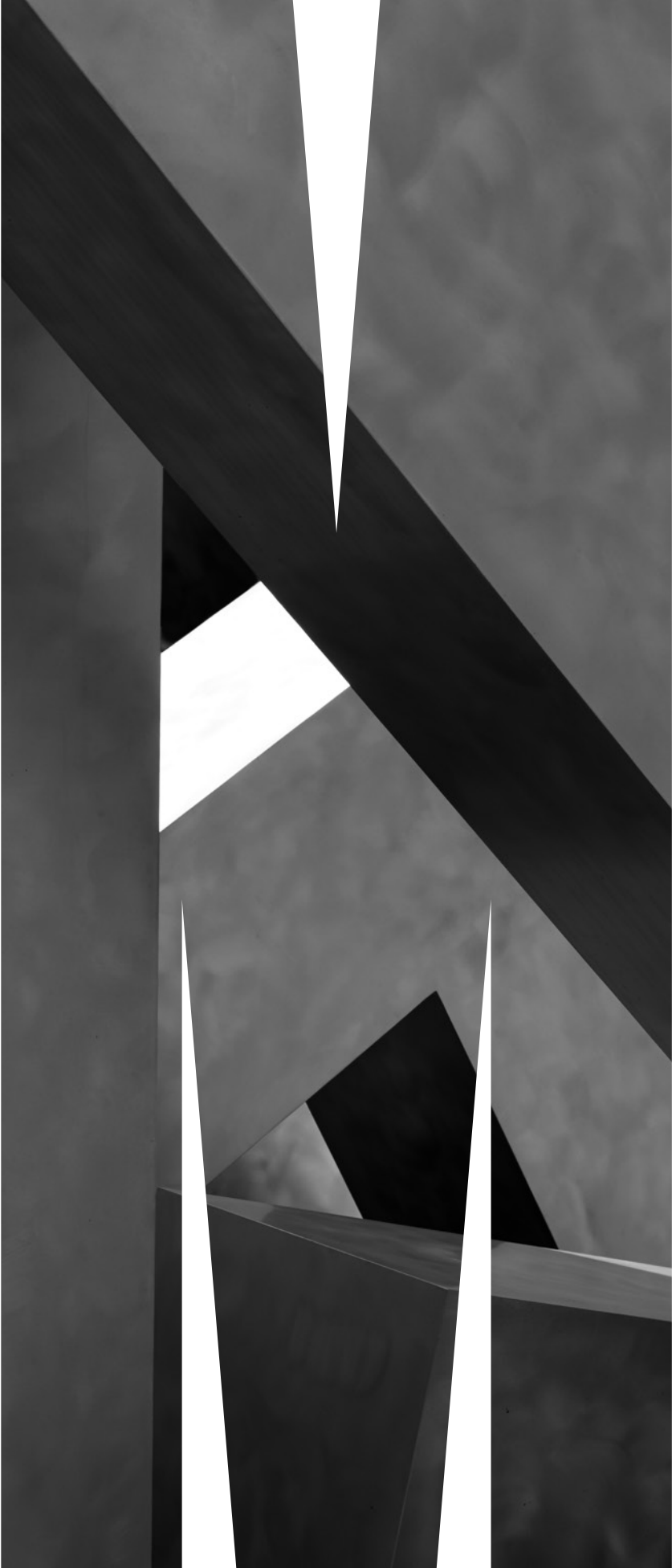
- Promote understanding and acceptance of the privacy principles and their objectives throughout the University community
- Educate people within the University about information privacy
- Handle any complaints received in an efficient and appropriate manner
- Monitor privacy compliance and keep the University informed of updates to procedures.

Guidelines and advice on privacy regarding staff and students were provided to staff via the Monash intranet. Most faculties and divisions had privacy coordinators, and staff, students and members of the public were able to contact the University privacy officer if they had any questions or complaints.

Website address for current and previous annual reports

Copies of the University's annual reports may be accessed at monash.edu/pubs/ar

ENVIRONMENTAL
PERFORMANCE



INTRODUCTION AND SCOPE

Monash University's vision is to strive to achieve excellence in research and education, built through a deep and extensive engagement with the world, to serve the good of our communities and environment. To achieve its goals, the University must be financially, socially and environmentally sustainable and must reflect its values in the way it operates, acting ethically, fairly, transparently and with generosity of spirit. The University's practice must also support these goals as our campuses aim to become exemplars of environmental practice (*Focus Monash: Strategic Plan 2015-2020*).

The environmental performance section focuses on Australian operations, with particular references to the Malaysian campus stated. Results for the period 1 July 2015 to 30 June 2016 (financial year 2015-16) are referenced as such, where provided. References to 2016 are for the calendar year.

2015-16 environmental sustainability at a glance

- 759,162 gigajoules of energy used (electricity, gas and fuel)
- 611,648 kilolitres of potable water consumed
- 674,795 kWh of renewable energy generated
- 3837 tonnes of waste generated, of which 1090 tonnes (28 per cent) was recycled
- 173,910 tonnes of CO₂-e emitted in 2015 carbon footprint
- 63 per cent of the University's carbon emissions came from electricity, 17 per cent from air travel and 12 per cent from natural gas
- 73 per cent of staff and students used sustainable transport to get to campus, which included public transport, carpooling, riding and walking.

2016 awards and acknowledgements

- The building redevelopment at 30 Research Way, Clayton campus, won a Green Gown Award (Built Environment category) and Architecture and Design Sustainability Award (Large Commercial category) for its pioneering Passivehouse design. The project was also a finalist in the Premier's Sustainability Awards (Built Environment category).
- ClimateWorks Australia's report, 'Pathways to Deep Decarbonisation in 2050: How Australia Can Prosper In a Low Carbon World', was recognised by the 2016 United Nations Association of Australia World Environment Day Awards and the Banksia Foundation Awards. The report was recognised for making a significant contribution to the goal of limiting a global temperature rise to less than 2 degrees Celsius.

COMMITMENTS, GOVERNANCE AND RESOURCES

Public commitments

Priority: To continually strive to lead the sector towards environmental sustainability

The University's Environmental Sustainability Policy can be viewed at policy.monash.edu.au/policy-bank/management/facilities-services/environmental-sustainability-policy.html. It states: 'the University acknowledges the adverse impacts that human activity can impose and takes actions to prevent degradation of our natural systems.' In order to reduce its environmental impact in Australia, the University is committed to:

- Advancing sustainability in line with the Talloires Declaration signed in 2007
- Certifying all major building developments (>\$10m) to internationally recognised environmental standards equivalent to 5 Star Green Star – As Built ratings
- Incorporating environmentally sustainable design aspects into all maintenance, refurbishment and capital works activities and projects

- Achieving no net increase in University energy consumption by 2020, from 2014 levels
- Achieving net zero emissions from our campus operations, prior to the COP21 Paris agreement's mid-century goal
- Increasing renewable energy generation by 50 per cent from 2014 levels by 2020
- Achieving no net increase in University potable (mains) water consumption by 2020, from 2014 levels
- Reducing total waste to landfill by 15 per cent by 2020 (from 2014 levels) and increasing the proportion of waste recycled to 50 per cent of total waste (general and recycled)
- Decreasing campus carbon emissions to fourth-highest in the Group of Eight universities by 2020
- Improving the use of sustainable transport so that less than 30 per cent of people arrive at campus in single-occupancy vehicles by 2020
- Applying sustainability criteria to all major procurement contracts
- Advancing fair trade in line with the Fair Trade University accreditation
- Complying with government environmental legislative and reporting processes.

Governance

The University's Estates Committee had responsibility for monitoring the environmental performance and legislative responsibilities of the University. Estates Committee is a standing committee of Council chaired by the Deputy Chancellor and attended by the Chancellor and Vice-Chancellor, external stakeholders and senior University management. The Environmental Sustainability Management Stakeholder/Reference Committee continued to assist the University to decrease its environmental impact and to practise and promote behaviours that support activities that contribute to environmental sustainability within the local, national and international community.

Other committees with environmental responsibility included the Occupational Health, Safety and Environment committees based in faculties and divisions. All committees were supported by the Buildings and Property Division to ensure a consistent and coordinated approach. This governance structure brought together more than 200 academic and professional staff and students to drive environmental sustainability planning and activities across campus operations.

Environmental, Social and Governance Statement

In 2016, Monash developed and launched its Environmental, Social and Governance (ESG) Statement. The ESG Statement was developed by a working group that comprised members of the Monash University Council, chaired by the Honourable Simon Crean. The development process involved extensive consultation with Monash staff and students.

The ESG Statement outlines how the University will tackle climate change through its teaching, research, engagement investments and campus operations. As a part of this, Monash will seek to influence the transition to a net-zero carbon economy by engaging with government and businesses, and utilising the technologies developed from Monash's world-class research programs.

The full statement can be found here: monash.edu/about/discover-sustainability.

Staff resources

Priority: To provide staff resources to support University environmental improvements, sustainable behaviour, public commitments and compliance requirements

In addition to the many activities dedicated to sustainability taking place throughout the University, there were two distinct groups dedicated to environmental sustainability: the Buildings and Property Division and the Monash Sustainable Development Institute (MSDI).

Buildings and Property Division

The Buildings and Property Division was responsible for supporting operational, infrastructural and sustainable behaviour to improve environmental sustainability within the University. Environmental sustainability within the Buildings and Property Division has been in operation for 11 years and draws on the expertise of nine staff from a number of areas within the Buildings and Property Division. Further information on the work of the Buildings and Property Division can be found at monash.edu/environmental-sustainability.

Monash Sustainable Development Institute

Creating a sustainable future is one of the most complex issues facing society today. Through the Monash Sustainable Development Institute (MSDI), Monash University is tackling the major sustainability challenges with a distinctive interdisciplinary approach.

In 2016, Monash Sustainability Institute was relaunched as the new Monash Sustainable Development Institute by Victorian Minister for Energy, Environment and Climate Change, the Honourable Lily D'Ambrosio MP. Building on the successes of the previous institute, MSDI pulls together Monash University's world-leading research, delivery and education expertise to focus on the complex global challenges posed by the UN Sustainable Development Goals.

The University recognises the critical role it plays in implementing the Sustainable Development Goals in Australia. In 2016, Monash signed a landmark university commitment to the Sustainable Development Goals. The commitment is an initiative of the UN Sustainable Development Solutions Network (SDSN) Australia/Pacific, which Monash hosts through MSDI.

STAFF AND STUDENT ENGAGEMENT

Priority: To engage staff and students to embed sustainability within their work, study and on-campus activities

Staff and students continued to be an integral part of environmental programs across the University. Engagement with the University community about waste, energy, water, procurement, food, and transport underpinned the environmental work for 2016. The network of 236 staff and student volunteer Sustainability Representatives remained the strength of Monash environmental programs.

'Do One Thing' continued to be the University-wide message for environmental sustainability this year. The message encouraged students and staff to adopt a single sustainable behaviour and contribute to campus sustainability. Communication of this message occurred primarily through electronic newsletters, website information, social media, displays and emails. Face-to-face communication occurred through meetings, information sessions and participation in events. Posters and videos were used as visual communication.

The University continued to support its relationships with student representatives, clubs, societies and non-government organisations such as Monash Permaculture, Ignite, Oxfam Australia and Fair Trade Australia and New Zealand.

Program highlights for the 2016 year were:

- The Monash University Green Program continued, with 44 departments participating. The program supported and inspired the network of Sustainability Representatives. The program is structured in tiered levels comprised of a number of activities for completion. Tasks included audits, assessments, events, implementing new strategies to save energy and water, changing purchasing arrangements, rewarding environmentally sustainable behaviour, networking and communication.
- About 1600 on-campus residences were provided with sustainability induction kits that provided a range of tips for the student tenants to live sustainably. The kit included a recycling tub to encourage students to separate recycling from landfill waste, shower timers and stickers to assist students to keep showers to four minutes, and a reusable coffee cup to minimise the number of disposable coffee cups used on campus.

- Facebook continued to be a prominent tool to communicate events and initiatives to students. At the end of 2016, Facebook posts reached an audience of 12,531 Facebook users; an increase of 2765 from the previous year.
- In 2016, a student sustainability network was formed, comprising 34 cross-disciplinary undergraduate students who are passionate about the environment. The network meets every quarter to discuss environmental sustainability at Monash. The network held a successful event during Global Climate Change Week, where they engaged students on climate change issues.
- Environmental sustainability was showcased during a range of key events throughout 2016, often supported by student associations. These events included enrolments, Orientation Week, Open Day, Ride to Work Day, Fairtrade Fortnight and the inaugural Urban Market, which was attended by more than 1000 staff and students.

Integration of student environmental coursework and campus sustainability continued. Buildings and Property Division staff members provided a range of lectures to various courses and co-coordinated the Energy and the Environment unit. Sixteen students participating in MSDI's Green Steps program undertook a project to embed the Green Program within a department. This allowed eight departments to gain significant momentum for sustainable change in their work areas.

Monash Residential Services (MRS), with support from student environment coordinators, ran a range of events for residents, including Earth Hour and Clean Up Australia Day. Halls of residence held challenges to reduce energy and water consumption, and for the design, maintenance and innovation of community gardens. A student-based environmental committee was active in facilitating positive environmental change. MRS continued to expand vegetable gardens, tree plantings and infrastructure improvements, such as installation of shower timers and water-efficient washing machines.

Monash Sustainable Development Institute (MSDI)

Monash Sustainable Development Institute hosted and participated in a number of key engagement and education events in 2016, including:

- The inaugural Australian Sustainable Development Goals Summit in September (through the Sustainable Development Solutions Network Australia/Pacific, and in collaboration with the Australian Council for International Development (ACFID), Australian Council of Social Service (ACOSS) and the Global Compact Network Australia). The Summit was Australia's first high-level, multi-stakeholder forum on the goals since they came into effect.
- Professor Rebekah Brown delivered the prestigious Sir John Monash Lecture at the Monash University Malaysia campus. The Sir John Monash Lecture Series aims to engage the community through the promotion of thought leadership in key areas that are strategically important to the development of the region in the 21st century. Professor Brown's presentation, 'Realising Sustainable Water Management in Cities', covered the latest interdisciplinary research across the social and physical sciences, and gave practical examples of green infrastructure for sustainable urban water management.
- In October 2016, MSDI hosted the Monash Student Leadership Forum on the Sustainable Development Goals. The Forum brought together 50 student leaders and key people at Monash involved in organising extracurricular student activities relating to the Goals. Participants mapped out how students are already contributing to the goals through these activities. They also worked to link different groups together to encourage future collaboration, brainstormed ways of engaging more students at Monash and ways of staying connected.
- Monash University was awarded \$17 million under the Wellcome Trust's 'Our Planet, Our Health' scheme for a five-year interdisciplinary research project led by MSDI. Monash researchers from across five faculties will come together with MSDI to monitor the public health and environmental benefits of 'water sensitive' revitalisation in informal settlements in the Asia-Pacific.

EDUCATION FOR SUSTAINABILITY

During 2016, work continued on a number of education initiatives related to sustainability. MSDI's innovative student engagement platform Take One Step was piloted with the Monash Business School. The platform was designed to increase student awareness and understanding of the UN Sustainable Development Goals (SDGs), their application in business, and the relevance of SDGs in their curriculum.

MSDI in collaboration with Monash Arts, Monash Business and Economics and Monash Science launched the first multi-disciplinary Master of Environment and Sustainability. The first cohort will start studying in 2017. MSDI is co-delivering one of the core subjects, Perspectives on Sustainability, and is developing and running the Leadership for Sustainable Development specialisation.

A new national engagement and education program was launched by ClimateWorks. The campaign 'Generation Yes' aims to reframe Australia's climate conversation to one focused on the opportunities and benefits of climate change action.

BIODIVERSITY

A new 200-metre footbridge over the Jock Marshall Reserve called 'Nature Walk' provides a platform for the public to view the Reserve. The Reserve is home to a rich ecosystem comprising diverse species including crustaceans, frogs, bats, lizards, foxes and native and indigenous flora.

The Buildings and Property Division worked collaboratively with the School of Biological Sciences in 2016 to secure grant funding to develop a new flora and fauna mobile device app called 'MonEco'. The app will be used as a tool to complement student project work by providing data inputs into the nationwide ClimateWatch initiative as well as to promote general interest and engagement opportunities with the University community.

CARBON MANAGEMENT

The Monash University carbon footprint has been measured for each calendar year since 2005. Since the 2009 calendar year, the carbon footprint has included the greenhouse gas emissions associated with Australian activities over which the University has operational control as defined by the *National Greenhouse and Energy Reporting Act 2007*. This definition expanded the University boundary to include all properties occupied by Monash staff and students, whether owned or leased by Monash from a third party, including those located outside campus boundaries.

In 2015, gross total emissions for the University decreased by 0.3 per cent when compared to the 2014 carbon footprint (see Table 9). The greenhouse gas emissions arising from gas used for heating and cooling (included in scope 1 emissions) increased by 5.7 per cent, while the emissions from electricity consumption (scope 2 emissions) decreased by 3.7 per cent, compared to the previous year. Since 2009, the University's carbon footprint has increased by 4.3 per cent, which is 13 per cent below 'business as usual' growth of the University. Data for 2016 was not available when this report was prepared.

Table 9: Monash University's carbon footprints (tonnes CO₂-e emitted/year) 2009 – 2015 calendar years

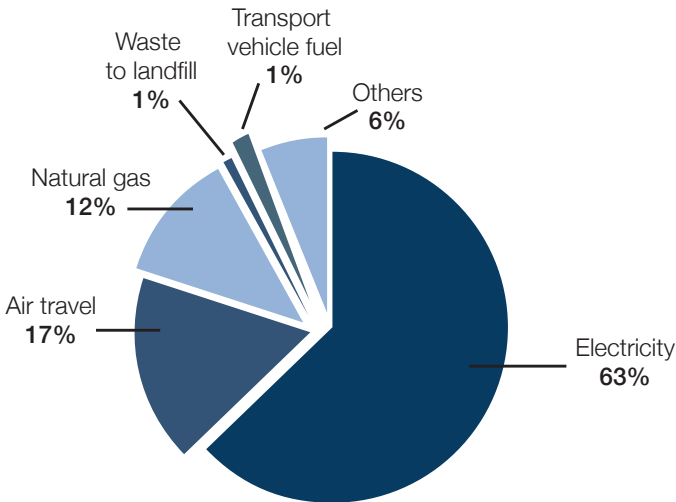
	2009	2010	2011	2012	2013	2014	2015
Scope 1 (On-site emissions arising from combustion of gas and fuels and the use of refrigerants and livestock)	20,922	19,053	18,387	19,759	19,958	19,918	21,051
Scope 2 (Indirect emissions arising from the generation of imported electricity)	120,128	122,172	118,749	121,177	119,060	112,867	108,730
Scope 3 (Indirect emissions arising from the extraction, production and transport of gas, fuels and electricity; electricity lost in delivery; waste disposal; embodied energy in paper and water; business travel by staff; and transport)	43,814	52,569	57,775	59,519	57,166	58,300	59,812
Additional estimate for small facilities	N/A	2354	2367	2434	2382	2320	3201
Total	184,865	196,148	197,278	202,890	198,567	193,405	192,793
Emissions offsets (tonnes CO ₂ -e emitted/year)	14,286	13,980	20,371	20,945	20,316	19,790	18,883
Net total of all emissions after including offsets (tonnes CO₂-e emitted/year)	170,579	182,168	176,907	181,945	178,251	173,615	173,910

Notes:

1. Data is collected and calculated according to the National Greenhouse and Energy Reporting (Measurement) Determination 2008, the National Greenhouse Accounts (NGA) Factors, July 2014 workbook and the Australian Standard 14064.1-2006.
2. Data from previous years has been recalculated as more accurate data became available.

Electricity and gas consumption and air travel continued to be the major contributors to the footprint (see Figure 3). More than 15 per cent of the University's electricity consumption was accredited GreenPower supplied from wind generation. Solar photovoltaic arrays at the Berwick, Caulfield, Clayton, Parkville and Peninsula campuses generated 674,795 kWh of electricity (0.7 per cent total consumption). Car fleet fuel consumption was offset with permanent biodiverse native forests planted by a Greenhouse Friendly approved abatement provider.

Figure 3: Major contributors to the 2015 carbon footprint



Source: Carbon footprint calculation, Buildings and Property Division.

ENERGY CONSUMPTION

Total energy (electricity, gas and fuel) used in 2015-16 was 759,162 gigajoules (GJ; see Table 10), an increase of 6.6 per cent from that used in 2014-15 and 9.0 per cent from that used in 2010-11. Electricity and gas represent more than 94 per cent of this energy use.

Table 10: Energy consumption (gas, electricity and fuel use; GJ) by site as reported under the *National Greenhouse and Energy Reporting Act 2007*

Facility	Total energy (GJ)					Change in energy 2014-15 to 2015-16
	2011-12	2012-13	2013-14	2014-15	2015-16	
Berwick	8450	8247	7477	8951	9695	+8.3%
Caulfield	73,230	81,812	82,706	80,675	80,627	-0.1%
Clayton	452,162	458,403	476,869	499,071	529,675	+6.1%
Gippsland (Field Station)	35,032	32,619	21,249	10,619	10,116	-4.7%
Parkville	32,775	36,690	39,314	38,878	38,458	-1.1%
Peninsula	21,110	20,292	21,417	20,690	22,351	+8.0%
Alfred Hospital	19,764	20,448	21,029	20,255	21,014	+3.7%
Monash Accommodation Services	4927	17,740	14,127	13,807	26,308	+3.0%
Monash Medical Centre	28,226	14,872	7000	N/A	N/A	
Other	18,323	18,647	19,272	19,376	20,918	+9.7%
Total	693,989	709,770	710,460	712,322	759,162	+6.6%

Notes:

- Data from the following facilities/properties/buildings has not been included:
 - Building 220 (770 Blackburn Road) from 1 July 2012
 - Gippsland campus (excluding MARP facility), transferred to Federation University on 1 January 2014
 - Monash Institute of Medical Research (MIMR), transferred to Hudson Institute of Medical Research on 1 January 2014
- Monash Accommodation Services was not occupied for all of 2011-12.
- Data has been extracted from invoices by Buildings and Property Division and includes use by Monash Residential Services.

Energy conservation

Energy conservation remained a major component of infrastructural and sustainable behaviour initiatives. Improvements in the energy efficiency of heating, ventilation and air conditioning (HVAC) systems continued to be a major focus in 2015-16, together with continuing roll-out of light-emitting diode (LED) lighting upgrades.

Energy conservation projects included:

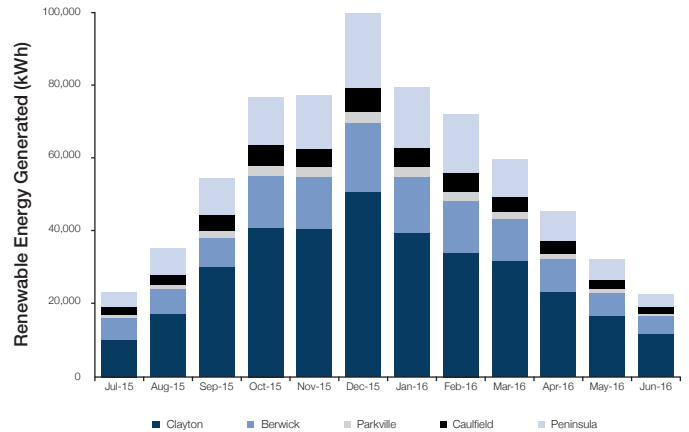
- Optimisation of the Matheson Library building fabric and services during refurbishment works
- Upgrading lighting in the Robert Blackwood Hall to LED lamps and installation of HVAC control
- Major upgrades to the façade and building services of building 17 to reduce solar heat gain, heating load and cooling load
- Installation of an air-cooled chiller on building A at the Peninsula campus

Renewable energy

A 70 kW (peak; kWp) solar photovoltaic array was installed at Clayton campus, increasing the total installed capacity of solar photovoltaic arrays at Monash University to 617 kWp, which generated more than 674,795 kWh of renewable energy in 2015/16, a 9 per cent increase from 2014-15 (see Figure 4).

Figure 4: Renewable energy generated in 2015-16

Source: Solar management and monitoring web system.



WATER CONSUMPTION

The total potable water consumed by Monash University in 2015-16 was 611,648 kilolitres (kL), a 15 per cent increase compared to 2014-15 and 48 per cent increase from that used in 2010-11. Table 11 shows the total potable water consumed by each campus.

Table 11: Potable water consumed per campus (2015-16) in comparison to levels in previous years

Campus	Total Kilolitres (kL)				Change in water consumption 2014-15 to 2015-16
	2012-13	2013-14	2014-15	2015-16	
Berwick	8698	9816	11,766	11,588	-2%
Caulfield	56,459	61,568	55,089	67,653	+23%
Clayton	366,951	391,504	432,398	486,098	+12%
Gippsland (Field Station)	30,320	13,757	2758	2,947	+7%
Parkville	9551	9791	12,003	10,425	-13%
Peninsula	22,181	18,427	19,864	16,468	-17%
Total	494,164	504,860	533,879	611,648	+15%

Notes:

1. Data from Gippsland campus not included from 1 January 2014; transferred to Federation University.
2. Data has been extracted from invoices by Buildings and Property Division and includes use by Monash Residential Services.
3. Data from previous years has been recalculated as more accurate data became available.

The University focused on water conservation, water harvesting and community awareness as the main strategies in its water management plan. Key water management projects undertaken in 2015-16 were:

- Installation of preliminary infrastructure for the campus-wide water harvesting network for Clayton, which includes pipework, pumps and a bio-filter
- Construction of a central water feature at Caulfield, which acts as a stormwater treatment and harvesting system
- Integration of 3-4 star water-efficient toilets and fittings into amenities upgrades across all campuses

Waste

The University produced 3837 tonnes of waste in 2015-16, a 6 per cent increase compared to 2014-15. A total of 1090 tonnes of waste was recycled. The amount of waste recycled decreased from 29 per cent in 2014-15 to 28 per cent of total waste generated (general and recycled waste) in 2015-16 (see Table 12).

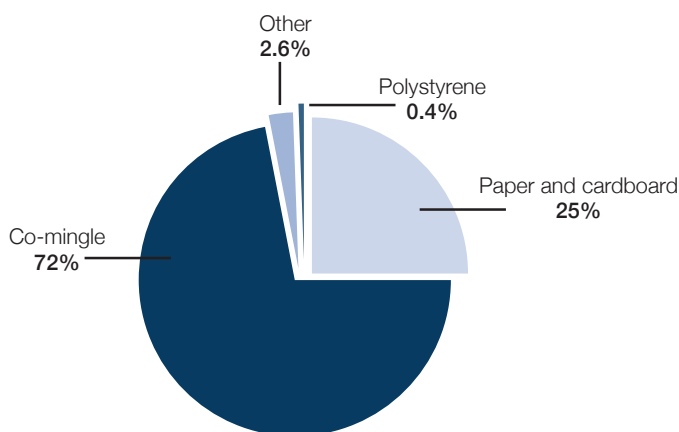
Table 12: Total waste generated, waste recycled and percentage of waste recycled (2010-11 to 2015-16)

Year	Total waste generated (tonnes)	Waste recycled (tonnes)	Percentage of waste recycled
2010/11	3695	1006	27%
2011/12	3440	1052	31%
2012/13	3610	1180	33%
2013/14	3523	1080	31%
2014/15	3619	1032	29%
2015/16	3837	1090	28%

1. Data from Gippsland campus not included from 1 January 2014; transferred to Federation University.
Source: Based on data provided by Monash University's waste collection companies.

The contributions to recycled waste are shown in Figure 5.

Figure 5: Contributions to recycled waste, by weight, in 2015-16



Source:

1. Based on data provided by Monash University's waste collection companies.
2. Conversion factors are from Appendix C of the National Greenhouse and Energy Reporting System Measurement Technical Guidelines for the Estimation of Greenhouse Gas Emissions by facilities in Australia, July 2012.

The University's waste management strategy continued to focus on communication and education, as well as improving waste and recycling infrastructure. Some of the key programs in 2015/16 included:

- Continuation of the office bin replacement program at Clayton campus. This program replaced an additional 350 conventional under-desk bins with small desktop bins. Previous audits have shown this program consistently reduces the mass of recyclable material placed in landfill bins by 20 to 25 per cent.
- The Furniture Re-use Program continued to redistribute the University's surplus furniture to other departments within the University, diverting furniture from landfill. In 2015-2016, this program redistributed more than 2341 individual items weighing more than 68 tonnes, including furniture donated to charities and community groups.
- Comprehensive audits of the waste generated by students and staff at the Clayton, Parkville and Peninsula campuses were undertaken. The audits identified opportunities to increase the recycling rates and reduce the overall waste produced on campus.
- Onsite organic recycling continues to reduce the volume of organic food waste being sent to landfill. Food waste was collected from eight food vendors at Clayton campus and transformed into concentrated compost, resulting in a 70 per cent weight reduction. The compost was utilised by grounds staff as a soil conditioner for garden maintenance, diverting more than 18 tonnes of organic waste from landfill.

SUSTAINABLE TRANSPORT

Priority: For more than 70 per cent of staff and students to travel to Monash campuses using sustainable transport options by 2020

Monash University's transport strategy aims to reduce greenhouse gas emissions associated with travelling to University campuses through a shift away from single-occupancy vehicles towards sustainable alternatives, such as public transport, carpooling, walking and cycling.

The 601 shuttle bus service, a high-frequency express route from Huntingdale Railway Station to Clayton campus, was the most highly patronised bus route in Victoria in 2016, with more than 7600 passengers per day. A third intercampus bus was introduced between Caulfield and Clayton campuses to match increased demand on the route. The University continued to advocate for public transport improvements to campuses in 2015-16, including high-frequency express buses to Clayton campus and an upgrade of Huntingdale Railway Station, achieving improvements to the bus interchange at the station to be implemented in 2017. The 887 public bus service, which replaced the Penbus service between Mornington Peninsula Shire and Peninsula campus, was highly patronised throughout 2016.

Several projects were undertaken during 2015-16 to improve the infrastructure supporting bike use and to create a culture of bike riding, including the installation of a secure bicycle facility at Caulfield campus and additional bike hoops outside key buildings. The share-bike program at Clayton campus continues to grow in popularity. It incorporates specially equipped bikes, with helmets attached, that are locked to designated hubs at the end of use. The bikes can be booked through an app or online.

Carpooling was actively promoted to staff and students. The number of spaces for carpool vehicles was maintained at 527 across all campuses. The membership and usage of the car share program at Monash Residential Services continued to increase, achieving a 20 per cent utilisation rate. Each car sharing vehicle replaces an average of 15 private vehicles and is associated with reduced greenhouse gas emissions.

Motor vehicles

Between the 2015 and 2016 calendar years, the number of vehicles in the fleet decreased by 1.21 per cent. The number of four-cylinder, 4WD and diesel vehicles in the car fleet increased (by 1 per cent, 7 per cent and 10 per cent respectively) with six-cylinder vehicles decreasing by 11 per cent. Total fleet vehicle fuel use increased by 8 per cent in 2015/16, when compared to 2014-15.

PROCUREMENT

Priority: To include consideration of sustainability in all University purchases

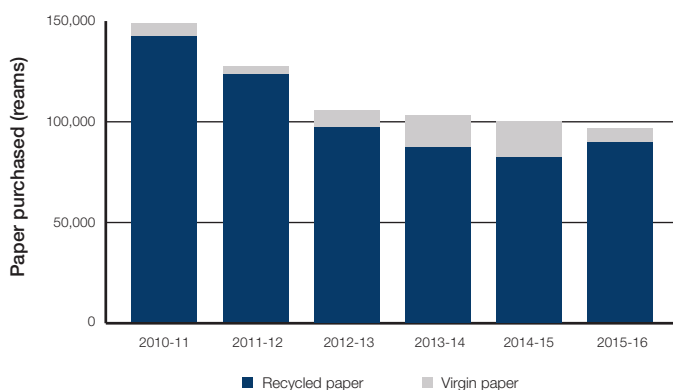
Monash University's Procurement Framework continued to ensure environmental and social sustainability, value for money and probity were included in all procurement processes and categories. This framework ensured there was consideration of environmental and social criteria for tenders greater than \$200,000. Practical guidelines have been developed for staff to use when scoring sustainability criteria in tenders.

Paper

Priorities: To decrease overall volume of paper purchased To increase percentage of recycled content (more than 80 per cent) paper purchased

Monash has achieved a progressive reduction in paper use through automation and online delivery, with a 35 per cent decrease since the 2010-11 financial year (see Figure 6). The volume of paper consumed from the main paper providers (Monash Print Services and Staples) decreased by 3647 reams (4 per cent) in 2015-16, compared to 2014-15. Of the paper purchased in 2015-16, 92.8 per cent was recycled content paper, with 74.7 per cent of that having more than 80 per cent recycled content. Carbon neutral paper purchased was 49 per cent of total paper consumed in 2015-16.

Figure 6: Paper purchased (virgin and recycled content) by major users from 2010/11 to 2015/16.



1. Data from Gippsland campus not included from 1 January 2014; transferred to Federation University.

Source: Based on data provided by Monash University's main paper providers.

The built environment and landscape

Priority: To incorporate ecologically sustainable development (ESD) into all new buildings and refurbishments

Sustainable design and construction has been central to the building development of four new multi-residential buildings at Clayton (Campbell, Holman, Logan and Turner Halls). Sustainable features include individual water harvesting reuse systems, high-performance glazing, utilisation of precast concrete panels and window shading.

Legislative compliance

The University is required to meet its environmental compliance obligations as outlined in the following state and federal legislation:

- *Census and Statistics Act 1905 (Cth)*
- *Environment Protection Act 1970 (Vic)*
- *Environment Protection (Industrial Waste Resource) Regulations 2009 (Vic)*
- *Environment Protection (Prescribed Waste) Regulations 1998 (Vic)*
- *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*
- *National Greenhouse and Energy Reporting Act 2007 (Cth)*
- *National Greenhouse and Energy Reporting Regulations 2008 (Cth)*
- *National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Cth)*
- *National Measurement Act 1960 (Cth)*
- *State Environment Protection Policy (Prevention and Management of Contamination of Land) 2013 (Vic)*
- *Water Act 1989 (Vic)*
- *Water (Estimation Supply and Sewerage) Regulations 2014 (Vic)*
- *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989*

Compliance with current legislation and achievement of environmental best practice is managed through risk and compliance strategies, contractor engagement, auditing and waste discharge monitoring. The University is now an industry representative for the Higher Education Sector for the Australian Bureau of Statistics.

Monash University Malaysia

In 2016, Monash University Malaysia expanded the Monash Sustainability Institute's Green Steps program to include an internship program where students were placed at corporations to carry out sustainability initiatives.

A comprehensive program to prevent toxic waste getting into the landfill has been implemented, with all electronic, batteries, light bulbs and other toxic waste generated by the campus being disposed of safely. A group that works to reduce campus electricity consumption has achieved a 1 per cent reduction in energy consumption, and is looking at several programs in 2017 to increase this reduction to 5 per cent.

STATEMENTS OF COMPLIANCE

Compliance with the building and maintenance provisions of the *Building Act 1993*

The Buildings and Property Division is responsible for all buildings, grounds and service infrastructure at Monash's Victorian campuses. This includes campus master planning to guide and inform refurbishment and maintenance of existing buildings and grounds as well as construction of new buildings and landscapes. Monash University continued the development and maintenance of its infrastructure with an emphasis on efficient, high-quality, low-maintenance, safe and sustainable facilities.

The University engaged independent registered building surveyors to ensure all works requiring building approval had building permits issued, plans certified, and on completion had Certificates of Occupancy/Certificates of Final Inspection issued in compliance with the *Building Act 1993*. This is recorded for all projects and signed off each September in accordance with the Legal Compliance Officer obligations.

Compliance – major works 2016

A summary of the development of new buildings and major refurbishments is provided below:

Caulfield campus

The major redevelopment of the Caulfield Library in Building A progressed in 2016. This project, with a budget of \$43.4 million, is scheduled for completion in early 2017.

The site of the previous Gryph Inn in Building K was refurbished into four retail outlets and internal seating. This \$1.3 million project is located to the south of the Caulfield Campus Green and created a much-needed and revitalised food offering for the campus community.

A major refurbishment project of Levels 8-10 of Building H for the Monash Business School commenced construction during 2016. This \$22.8 million project will create office and teaching spaces and includes relocation of existing occupants; a new function pavilion on the previously unused Level 8 balcony and other building compliance works reflecting the change in use from offices to education. This project is forecast for completion in the second half of 2017.

Clayton campus

The design and construction of a number of projects that will transform the southern precinct of the campus commenced in 2016. Among them is the \$180 million Learning and Teaching Building, showcasing and reinforcing Monash University's commitment to innovative learning and teaching practices, and providing a new front-door experience for visitors at the University's Wellington Road entrance. A \$37 million project creating the campus's first underground car park (more than 800 car spaces over four half levels) was incorporated into the Building. A \$9 million enhancement and expansion of the existing Transport Interchange was commenced and significant landscaping works in the Southern Precinct totaling \$27 million will complement these projects.

In line with the Retail Strategy, the Campus Centre, Building 10, was revitalised to create internal and external spaces for students. This project had three distinct components, including retail tenancies, building and services renewal and major landscape works. The total investment was \$18.2 million. In addition, the ground floor of the Hargraves Andrews Library began a \$3.9 million revitalisation to create two new retail tenancies as well as internal and external seating. Adjacent landscaping of College Walk Central (west) was also commenced, with a projected cost of \$2.2 million.

A second stage of the Monash College Learning Village increased teaching space by 50 per cent at a cost of \$8.7 million and was available for teaching for the October 2016 semester start.

The Jock Marshall Reserve elevated Nature Walk, enabling pedestrian access from Blackburn Rd through to the centre of campus, was completed and opened by the Vice-Chancellor in November 2016. This project also includes the Monash 'Tan' project that created an illuminated running and walking track in and around the Sports Facilities in the eastern section of campus. This project was completed for \$5.2 million.

Laboratory refurbishments were designed in 2016 for the Faculty of Science for an estimated total of \$6.8 million. The majority of construction will be undertaken in 2017.

Construction of the multi-staged redevelopment of the Matheson Library continued throughout 2016. The total project cost was anticipated at \$29 million and will be completed in early 2017.

A \$50 million refurbishment of the iconic Alexander Theatre, assisted by a \$10 million State Government grant, a \$5 million grant from The Ian Potter Foundation as well as \$5 million from the Monash Foundation, commenced construction in mid-2016 with early demolition works. The theatre will effectively be rebuilt and include world's best-practice acoustics. Stage 3 of this project, providing a Jazz Club and Sound Gallery, is currently being designed and will be constructed in 2018 following the demolition of the Rotunda teaching building, one of the campus's original buildings.

The Biomedical Sciences Learning and Teaching Building, a project to be delivered for the start of 2019 and forecast at \$90 million, was designed in 2016 and included partial demolition of an existing building and road realignment in accordance with the masterplan.

Feasibility and concept design was progressed for the Technology Education building throughout 2016, which involved a basement car park and a flexible teaching space building for the faculties of Engineering and Information Technology, forecast at \$100 million. Design will be further advanced in 2017, with construction to commence in late 2017. Completion is forecast for 2020.

A \$5 million Civil Engineering Hydraulics Laboratory was designed in 2016 for construction in 2017 in the heart of the Engineering precinct.

Various services infrastructure and compliance upgrade works were carried out throughout the year for enhanced maintenance access and safety and code compliance.

Parkville campus

Minor services infrastructure works were carried out throughout the year, including a mechanical upgrade to the Sissons Building, and extensive decking between two of the buildings.

Peninsula campus

Minor services infrastructure works were carried out throughout the year, including a mechanical upgrade, incorporating a plant platform, to Education Building 601. The Master Plan for the Peninsula campus was undertaken in 2016 and is nearing completion. This will define and prioritise capital expenditure at this campus in the future years.

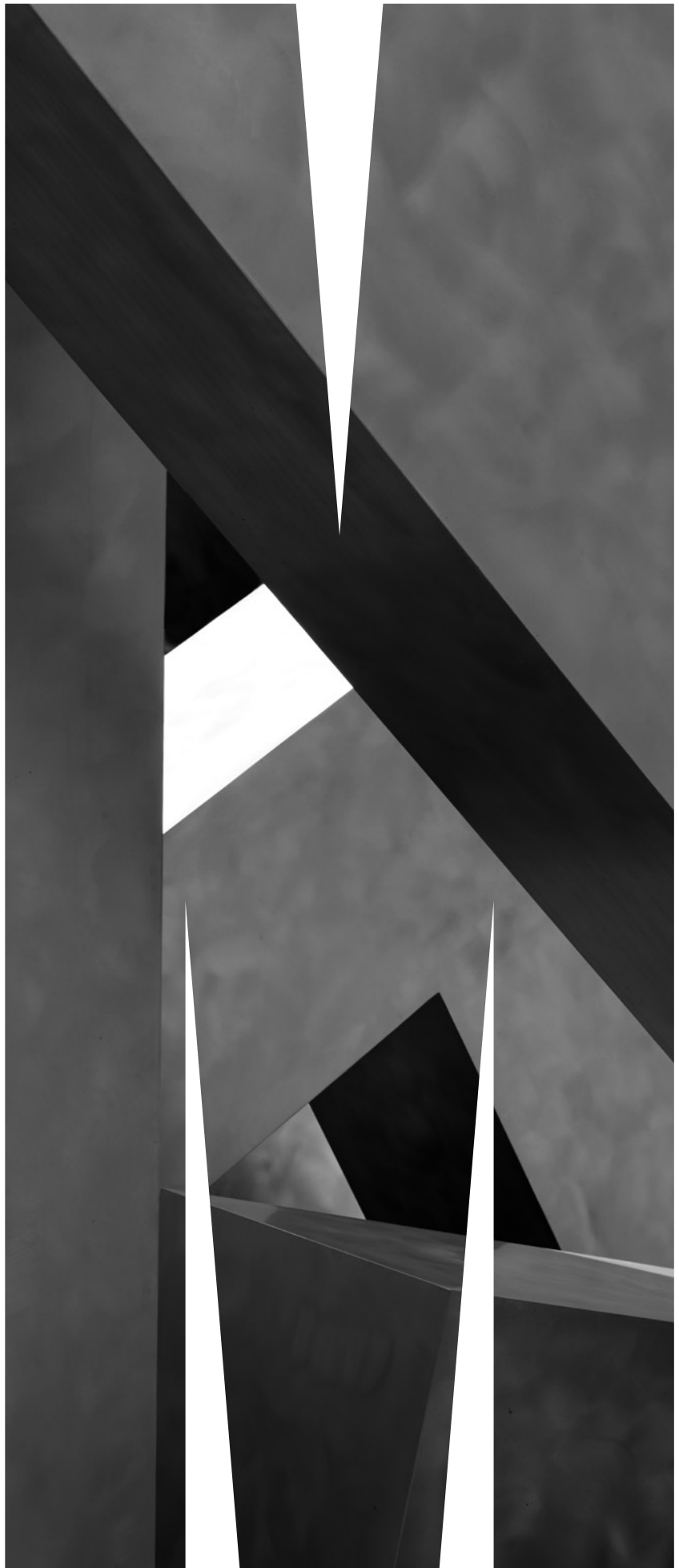
Berwick campus

The Eastern Courtyard was completed in the first half of 2016. The Berwick campus is now in transition to Federation University.

Alfred Centre Hospital Precinct

Refurbishment and fit-out projects continued to be designed and delivered to satisfy the Faculty of Medicine, Nursing and Health Sciences requirements.

FINANCIAL PERFORMANCE



REPORT ON FINANCIAL OPERATIONS

In 2016 the University operating result is \$104.6 million (2015, \$129.1 million) and the consolidated result is \$171.5 million (2015, \$162.1 million). The 2016 University result is after donations made to the Monash University Foundation Trust of \$44.5m (2015, \$11.0 million).

Consolidated student revenue, both Commonwealth-supported domestic students and international fee-paying, continued to increase in 2016, particularly international fee revenue, which was up by \$122.7 million (a 23.2 per cent increase on 2015).

The University operating margin from continuing operations is 5.0 per cent (2015, 6.7 per cent) and 7.8 per cent on a consolidated basis (2015, 8.0 per cent). The University margin is after accounting for a significant donation to the Trust.

Under a methodology broadly agreed between the Go8 universities, the underlying consolidated result is \$100.9 million (2015, \$98.6 million), which excludes investment revenue and related expenses, capital grants and unspent research and other specific grants. The result includes abnormal losses of \$15.6 million accounting for building demolitions.

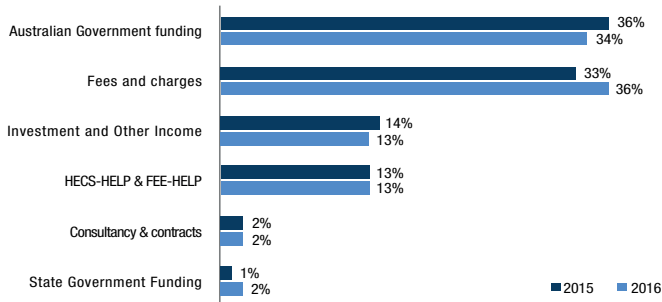
Other comments on the group results:

- While major government research grants declined by \$20.0 million (8.2 per cent), non-government research grants increased by \$15.0 million (21.2 per cent);
- While investment income was down on 2015, 2016 had good market value growth in investment assets.
- Significant investment in infrastructure in 2016 flowed through to increased expenses, including depreciation and amortisation (\$9.1 million/8.4 per cent increase).
- Strong investment in IT continues.

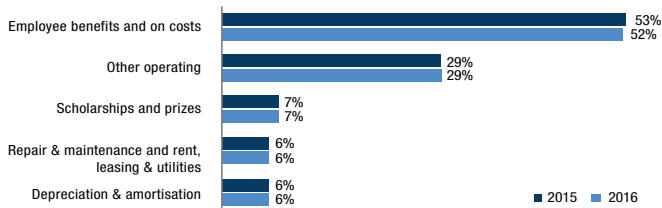
Statement of consolidated financial performance for the year ended 31 December

	2012 \$million	2013 \$million	2014 \$million	2015 \$million	2016 \$million
Revenue from continuing and discontinued operations					
Australian Government funding	731.5	674.5	734.1	735.8	741.8
HECS-HELP and FEE-HELP	223.3	215.1	246.6	267.0	288.5
State Government funding	37.9	34.7	35.1	29.0	35.9
Consultancy and contracts	61.9	61.8	54.0	50.4	51.6
Fees and charges	470.1	454.3	550.2	660.7	800.0
Investment income	31.7	43.4	63.3	60.9	45.8
Other revenue	165.1	216.6	230.1	227.3	234.4
Subtotal	1,721.5	1,700.3	1,913.3	2,031.1	2,198.2
Realised gain on transition to new investment structure	–	–	74.6	–	–
Total revenue from continuing and discontinued operations	1,721.5	1,700.3	1,987.9	2,031.1	2,198.2
Expenses from continuing and discontinued operations					
Employee benefits and on costs	931.9	901.6	934.3	982.1	1,055.5
Depreciation and amortisation	90.4	94.0	106.7	109.5	118.7
Repair and maintenance and rent, leasing and utilities	95.5	102.7	106.5	103.9	120.1
Scholarships and prizes	99.7	107.1	125.5	136.9	143.5
Other operating	411.4	388.3	498.4	536.6	589.9
Total expenses from continuing and discontinued operations	1,628.9	1,593.7	1,771.5	1,869.0	2,026.7
Operating result from continuing and discontinued operations before income tax	92.6	106.56	216.4	162.1	171.5
Income tax	(1.0)	1.0	3.2	0.0	0.1
Net operating result from continuing and discontinued operations	93.6	105.6	213.2	162.1	171.5
Net result from discontinued operations	–	(49.20)	–	–	–
Realised gain on transition to new investment structure	–	–	(74.6)	–	–
Net operating result from continuing operations	93.6	154.8	138.6	162.1	171.5
Net operating margin (including discontinued operations and investment restructure)	5.4%	6.2%	7.0%	8.0%	7.8%
Net operating margin (excluding discontinued operations and investment restructure)	5.4%	9.1%	10.7%	8.0%	7.8%

Revenues



Expenses



Statement of consolidated financial position as at 31 December

	2012 \$million	2013 \$million	2014 \$million	2015 \$million	2016 \$million
Assets					
Property, plant and equipment	2,221.4	2,115.0	2,197.0	2,535.8	2,739.9
Available-for-sale financial assets	352.7	430.1	495.9	543.0	632.0
Deferred government superannuation contributions	231.9	166.5	161.0	162.2	156.5
Other	376.8	406.6	431.9	510.9	513.0
	3,182.8	3,118.2	3,285.9	3,751.9	4,041.4
Liabilities					
Borrowings	313.8	293.1	277.7	428.1	495.8
Provisions	169.6	187.4	198.1	203.1	215.2
Deferred employee benefits for superannuation	231.9	166.5	161.0	162.2	156.5
Other	173.5	184.7	224.5	271.1	335.0
	888.8	831.7	861.3	1,064.5	1,202.4
Net assets	2,294.0	2,286.5	2,424.6	2,687.4	2,839.0

Statement of consolidated cashflows for the year ended 31 December

	2012 \$million	2013 \$million	2014 \$million	2015 \$million	2016 \$million
Net cash inflows from operating activities	200.6	155.3	226.0	276.0	316.9
Net cash outflows from investing activities	(156.6)	(148.2)	(207.6)	(380.6)	(393.7)
Net cash inflows / (outflows) from financing activities	(8.2)	(19.4)	(16.0)	138.1	66.5
Net increase / (decrease) in cash assets held	35.8	(12.3)	2.4	33.5	(10.3)

STATEMENT ON EX-GRATIA PAYMENTS

There were no ex-gratia payments made by the University during the year. Fees and sundry receivable amounts forgiven during the year are disclosed as bad debts in Note 20 to the financial statements.

STATEMENT ON RISK MANAGEMENT

The University Council's risk management strategy centralised the coordination of risk management and devolves the responsibility for the management of risk using the lines of defence model.

The University's Enterprise Risk Management framework supports the University Council's delegation of responsibility for risk management and is designed to ensure effective management of risks in the following areas: strategic, operational, regulatory and project.

The University's key risk profile is reviewed by the University's executive management, Audit and Risk Committee and Council at least twice a year.

Attestation

I, Margaret Gardner, certify that Monash University has risk management processes in place to enable the University to manage its key risk exposures in accordance with the Australian/New Zealand Risk Management Standard: AS/NZS ISO 31000:2009. The Audit and Risk Committee verifies this assurance. The key risk profile of Monash University has been reviewed within the past 12 months.

Professor Margaret Gardner, AO
Vice-Chancellor and President
Monash University
8 February 2017

RISK ANALYSIS – SUBSIDIARIES

The following table is an indicative summary of the risk related to subsidiaries of the University where Monash has a capital investment in excess of \$100,000 or where the entity has revenue of more than \$500,000.

Subsidiary Entity	Objects	Investment \$'000	Turnover \$'000
Monash Accommodation Services Pty Ltd	Construction and supply of affordable student rental accommodation	26,710	27,468
Monash College Pty Ltd	Education activities on behalf of Monash University or in its own right	500	144,223
Monash Investment Trust	Manage investments on behalf of Monash University	10	2,669
Monash University Foundation Trust	Generation of investment income for the future benefit of Monash University	–	67,425
Monash (Suzhou) Consulting Company Ltd	Technical consulting services to industries in China	700	–

All companies have some exposure to risk, but in the context of Monash University's asset base the level of financial and reputational risk was modest.

Monash University and its subsidiaries have a suite of policies designed to mitigate risk. These included:

- Regular monitoring of subsidiaries' performance and outlook;
- Crisis management and recovery processes;
- Occupational health and safety policies;
- Business continuity strategic plan;
- Physical security;
- Good staff management, training and development practices with a sound staff selection process;
- Segregation of duties; and
- Financial delegation policy.

STATEMENT ON ALLOCATION OF PUBLIC FUNDS

Public funds allocated to the University were allocated to the purposes specified by the government or other funding body.

MAJOR FINANCIAL AND PERFORMANCE STATISTICS

	2012 \$'000	2013 \$'000	2014 \$'000	2015 \$'000	2016 \$'000
Net result*	93,505	56,588	213,238	162,134	171,485
Revenue	1,769,529	1,700,303	1,987,922	2,031,126	2,198,212
Expenses	1,676,997	1,593,675	1,771,463	1,868,980	2,026,670
Assets	3,182,852	3,118,205	3,285,858	3,751,924	4,041,444
Liabilities	888,820	831,672	861,342	1,064,474	1,202,441
Equity	2,294,032	2,286,533	2,424,517	2,687,450	2,839,003

* After tax and non-controlling interests. 2014 includes the impact of transition to new investment structure (2013 includes the impact of discontinued operations).

CONSULTANTS

The University engaged a wide range of consultants to assist in the implementation of new systems, and to provide advisory services and information for business developments and a variety of research projects.

During the year ended 31 December 2016, there were 38 consultancies where the total fees payable to the consultants were \$100,000 or greater. The total expenditure incurred during 2016 in relation to these consultancies is \$17,007,605 (excl. GST). Details of individual consultancies can be viewed at monash.edu/about/who/publications.

During the year ended 31 December 2016, there were 184 consultancies where the total fees payable to the consultants were less than \$100,000. The total expenditure incurred during 2016 in relation to these consultancies is \$4,013,080 (excl. GST).

STATEMENT ON COMPULSORY NON-ACADEMIC FEES

The *Higher Education Legislation Amendment (Student Services and Amenities) Bill 2011* was passed by the Parliament on October 2011 and allows higher education providers to charge a Student Services and Amenities Fee from 1 January 2012. The Student Services and Amenities Fee (SSAF) in 2016 is calculated and charged based on a student's enrolment mode (off or on campus) and study load (full or part time) for the entire calendar year. The maximum SSAF amount a student could pay in 2016 was \$290 and eligible students were able to defer their SSAF to the government loan scheme, SA-HELP. Revenue from the fee was spent in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act.

STATEMENT ON PRIVATE PROVISION OF PUBLIC INFRASTRUCTURE

The University has not entered into any arrangement that has resulted in the private provision of public infrastructure.

COMPLIANCE INDEX

The Annual Report of Monash University was prepared in accordance with:

FMA	<i>Financial Management Act 1994</i>
FRD	Financial Reporting Directions
SD	Directions of the Minister for Finance issued under section 8 of the <i>Financial Management Act 1994</i>
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ETRA 2006	<i>Education and Training Reform Act 2006</i>
PAEC	Decision of Public Accounts and Estimates Committee of Parliament
RUG	Victorian Government response to the Review of University Governance
ESOS	<i>Education Services for Overseas Students Act 2000</i>
DEEWR	Department of Education, Employment and Workplace Relations

This index was prepared to facilitate identification of compliance with statutory disclosure requirements.

Source	Summary of reporting requirement	Page no./s
Standing Directions/Financial Management Act 1994 (FMA)		
FRD 22G	Report of Operations contains general information about the entity and its activities, highlights for reporting period and future initiatives and is prepared on a basis consistent with financial statements pursuant to the <i>Financial Management Act 1994</i> .	1-116
SD 5.2.1(a)	Report of Operations is prepared in accordance with Financial Reporting Directions.	1-116
SD 5.2.3	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved.	2
SD 5.2.2	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> ■ Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements ■ Financial Reporting Directions ■ Business Rules. 	54 54 54
FRD 22G	Financial Statements available, including: <ul style="list-style-type: none"> ■ Balance Sheet and income statement ■ Statement of Recognised Income and Expense ■ Cash Flows Statement ■ Notes to the financial statements. 	47-48 47 53 54-115
SD 5.2.2(a) and FMA s 49	The financial statements must contain such information as required by the Minister and be prepared in a manner and form approved by the Minister. They must be signed and dated by the Accountable Officer, CFAO and a member of the Responsible Body, in a manner approved by the Minister, stating whether, in their opinion the financial statements: <ul style="list-style-type: none"> ■ Present fairly the financial transactions during reporting period and the financial position at end of the period ■ Were prepared in accordance with Standing Direction 4.2(c) and applicable Financial Reporting Directions ■ Comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements. 	116 116 116

Source	Summary of reporting requirement	Page no./s
FRD 30	Financial Statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than: <ul style="list-style-type: none"> ■ \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000 ■ \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000. 	54
SD 3.2.1.1(c)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission.	116
SD 3.7.1	Attestation on compliance with the Australian/New Zealand Risk Management Standard.	42
FRD 03A	Accounting for Dividends	NA
FRD 07B	Early Adoption of Authoritative Accounting Pronouncements	54, 61-62
FRD 10A	Disclosure Index	44-45
FRD 11A	Disclosure of Ex-gratia Payments	42
FRD 17B	Long service leave and annual leave for employees	60, 85
FRD 21B	Disclosures of Responsible Persons, Executive Officer and Other Personnel (Contractors with significant management responsibilities) in the Financial Report	7, 89-91
FRD 22G	Consultants: Report of Operations must include a statement disclosing each of the following: <ol style="list-style-type: none"> 1. Total number of consultancies of \$100,000 or more (excluding GST) 2. Location (e.g. website) of where details of these consultancies over \$100,000 have been made publicly available 3. Total number of consultancies individually valued at less than \$100,000 and the total expenditure for the reporting period AND for each consultancy more than \$100,000, a schedule is to be published on the University website listing: <ul style="list-style-type: none"> ■ Consultant engaged ■ Brief summary of project ■ Expenditure for reporting period (excluding GST) ■ Any future expenditure committed to the consultant for the project 	43
FRD 22G	Manner of establishment and the relevant Minister	4
FRD 22G	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements	4-17
FRD 22G	Nature and range of services provided, including communities served	4
FRD 22G	Organisational structure and chart, including responsibilities	7-8
FRD 22G	Names of Council members	4-5
FRD 22G	Operational and budgetary objectives, performance against objectives and achievements	1-116
FRD 22G	Occupational health and safety statement including performance indicators, and performance against those indicators. <i>Reporting must be on the items listed at (a) to (e) in the FRD</i>	25-26
FRD 22G	Workforce data for current and previous reporting period, including a statement on employment and conduct principles and that employees have been correctly classified in the workforce data collections	19
FRD 22G	Summary of the financial results for the year, including previous four-year comparisons	41

Source	Summary of reporting requirement	Page no./s
FRD 22G	Significant changes in financial position during the year	42
FRD 22G	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future	10
FRD 22G	Major changes or factors affecting performance	2-3, 10-17
FRD 22G	Discussion and analysis of operating results and financial results	41
FRD 22G	Post-balance sheet date events likely to significantly affect subsequent reporting periods	92
FRD 22G	Where a university has a workforce inclusion policy, a measurable target and report on the progress towards the target should be included	NA
FRD 22G	Schedule of any government advertising campaign in excess of \$100,000 or greater (exclusive of GST) include list from (a) – (d) in the FRD	NA
FRD 22G	Summary of application and operation of the <i>Freedom of Information Act 1982</i>	30
FRD 22G	Statement of compliance with building and maintenance provisions of the <i>Building Act 1993</i>	38-39
FRD 22G	Statement where applicable on the implementation and compliance with the National Competition Policy	31
FRD 22G	Summary of application and operation of the <i>Protected Disclosure Act 2012</i>	30
FRD 22G	Statement, to the extent applicable, on the application and operation of the <i>Carers Recognition Act 2012 (Carers Act)</i> , and the actions that were taken during the year to comply with the <i>Carers Act</i>	NA
FRD 22G and 24C	Summary of environmental performance including a report on office-based environmental impacts	32-39
FRD 22G	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer (refer to list at (a) – (l) in the FRD))	45
FRD 25C	Victorian Industry Participation Policy in the Report of Operations	NA
FRD 26A	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	NA
FRD 102	Inventories	56, 72
FRD 103F	Non-financial physical assets	NA
FRD 104	Foreign currency	55-56
FRD 105B	Borrowing costs	58, 69
FRD 106A	Impairment of assets	56-57, 68
FRD 107B	Investment properties	59, 76, 107
FRD 109A	Intangible assets	57-58, 81-82
FRD 110A	Cash flow statements	53
FRD 112D	Defined benefit superannuation obligations	92
FRD 113A	Investments in subsidiaries, jointly controlled associates and entities	54, 72-75, 97-99
FRD 119A	Transfers through contributed capital	NA
FRD 120J	Accounting and reporting pronouncements applicable to the reporting period	54, 61-62
ETRA, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in 2016	43

Source	Summary of reporting requirement	Page no./s
PAEC	Financial and other information relating to the university's international operations	13-15, 63, 72-75, 97-99
University commercial activity guidelines		
	Summary of the University commercial activities	97
	If the University has a controlled entity, include the accounts of that entity in the university's Annual Report	98-99

OTHER RELEVANT INFORMATION AVAILABLE ON REQUEST

Additional information is available on request about the following topics, subject to the provisions of the Freedom of Information Act 1982:

- FRD 22G – Statement regarding declaration of pecuniary interest: contact Ian Kiddell, Divisional Director – Human Resources Division, telephone +61 3 9902 9675, ian.kiddell@monash.edu
- FRD 22G – Shares held by senior officers: contact Mr Tony Calder, Director – Executive Services, telephone +61 3 9905 2010, anthony.calder@monash.edu
- FRD 22G – Publications: contact Mr Peter McMahon, Deputy CMO/Group Director, Marketing Operations and Partnerships, telephone +61 3 9903 4181, peter.mcmahon@monash.edu or visit monash.edu/pubs
- FRD 22G – Changes in prices, fees, charges, rates and levies: contact Ms Jessica Lightfoot, Divisional Director – Financial Resources Management Division, telephone +61 3 9905 6356, jessica.lightfoot@monash.edu
- FRD 22G – Major external reviews: contact Mr Tony Calder, Director – Executive Services, telephone +61 3 9905 2010, anthony.calder@monash.edu
- FRD 22G – Major research and development activities: contact Professor Pauline Nestor, Office of the Senior Vice-President and Provost, telephone +61 3 9902 9468, pauline.nestor@monash.edu
- FRD 22G – Overseas visits: contact Mr Tony Calder, Director – Executive Services, telephone +61 3 9905 2010, anthony.calder@monash.edu
- FRD 22G – Major promotional, public relations and marketing activities: contact Mr Peter McMahon, Deputy CMO/Group Director, Marketing Operations and Partnerships, telephone +61 3 9903 4181, peter.mcmahon@monash.edu
- FRD 22G – General statement on industrial relations and details of time lost due to industrial disputes and accidents: contact Ian Kiddell, Divisional Director – Human Resources Division, telephone +61 3 9902 9675, ian.kiddell@monash.edu
- FRD 22G – Major committees: contact Mr Tony Calder, Director – Executive Services, telephone +61 3 9905 2010, anthony.calder@monash.edu or visit adm.monash.edu/execserv

FINANCIAL STATEMENTS



MONASH UNIVERSITY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Consolidated		Monash University	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Revenue from continuing operations					
Australian Government financial assistance	3	1,030,328	1,002,870	1,023,996	996,756
State and Local Government financial assistance	4	35,937	28,951	34,286	27,321
Non-Government financial assistance	5	105,388	92,860	105,388	92,860
HECS-HELP student payments		32,627	33,132	32,627	33,132
Fees and charges	6	800,042	660,683	641,467	538,311
Investment revenue	7	45,847	60,908	51,736	58,792
Royalties, trademarks and licences	8	20,947	21,565	34,911	32,471
Consultancy and contracts	9	51,649	50,392	51,755	50,394
Other revenue	10	73,248	79,125	106,814	97,088
Share of net results of associates and joint venture entities accounted for using the equity method	22	2,199	640	-	-
Total revenue from continuing operations		2,198,212	2,031,126	2,082,980	1,927,125
Expenses from continuing operations					
Employee benefits and on costs	11	1,055,518	982,052	994,382	932,391
Depreciation, amortisation and impairment	12	118,712	109,476	106,840	103,185
Repairs and maintenance	13	42,082	36,253	40,666	36,243
Finance costs	14	19,197	14,946	20,846	24,413
Scholarships, awards and prizes	15	143,489	136,926	143,020	136,589
Grant payments		66,079	76,877	112,197	90,034
Financial and administration	16	108,324	99,672	105,734	97,769
Other expenses	17	473,269	412,778	454,724	377,359
Total expenses from continuing operations		2,026,670	1,868,980	1,978,409	1,797,983
Net result from continuing operations before income tax		171,542	162,146	104,571	129,142
Income tax expense	18	57	12	-	-
Net result from continuing operations after tax		171,485	162,134	104,571	129,142
Net result attributable to members of the parent entity		171,485	162,134	104,571	129,142
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Gain / (loss) on revaluation of land and buildings, including impairment	1(h),34	(46,874)	114,634	(46,874)	108,475
Gain on revaluation of cultural assets	26,34	3,645	706	3,645	706
(Decrease) / increase in deferred government superannuation contributions	39(b)	(5,681)	1,229	(5,681)	1,229
Decrease / (increase) in deferred employee benefits for superannuation	39(b)	5,681	(1,229)	5,681	(1,229)
Items that may be reclassified subsequently to profit or loss:					
Gain / (loss) on fair value of available for sale financial assets, net of tax	34	24,009	(11,443)	13,778	(9,207)
Realised gain on sale of investments - transfer to net profit	34	(1,245)	(5,615)	130	(1,494)
Realised gain on previously impaired investments - transfer to net profit	34	(2,519)	(334)	(2,519)	-
Gain on fair value of unlisted securities	34	6,879	14,880	6,879	13,348
Exchange differences on translation of foreign operations, net of tax	34	1,246	(1,564)	-	-
Loss on fair value of currency and interest rate swap contract	34	(3,511)	(2,470)	(3,511)	(2,470)
Total other comprehensive income		(18,370)	108,794	(28,472)	109,358
Total comprehensive income		153,115	270,928	76,099	238,500
Total comprehensive income for the year is attributable to:					
Members of the parent entity		153,115	270,928	76,099	238,500
Non-controlling interests		-	-	-	-

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

MONASH UNIVERSITY
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

		Consolidated		Monash University	
		2016	2015	2016	2015
Notes		\$000's	\$000's	\$000's	\$000's
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	19	91,799	102,305	57,846	95,598
Receivables	20	93,572	73,433	100,291	80,005
Inventories	21	1,871	1,834	1,871	1,834
Available-for-sale financial assets	23	201	94	-	-
Other financial assets	24	-	13,700	-	-
Other assets	28	17,849	17,361	17,445	16,777
TOTAL CURRENT ASSETS		205,292	208,727	177,453	194,214
NON-CURRENT ASSETS					
Receivables	20	29,465	28,463	175,715	176,213
Investments accounted for using the equity method	22	38,011	29,775	23,181	16,539
Available-for-sale financial assets	23	631,794	543,047	363,850	334,561
Other financial assets	24	33,138	31,108	57,604	48,106
Investment properties	25	77,034	92,835	36,103	53,625
Property, plant and equipment	26	2,739,929	2,535,773	2,517,063	2,307,407
Intangible assets	27	108,933	97,892	106,262	95,956
Other assets	28	21,314	22,089	21,314	22,089
Deferred Government superannuation contributions	39	156,534	162,215	156,534	162,215
TOTAL NON-CURRENT ASSETS		3,836,152	3,543,197	3,457,626	3,216,711
TOTAL ASSETS		4,041,444	3,751,924	3,635,079	3,410,925
LIABILITIES					
CURRENT LIABILITIES					
Payables	29	232,455	188,611	269,135	211,060
Borrowings	30	82,649	7,663	82,649	7,663
Provisions	31	178,492	169,547	171,334	162,798
Other liabilities	32	94,288	82,442	75,675	66,974
TOTAL CURRENT LIABILITIES		587,884	448,263	598,793	448,495
NON-CURRENT LIABILITIES					
Borrowings	30	413,110	420,486	413,110	420,486
Provisions	31	36,745	33,510	35,619	32,972
Other liabilities	32	8,168	-	8,168	-
Deferred employee benefits for superannuation	39	156,534	162,215	156,534	162,215
TOTAL NON-CURRENT LIABILITIES		614,557	616,211	613,431	615,673
TOTAL LIABILITIES		1,202,441	1,064,474	1,212,224	1,064,168
NET ASSETS		2,839,003	2,687,450	2,422,855	2,346,757
EQUITY					
Parent entity interest					
Capital	33	238,830	236,786	83,102	83,102
Reserves	34	1,067,334	1,105,870	1,075,386	1,103,859
Retained earnings	35	1,532,839	1,344,794	1,264,367	1,159,796
TOTAL EQUITY		2,839,003	2,687,450	2,422,855	2,346,757

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

MONASH UNIVERSITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

2016 Consolidated

	Notes	Capital	Retained Earnings	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Investment Revaluation Reserve	Hedge Reserve	Total
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Balance at 1 January 2016		236,786	1,344,794	1,132,564	(25,068)	7,502	(9,128)	2,687,450
Preservation of capital	33, 35	2,044	(2,044)	-	-	-	-	-
Net result for the year	35	-	171,485	-	-	-	-	171,485
Loss on revaluation of land and buildings, including impairment	26,34	-	-	(46,874)	-	-	-	(46,874)
Gain on revaluation of cultural assets	26,34	-	-	3,645	-	-	-	3,645
Currency translation differences arising during the year	34	-	-	-	1,246	-	-	1,246
Gain on fair value of available for sale financial assets, net of tax	23	-	-	-	-	24,009	-	24,009
Realised gain on sale of investments - transfer to net profit	34(b)	-	-	-	-	(1,245)	-	(1,245)
Realised gain on previously impaired investments - transfer to net profit	7,34(b)	-	-	-	-	(2,519)	-	(2,519)
Gain on fair value of unlisted securities		-	-	-	-	6,879	-	6,879
Loss on fair value of currency and interest rate swap contract	34	-	-	-	-	-	(3,511)	(3,511)
Remeasurement of deferred government superannuation contributions	35	-	(5,681)	-	-	-	-	(5,681)
Transfer to / (from) retained earnings		-	20,166	(20,166)	-	-	-	-
Remeasurement of deferred employee benefits for superannuation	35	-	5,681	-	-	-	-	5,681
Loss on deconsolidation		-	(1,562)	-	-	-	-	(1,562)
Balance at 31 December 2016		238,830	1,532,839	1,069,169	(23,822)	34,626	(12,639)	2,839,003

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

MONASH UNIVERSITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016
2015 Consolidated

	Notes	Capital \$000's	Retained Earnings \$000's	Asset Revaluation Reserve \$000's	Foreign Currency Translation Reserve \$000's	Investment Revaluation Reserve \$000's	Hedge Reserve \$000's	Total \$000's
Balance at 1 January 2015		234,509	1,192,932	1,017,224	(23,504)	10,014	(6,658)	2,424,517
Adjustment to opening retained earnings	35	-	(7,995)	-	-	-	-	(7,995)
Preservation of capital	33, 35	2,277	(2,277)	-	-	-	-	-
Net result for the year	35	-	162,134	-	-	-	-	162,134
Gain on revaluation of land and buildings	26,34	-	-	114,634	-	-	-	114,634
Gain on revaluation of cultural assets	26,34	-	-	706	-	-	-	706
Currency translation differences arising during the year	34	-	-	-	(1,564)	-	-	(1,564)
Gain on fair value of available for sale financial assets, net of tax	23	-	-	-	-	(12,937)	-	(12,937)
Realised gain on sale of investments - transfer to net profit	34(b)	-	-	-	-	(4,121)	-	(4,121)
Realised gain on previously impaired investments - transfer to net profit	7, 34(b)	-	-	-	-	(334)	-	(334)
Gain on fair value of unlisted securities		-	-	-	-	14,880	-	14,880
Loss on fair value of currency and interest rate swap contract	34	-	-	-	-	-	(2,470)	(2,470)
Remeasurement of deferred government superannuation contributions	35	-	1,229	-	-	-	-	1,229
Remeasurement of deferred employee benefits for superannuation	35	-	(1,229)	-	-	-	-	(1,229)
Balance at 31 December 2015		236,786	1,344,794	1,132,564	(25,068)	7,502	(9,128)	2,687,450

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

MONASH UNIVERSITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016
2016 Monash University

	Notes	Capital	Retained Earnings	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Investment Revaluation Reserve	Hedge Reserve	Total
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Balance at 1 January 2016		83,102	1,159,796	1,106,238	-	6,748	(9,128)	2,346,756
Net result for the year	35	-	104,571	-	-	-	-	104,571
Loss on revaluation of land and buildings, including impairment	26,34	-	-	(46,874)	-	-	-	(46,874)
Gain on revaluation of cultural assets	26,34	-	-	3,645	-	-	-	3,645
Gain on fair value of available for sale financial assets	23	-	-	-	-	13,778	-	13,778
Realised loss on sale of investments - transfer to net profit	34(b)	-	-	-	-	130	-	130
Realised gain on previously impaired investments - transfer to net profit	7,34(b)	-	-	-	-	(2,519)	-	(2,519)
Gain on fair value of unlisted securities		-	-	-	-	6,879	-	6,879
Loss on fair value of currency and interest rate swap contract	34	-	-	-	-	-	(3,511)	(3,511)
Remeasurement of deferred government superannuation contributions	35	-	(5,681)	-	-	-	-	(5,681)
Remeasurement of deferred employee benefits for superannuation	35	-	5,681	-	-	-	-	5,681
Balance at 31 December 2016		83,102	1,264,367	1,063,009	-	25,016	(12,639)	2,422,855

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

MONASH UNIVERSITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016
2015 Monash University

	Notes	Capital \$000's	Retained Earnings \$000's	Asset Revaluation Reserve \$000's	Foreign Currency Translation Reserve \$000's	Investment Revaluation Reserve \$000's	Hedge Reserve \$000's	Total \$000's
Balance at 1 January 2015		83,102	1,030,655	997,058	-	4,101	(6,658)	2,108,258
Net result for the year	35	-	129,141	-	-	-	-	129,141
Gain on revaluation of land and buildings	26,34	-	-	108,475	-	-	-	108,475
Gain on revaluation of cultural assets	26,34	-	-	706	-	-	-	706
Loss on fair value of available for sale financial assets	23	-	-	-	-	(9,207)	-	(9,207)
Realised gain on sale of investments - transfer to net profit	34(b)	-	-	-	-	(1,494)	-	(1,494)
Realised gain on previously impaired investments - transfer to net profit	7,34(b)	-	-	-	-	-	-	-
Gain on fair value of unlisted securities		-	-	-	-	13,348	-	13,348
Loss on fair value of currency and interest rate swap contract	34	-	-	-	-	-	(2,470)	(2,470)
Remeasurement of deferred government superannuation contributions	35	-	1,229	-	-	-	-	1,229
Remeasurement of deferred employee benefits for superannuation	35	-	(1,229)	-	-	-	-	(1,229)
Balance at 31 December 2015		83,102	1,159,796	1,106,239	-	6,748	(9,128)	2,346,757

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

MONASH UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

		Consolidated		Monash University	
		2016	2015	2016	2015
	Notes	\$000's	\$000's	\$000's	\$000's
Cash from operating activities:					
Australian Government Financial Assistance	48				
CGS and Other EDUCATION Grants	(a)	363,061	340,576	363,061	340,576
Higher Education Loan Programs	(b),(g)	288,003	267,355	286,644	266,133
Scholarships	(c)	25,078	24,287	25,078	24,287
EDUCATION Research	(d)	130,372	123,038	130,372	123,038
Other Capital Funding	(e)	100	875	100	875
ARC grants - Discovery	(f)(i)	38,400	43,661	38,400	43,661
ARC grants - Linkages	(f)(ii)	12,214	13,858	12,214	13,858
ARC grants - Networks and Centres	(f)(iii)	11,275	11,086	11,275	11,086
Other Australian Government Grants		165,327	182,107	159,932	177,216
State and Local Government Grants		35,937	28,951	34,286	27,321
HECS-HELP - Student payments		32,627	33,132	32,627	33,132
Receipts from student fees and other customers		1,124,671	995,537	1,013,806	884,830
Dividends received		6,858	6,085	4,639	4,462
Distributions received		629	616	-	-
Interest received		4,762	4,893	4,365	5,605
Distribution from related parties		-	-	12,929	12,356
Payments to suppliers and employees (inclusive of goods and services tax)		(1,895,963)	(1,773,655)	(1,862,269)	(1,703,595)
Finance costs		(26,426)	(25,005)	(28,075)	(27,490)
Income taxes paid		(26)	(1,418)	-	-
Net cash provided by operating activities	44	316,899	275,979	239,384	237,351
Cash flows from investing activities:					
Proceeds from sale of property, plant, equipment and intangibles		607	237	607	237
Repayment of loans received from related parties		1,040	1,035	5,641	1,033
Proceeds from investments		123,809	14,129	124,375	30,538
Payments for property, plant, equipment and intangibles		(370,348)	(335,679)	(361,614)	(217,801)
Payments for rental in advance		-	(12,350)	-	(12,350)
Reimbursement from related party		-	-	-	31,041
Loans provided to related parties		-	-	-	(150,000)
Payments for investments		(148,764)	(47,972)	(112,406)	(16,600)
Net cash used in investing activities		(393,656)	(380,600)	(343,397)	(333,902)
Cash flows from financing activities:					
Proceeds from borrowings		74,000	153,907	74,000	153,907
Repayment of borrowings		(7,500)	(15,763)	(7,500)	(15,750)
Net cash provided by / (used in) financing activities		66,500	138,144	66,500	138,157
Net cash increase / (decrease) in cash and cash equivalents		(10,257)	33,523	(37,513)	41,606
Cash and cash equivalents at beginning of year		102,305	73,337	95,598	58,547
Effects of exchange rate changes on cash and cash equivalents		(249)	(4,555)	(239)	(4,555)
Cash and cash equivalents at end of year	19	91,799	102,305	57,846	95,598

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

1 STATEMENT OF 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 financial statements for Monash University as the parent entity and the consolidated entity consisting of Monash University and its subsidiaries.

(a) Basis of Preparation

The general purpose financial reports have been prepared on an accruals basis in accordance with:

- Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board
- the *Higher Education Support Act 2003*;
- the disclosure requirements of the Victorian *Financial Management Act 1994*;
- applicable directions from the Minister of Finance of the Parliament of Victoria; and
- the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*.

AASB 2015-7- Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-For-Profit Public Sector Entities [AASB 13] has been early adopted. This Standard reduces the disclosure requirements for not-for-profit public sector entities relating to quantitative information about the significant unobservable inputs used in the fair value measurement of property, plant and equipment.

Monash University is a not-for-profit entity and these statements have been prepared on that basis. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards requirements.

Historical cost convention

These financial statements have been prepared on the basis of historical cost unless otherwise stated, except for the revaluation of available-for-sale financial assets, unlisted securities where a fair value can be determined, land and buildings, investment properties, cultural assets and derivative financial instruments which are at fair value. Fair value includes market value or depreciated replacement cost.

(b) Principles of consolidation

Subsidiaries:

The consolidated financial statements incorporate the assets and liabilities of all material subsidiaries of the University as at 31 December 2016 and the results of all subsidiaries for the year then ended. The effects of all transactions between entities incorporated in the consolidated financial report are eliminated in full.

A subsidiary is an entity, including an unincorporated entity such as a partnership, which is controlled by the University. Control exists where the University has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns. Subsidiaries consolidated into this financial report are outlined in Note 45.

The financial statements of subsidiaries are included from the

date control commences and are de-consolidated from the date control ceases.

Inter-company transactions, balances and unrealised gains on transactions within the consolidated group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Associates:

Associates are those entities over which the consolidated entity exercises significant influence, but not control. Investments in associated entities are accounted for in the parent entity financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (refer to Note 22). Under the equity method, the consolidated entity's share of the post-acquisition profits or losses of the associate are recognised in the consolidated Statement of Comprehensive Income, and its share of post-acquisition movements in reserves are recognised in Consolidated Reserves. The post-acquisition movements are adjusted against the cost of the investment.

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.

Joint ventures:

The interest in a joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. Under the equity method, the share of the profits or losses of the entity is recognised in the statement of comprehensive income, and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and the statement of changes in equity. Details relating to joint ventures are set out in Note 22.

(c) Rounding

All values in these financial statements are expressed in rounded thousands with the exception of directors' and executives' remuneration.

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised for the major business activities as follows:

- Grants received from Australian Government entities are recognised as income in the year of receipt, or when the right to receive the grant has been established.
- Revenues received from other sources in respect of future years are treated as income in the year they are received where the financial assistance is considered non-reciprocal in nature.
- Donations and bequests are recognised as income in the year of receipt, or when the right to receive the funds has been established.
- Fees and charges revenue is recognised over the period of tuition. Where revenue is received in

NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF ACCOUNTING POLICIES (continued)

(d) Revenue Recognition (continued)

advance for courses or programs to be delivered in the following year the fees relating to the future year are treated as fees in advance under other liabilities.

- Revenue from sale of goods is recognised upon delivery to the customer.
- Revenue from rendering services is recognised in accordance with the percentage completion method.
- Interest revenue is recognised on a proportional basis taking into account the interest rates appropriate to the financial assets.
- Dividend revenue is recognised when the right to receive a dividend has been established.
- Revenue received from royalties, trademarks and licences is recognised as income when earned.

(e) Taxation

The University and certain subsidiaries are exempt from income tax under Part 50.1 of the *Income Tax Assessment Act 1997*. 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/receivable 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 controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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

(f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to the ATO are classified as operating cash flows.

Capital and lease commitments reported are GST exclusive.

(g) Foreign Currency

Functional and presentation currency

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

Transaction and balances

Foreign currency transactions in the parent entity are converted to Australian dollars at the date of the transaction using the rate of exchange applicable on that day.

Amounts receivable (monetary assets) and payable (monetary liabilities) denominated in foreign currencies at the end of the year are translated at the rates of exchange ruling at balance date.

Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses in the Statement of Comprehensive Income in the financial year in which the exchange rates change.

Translation of Foreign Subsidiaries

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

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each Statement of

1 STATEMENT OF ACCOUNTING POLICIES (continued)

(g) Foreign Currency (continued)

Translation of Foreign Subsidiaries (continued)

Comprehensive Income are translated at average exchange rates;

- all resulting exchange differences are recognised as a separate component of equity; and
- non-monetary assets and liabilities and components of shareholders' equity remain translated at exchange rates current at the transaction date, or where a non-monetary item has been revalued, assets and liabilities are translated at the rates used to translate the associated asset or liability.

(h) Impairment of Assets

At each reporting date, all assets except for those held at fair value including inventories and financial assets are assessed to determine whether there is any indication of impairment. Goodwill and intangible assets that have an indefinite useful life are tested more frequently if events or changes in circumstances indicate that they might be impaired.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying amount exceeds the recoverable amount. Any difference is written-off by a charge to the Statement of Comprehensive Income except to the extent that the write-down can be debited to an asset revaluation reserve applicable to that class of asset.

At reporting date, a change in use of certain land and buildings has resulted in a remeasurement of the carrying amount of these assets (depreciated replacement cost) to recoverable amount (fair value less costs of disposal) resulting in an impairment against the asset revaluation reserve. The nature and costs of disposal have been assessed using management's judgements and estimates informed by experienced contracted engineers. Refer Notes 26 and 34.

At each reporting date, assets previously determined to be impaired are assessed for circumstances indicating that an impairment loss recognised in prior periods no longer exists or may have decreased. If there is an indication that the impairment loss has been reversed, the assets concerned are tested as to whether the recoverable amount exceeds the carrying amount. The difference not exceeding the original impairment is credited to the Statement of Comprehensive Income, except for:

- Revalued assets - which are credited to an asset revaluation reserve, and
- Available-for-sale financial assets - for which impairment expenses are only reversed on sale.

Policies relating to impairment of available-for-sale financial assets are disclosed in Note 1(l).

(i) Cash and Cash Equivalents

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

(j) Receivables

Receivables includes debts on invoiced student fee income and other income, and sundry and student loan debtors.

Receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. The collectability of all debts is assessed at balance date and provision is made for any impaired debt. A provision for impairment of sundry 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 receivable. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or default in payment are considered indicators that the receivable is impaired.

Student debts are written off after being outstanding for a period of 2 years. Sundry debts are assessed individually for collectability and are written off when the debt is considered to be unrecoverable.

Receivables from related entities resulting from commercial dealings, are made on commercial terms and conditions, and are settled regularly.

(k) Inventories

Inventories include books and retail, central building maintenance stores, stationery, laboratory and departmental supplies and other inventories.

Stock on hand is valued using the lower of cost and net realisable value and stocktakes were completed at year end. Cost is measured on the basis of weighted average cost.

(l) Available-for-sale financial assets

The Group classifies its investments as available-for-sale financial assets. Management determines the classification of its investments at initial recognition.

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

Purchases and sales of investments are recognised on trade-

1 STATEMENT OF ACCOUNTING POLICIES (continued)

(l) Available-for-sale financial assets (continued)

date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the investment revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are reclassified from equity to profit or loss as gains and losses from investment securities.

The fair values of investments (excluding unlisted investments, refer note 47) and other financial assets are based on quoted market prices in an active market. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques that maximise the use of relevant data.

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

The Group impairs a financial asset or group of financial assets if its decline in value is considered to be significant or prolonged.

The Group has determined that a downturn will be considered significant when the fair value of the financial asset or group of financial assets is below cost by an amount exceeding 20% of its original cost.

The Group has determined that a down turn will be considered prolonged when the fair value of the financial asset or group of financial assets is below cost for a period of twelve consecutive months.

(m) Derivative financial instruments

A derivative is a financial instrument whose value changes in response to an underlying variable, requires little or no initial investment and is settled at a future date. Derivatives are initially recognised at fair value and remeasured subsequently at fair value. Fair values are obtained from quoted market prices.

All derivative instruments of the group are included in the statement of financial position as derivatives held for risk management. Realised and unrealised gains or losses for derivatives used for cash flow hedging are recognised in other comprehensive income within cash flow hedges.

The method of recognising the resulting gain or loss on the derivative depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

Monash University applies only cash flow hedge accounting.

Monash University documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. Monash University also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The hedging instruments are assessed to be highly effective and the changes in the fair value of the derivatives are recognised in the hedge reserve in other comprehensive income.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining period of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining period of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

(n) Fair value measurement

The fair value of assets and liabilities must be measured for recognition and disclosure purposes. The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. Refer Note 47.

(o) Loans receivable

Loans receivable are non derivative assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included as other non-financial assets in the Statement of Financial Position and are carried at amortised cost using the effective interest method.

(p) Intangible Assets

Intellectual Property

Intellectual property is valued in the accounts at cost of acquisition and is amortised over the period in which its benefits are expected to be realised.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF ACCOUNTING POLICIES (continued)

(p) Intangible Assets (continued)

Software Development

Internal use of software is capitalised and amortised where the expected useful life is 3 years or greater and the costs to be capitalised exceed \$0.5M. Where costs do not exceed \$0.5M, they are expensed as incurred. Software capitalised to date has a useful life of 7 years (2015, 7 years).

Web development costs are expensed as incurred. Where web development costs are significant, they are capitalised in line with Software Development guidelines. Software development included capitalised borrowing costs of \$0.4M (2015, \$0.3M).

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary / associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Electronic Publications

Based on licence terms, electronic publications are split into perpetual access and annual subscription access. A significant sample of licences are selected and reviewed across a 5 year period to determine the percentage of electronic resources that provide perpetual access to content purchased. The sample size typically exceeds 80% of total annual spend in the year of sampling to ensure that all material changes are captured. Based on that sample, the percentage of expenditure identified as relating to perpetual access based publications are capitalised and amortised over a period of 30 years. The residual expenditure is deemed to be on publications that have annual subscription access only, and is expensed in the year incurred.

(q) Property, Plant and Equipment

Acquisitions

Assets are initially recorded at cost to the economic entity. Constructed building and equipment values include labour, materials, professional fees and borrowing costs. Expenditure is only recognised as an asset when the entity controls future economic benefits as a result of the costs incurred, it is probable those future economic benefits will eventuate, and the costs can be measured reliably.

Revaluations

Subsequent to initial recognition as assets, land, buildings and cultural assets are measured at fair value. Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase of the asset, to use it in a

manner that would be highest and best use. Revaluations are made with sufficient regularity to ensure that the carrying amount of these classes of assets does not differ materially from its fair value at the reporting date. Annual assessments are made of the values of land and buildings, and formal revaluations are carried out at least every 3 years.

Increases in the carrying amounts arising on revaluation of each class of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are also recognised in other comprehensive income to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to profit or loss.

Borrowing Costs

Borrowing costs are expensed as incurred unless they relate to a qualifying asset. Qualifying assets are assets which take more than 12 months to develop and are for internal use. Borrowing costs are capitalised when the qualifying asset is greater than \$0.5M, the expected useful life of the asset is 3 years or greater, and the period of construction or development of the qualifying assets is 12 months or more. As the University's borrowings support the general capital program, interest is capitalised at a weighted average rate. Borrowing costs not capitalised are expensed in the year in which they are incurred.

Where there are specific borrowings for specific projects, the borrowing costs are capitalised to the specific project.

Borrowing costs have been recognised as part of the carrying value of property and software development assets (where relevant). The capitalisation rate used to determine the amount of capitalised borrowing costs is 6.19% (2015, 6.39%).

Depreciation / Amortisation

Depreciation on property, plant and equipment is included in the Statement of Comprehensive Income as an expense item. Depreciation is computed using the straight line method over the useful life of the asset to the economic entity. Rates are outlined in each of the following asset categories.

Property

The fair value of land and buildings was established by formal valuation by certified practicing valuers of AssetVal Pty Ltd as at 31 December 2015. A full external valuation is undertaken every 3 years with independent desktop valuations conducted in the intervening years. Campus buildings have been valued using a depreciated replacement cost approach. Land has been valued using the direct comparison approach. There is a market based approach whereby the subject property is compared to sales of comparable development sites and an appropriate rate per square metre of land area is selected. Land values assume highest and best use of the land after consideration of the current zoning.

Land and building projects are capitalised when asset related expenditure exceeds \$0.25M. To capitalise additions to existing buildings, expenditure must meet this threshold on a project basis or increase the area or useful life of the building. In 2016, property includes capitalised borrowing costs of \$7.4M (2015, \$10.2M).

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF ACCOUNTING POLICIES (continued)

(q) Property, Plant and Equipment (continued)

Land is not depreciated.

Depreciation on buildings completed during the year is calculated from the date of completion of the building. The Group's portfolio of buildings have a weighted average remaining useful life of 33 years with useful lives ranging from 15–80 years (2015: 15–80 years) for campus buildings and 50–60 years (2015: 50–60 years) for specialised off-campus buildings.

Equipment

Equipment is capitalised where the cost is greater than \$5,000. Items less than this threshold are expensed. Useful lives to the economic entity of equipment range from 5 years to 20 years (2015: 5 years to 20 years).

Library Books

Library books are valued at cost and depreciated over their estimated useful lives, which are 30 years for serials and 20 years for monographs (no change from 2015).

Cultural Assets

Cultural assets include artworks and rare books. These assets are valued at 'fair value'.

The fair value of the University's artworks was assessed through formal valuation by Dwyer Fine Art at 31 December 2016. These items are not depreciated as they generally appreciate in value. A full external valuation is undertaken every 3 years, with an internal review completed in intervening years by expert Monash University staff with regard to market values of comparative items.

The fair value of the University's rare book collection is assessed annually by expert Monash University staff with regard to market values of comparable items. These items are not depreciated as they generally appreciate in value.

Leased Assets

Leases of property, plant and equipment where the Group has substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year. The property, plant and equipment acquired under finance lease is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (Note 42). Payments made under operating leases are

charged to the Statement of Comprehensive Income on a straight-line basis over the period in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

Leasehold Improvements

Leasehold improvements are carried at cost and amortised over the term of the lease to which the leasehold improvements relate or the useful life of the leasehold improvement, whichever is shorter. This ranges from 1 - 15 years (2015: 1 - 15 years).

Leasehold improvements are capitalised in line with the property capitalisation policy. This policy is consistent with the prior year.

Lease incentives

Aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on an indexed straight-line basis.

(r) Investment Properties

Investment properties represent properties held to earn rentals or for long-term capital appreciation or both.

Investment properties exclude properties held to meet the service delivery objectives of the University.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the original assessed performance of the asset will flow to the entity. Where an investment property is acquired at no cost or for nominal consideration, its cost shall be deemed to be its fair value as at the date of acquisition.

Subsequent to initial recognition at cost, investment properties are re-valued to fair value with changes recognised as revenues or expenses in the year that they arise. The properties are not depreciated. The fair value of investment properties was established by formal valuation by certified practicing valuers of AssetVal Pty Ltd as at 31 December 2016.

Rental revenue from the leasing of investment properties is recognised in the Statement of Comprehensive Income in the year in which it is receivable, as this represents the pattern of services rendered through the provision of properties.

(s) Interest in Cooperative Research Centres

The University has an interest in 9 Cooperative Research Centres. The University has previously provided funding to the Cooperative Research Centres through cash contributions and continues to provide research resources (in-kind support).

(t) Payables

Payables are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 30 days from the month of billing.

1 STATEMENT OF ACCOUNTING POLICIES (continued)

(u) 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.

(v) Employee Benefits

Annual Leave

Annual leave has been calculated on an individual liability basis based on salary rates when the leave is expected to be taken as per AASB 119 'Employee Benefits' and includes related on-costs.

Provision made in respect of annual leave expected to be wholly settled within 12 months are measured at their nominal values using the salary rate and related on-cost expected to apply at the time of settlement.

Provisions made in respect of annual leave which are not expected to be wholly settled within 12 months are measured at their present value of the estimated future cash outflows to be made by the University in respect of services provided by employees up to the reporting date.

Long Service Leave

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the reporting date.

Provisions for employee entitlements which are not expected to be wholly settled within twelve months are discounted using interest rates applicable to Australian Government Securities at reporting date of 2.72% (2015, 2.90%), which most closely match the terms of maturity of the related liabilities.

In determining the provision for employee entitlements, consideration has been given to future increases in wage and salary rates (including performance based increases) of 3.83% (2015, 4.50%), and the consolidated entity's experience with staff departures. Related on-costs have also been included in the liability.

Where an employee is presently entitled to payment of their long service leave entitlement and the group has no right to defer payment, the provision is shown as a current liability.

Other Employee Benefits

The other employee benefits provisions include remuneration withheld until termination of employment contracts and bonus payments.

Superannuation

Employee contributory superannuation funds exist to provide benefits for the University's employees and their dependants on retirement, disability or death. The contributions that are made to these funds by the University are recorded in the Statement

of Comprehensive Income. Further details are provided in Note 39.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises termination benefits when it can no longer withdraw the offer of those benefits.

(w) Unfunded superannuation

The unfunded superannuation liabilities recorded in the Statement of Financial Position have been determined by a formal actuarial valuation as at 31 December each year. The movement in the asset and liability is recorded in the Retained Earning in Other Comprehensive Income. For details refer to Note 39 (b).

(x) Cash Flow

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, in banks, at call deposits with less than three months maturity and bank overdrafts.

(y) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year. As a result there have been reclassification changes as below:

- Amount receivable from Monash Accommodation Services Pty Ltd (Note 20) from non-current to current receivable in the University's accounts

- Research income to Non-Government research income (Note 5) from Consultancy and Contracts income (Note 9).

NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF ACCOUNTING POLICIES (continued)

(z) New Accounting Standards and Interpretations issued but not yet effective

As at balance date, the following standards and interpretations had been issued but were not mandatory for the financial year. Monash University Group has not, and does not intend to, adopt these standards early. Refer to Note 1(a) for early adopted standards.

Standard / Interpretation	Summary	Standard applicable for annual reporting periods:	Applicable date for Monash University Group	Impact on Monash University Consolidated financial statements
AASB 9 Financial instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial instruments: recognition and measurement (AASB 139 Financial Instruments: recognition and measurement).	Beginning 1 Jan 2018	1 Jan 2018	Detail of impact is still being assessed.
AASB 15 Revenue from Contracts with Customers	This standard establishes principles for reporting useful information to users of financial statements about the nature, amounts, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It also includes a cohesive set of disclosure requirements that provide users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.	Beginning 1 Jan 2019	1 Jan 2019	Detail of impact is still being assessed.
AASB 16 Leases	This standard introduces a single lessee accounting model and require a lessee to assets and liabilities for all leases with a term of more than 12 months. A lessor however continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently..	Beginning 1 Jan 2019	1 Jan 2019	Detail of impact is still being assessed.
AASB 1058 Income of Not-for-Profit Entities	This standard clarifies and simplifies the income recognition requirements that apply to NFP entities, in conjunction with AASB 15 Revenue from Contracts with Customers.	Beginning 1 Jan 2019	1 Jan 2019	Detail of impact is still being assessed but will have an impact on grant income recognition.
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	These amendments are in relation to the introduction of AASB 9.	Beginning 1 Jan 2018	1 Jan 2018	This amendment may have an impact on departments and public sector bodies as AASB 9 is a new standard and it changes the requirements of numerous standards. Detail of impact is still being assessed.
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	These amendments incorporate the consequential amendments arising from the issuance of AASB 15.	Beginning 1 Jan 2019	1 Jan 2019	Detail of impact is still being assessed.
AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	These amendments incorporate the consequential amendments arising from the issuance of AASB 9.	Beginning 1 Jan 2018	1 Jan 2018	No significant impact is expected from these consequential amendments on Group reporting.

NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF ACCOUNTING POLICIES (continued)

(z) New Accounting Standards and Interpretations issued but not yet effective (continued)

Standard / Interpretation	Summary	Standard applicable for annual reporting periods:	Applicable date for Monash University Group	Impact on Monash University Consolidated financial statements
AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-For-Profit Public Sector Entities [AASB 10, AASB 124 & AASB 1049]	This Standard makes amendments to AASB 124 to extend the scope of that Standard to include not-for-profit public sector entities.	Beginning 1 Jul 2016	1 Jan 2017	No significant impact is expected from these consequential amendments on Group reporting.
AASB 2016-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendment to AASB 107	This Standard amends AASB 107 Statement of Cash Flows to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes.	Beging 1 Jan 2017	1 Jan 2017	No material impact expected

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

2 DISAGGREGATED INFORMATION

	Revenue		Results		Assets	
	2016	2015	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Geographical						
Australia	2,217,147	2,037,425	169,311	162,687	4,023,157	3,749,550
Malaysia	33,067	30,636	2,260	150	23,493	22,534
South Africa	5,974	6,933	(1,376)	(1,783)	4,128	3,618
India	1,080	953	(62)	33	1,378	1,367

3 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS

(a) Commonwealth Grants Scheme and Other Grants

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Commonwealth grants scheme #1	345,140	323,435	345,140	323,435
Indigenous support fund	522	590	522	590
Equity programs #2	182	178	182	178
Superannuation program	11,738	11,085	11,738	11,085
Higher Education Participation Program	3,885	3,868	3,885	3,868
Promotion of Excellence in Learning and Teaching	1,594	1,420	1,594	1,420
Total Commonwealth Grants Scheme and Other Grants	363,061	340,576	363,061	340,576

(b) Higher Education Loan Program

HECS-HELP	213,799	205,639	213,799	205,639
FEE-HELP	69,680	56,751	68,321	55,529
SA-HELP	5,043	4,632	5,043	4,632
Total Higher Education Loan Program	288,522	267,022	287,163	265,800

(c) Scholarships

Australian postgraduate awards	22,934	22,079	22,934	22,079
International postgraduate research	1,803	1,740	1,803	1,740
Commonwealth educational cost	211	(130)	211	(130)
Commonwealth accommodation	146	(34)	146	(34)
Indigenous access	118	94	118	94
Total Scholarships	25,212	23,749	25,212	23,749

#1 Includes the basic CGS grant amount, CGS-Regional loading, CGS-Enabling Loading, Medical Student Loading, Allocated Place Advance, Non-designated Courses Advance.

#2 Includes Disability Support Program.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

3 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (continued)

(d) EDUCATION Research

	Consolidated		Monash University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Research training scheme	55,805	53,784	55,805	53,784
Research infrastructure block grants	24,810	23,199	24,810	23,199
Joint research engagement program	29,034	28,517	29,034	28,517
Sustainable research excellence	20,722	17,538	20,722	17,538
Total EDUCATION Research Grants	130,371	123,038	130,371	123,038

(e) Other Capital Funding

Education investment fund	100	875	100	875
Total Other Capital Funding	100	875	100	875

(f) Australian Research Council

(i) Discovery

Projects	20,107	31,141	20,107	31,141
Fellowships	18,731	13,073	18,731	13,073
Indigenous research development	72	-	72	-
Total Discovery	38,910	44,214	38,910	44,214

(ii) Linkages

Infrastructure	3,096	4,751	3,096	4,751
Projects	5,960	6,598	5,960	6,598
Industrial Transformation Research Program	3,580	2,884	3,580	2,884
Total Linkages	12,636	14,233	12,636	14,233

(iii) Networks and Centres

Centres	5,985	6,431	5,985	6,431
Special research initiatives	625	625	625	625
Total networks and centres	6,610	7,056	6,610	7,056

Total Australian Research Council Grants	58,156	65,503	58,156	65,503
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MONASH UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS

3 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (continued)

(g) Other Australian Government financial assistance

	Consolidated		Monash University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Non-capital				
National Health and Medical Research Council	89,307	98,227	90,916	98,227
Other Australian government financial assistance	74,740	78,450	68,157	73,559
Total non-capital other Australian Government financial assistance	164,047	176,677	159,073	171,786
Capital				
National Health and Medical Research Council	640	670	640	670
Other Australian government financial assistance	219	4,760	219	4,760
Total capital other Australian Government financial assistance	859	5,430	859	5,430
Total other Australian Government financial assistance	164,906	182,107	159,932	177,216
Total Australian Government financial assistance	1,030,328	1,002,870	1,023,996	996,756
Reconciliation				
Australian Government grants (a+c+d+e+f+g)	741,806	735,848	736,833	730,957
Higher Education Loan Program (b)	288,522	267,022	287,163	265,799
Total Australian Government financial assistance	1,030,328	1,002,870	1,023,996	996,756

4 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE

State Government financial assistance

Non-capital

Operating	1,970	1,630	319	-
Research	28,802	25,570	28,802	25,570
Non-research	1,120	995	1,120	995

Total non-capital	31,892	28,195	30,241	26,565
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Capital

Research	-	213	-	213
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Total capital	-	213	-	213
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Total State Government financial assistance	31,892	28,408	30,241	26,778
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Local Government financial assistance

Non-capital

Research	504	337	504	337
Non-research	41	206	41	206

Total Non-capital	545	543	545	543
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Capital

Non-research	3,500	-	3,500	-
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Total Capital	3,500	-	3,500	-
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Total Local Government financial assistance	4,045	543	4,045	543
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Total State and Local Government financial assistance	35,937	28,951	34,286	27,321
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MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

5 NON-GOVERNMENT FINANCIAL ASSISTANCE

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Research	85,604	70,566	85,604	70,566
Non-research	19,784	22,294	19,784	22,294
Total Non-Government financial assistance	105,388	92,860	105,388	92,860

6 FEES AND CHARGES

Course fees and charges

Fee paying overseas students	652,604	529,895	550,452	448,325
Fee paying domestic postgraduate students	19,531	19,370	19,531	19,370
Fee paying domestic undergraduate students	999	938	999	938
Fee paying domestic non-award students	947	1,177	947	1,177
Fee offshore programs	5,176	6,505	5,176	6,505
Other domestic course fees and charges	40,087	34,876	8,294	7,503

Total course fees and charges **719,344** 592,761 **585,399** 483,818

Other fees and charges

Amenities and service fees	4,546	4,973	4,546	4,973
Parking fees	6,723	6,673	6,723	6,692
Student accommodation	37,607	25,590	12,712	12,804
Rentals and hirings	21,272	21,512	23,786	23,046
Other fees and charges	10,550	9,174	8,301	6,978

Total other fees and charges **80,698** 67,922 **56,068** 54,493

Total fees and charges **800,042** 660,683 **641,467** 538,311

7 INVESTMENT REVENUE

Dividends	22,862	30,439	18,519	28,816
Interest	7,044	6,258	14,806	13,951
Fair value gain on investment properties	1,062	3,217	969	2,154
Trust distributions	11,115	15,024	12,929	12,356
Realised profit / (loss) on sale of investments	1,245	5,636	1,994	1,515
Realised gain on previously impaired investments - transfer from investment revaluation reserve	2,519	334	2,519	-
Total investment revenue	45,847	60,908	51,736	58,792

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

8 ROYALTIES, TRADEMARKS AND LICENCES

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Student related				
Enrolment royalties	14,044	13,531	28,465	25,444
Total student related royalties, trademarks and licences	14,044	13,531	28,465	25,444
Intellectual property related				
Patents and licences	6,903	8,034	6,446	7,027
Total intellectual property related royalties, trademarks and licences	6,903	8,034	6,446	7,027
Total royalties, trademarks and licences	20,947	21,565	34,911	32,471

9 CONSULTANCY AND CONTRACTS

Consultancy	10,213	8,916	10,320	8,916
Contract research	41,436	41,476	41,435	41,478
Total consultancy and contracts	51,649	50,392	51,755	50,394

10 OTHER REVENUE

Donations and bequests	7,522	10,475	7,521	10,464
Scholarships and prizes	9,262	6,972	9,262	6,972
Commercial operations	19,314	19,584	22,516	22,460
Sale of goods and services	9,703	8,318	10,240	8,654
Secondment recoveries	7,203	6,032	7,203	7,069
Administration recoveries	3,863	7,647	21,149	14,889
Other revenue	16,381	20,097	28,923	26,580
Total other revenue	73,248	79,125	106,814	97,088

11 EMPLOYEE BENEFITS AND ON COSTS

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Academic				
Staff salaries	461,017	420,539	413,304	382,233
Contribution to superannuation and pension schemes:				
Funded	61,528	56,118	54,994	50,968
Payroll tax	25,305	23,077	22,480	20,818
Workers compensation	1,500	1,374	1,240	1,135
Fringe benefits tax	1,647	1,529	1,639	1,546
Long service leave provision	5,371	8,580	4,474	7,471
Recreation leave provision	4,688	4,341	2,020	1,897
Recreation leave loading	3,234	3,037	3,234	3,037
Total academic	564,290	518,595	503,385	469,105

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

11 EMPLOYEE BENEFITS AND ON COSTS (continued)

	Consolidated		Monash University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Non-academic				
Staff salaries	401,317	379,113	401,086	378,942
Contribution to superannuation and pension schemes:				
Funded	55,790	52,263	55,790	52,263
Payroll tax	22,111	20,933	22,111	20,933
Workers compensation	1,240	1,135	1,240	1,135
Fringe benefits tax	1,639	1,546	1,639	1,546
Long service leave provision	4,726	4,474	4,726	4,474
Recreation leave provision	752	627	752	627
Recreation leave loading	3,653	3,366	3,653	3,366
Total non-academic	491,228	463,457	490,997	463,286
Total employee benefits and on costs	1,055,518	982,052	994,382	932,391

12 DEPRECIATION, AMORTISATION AND IMPAIRMENT

Depreciation				
Buildings	56,907	49,799	49,936	46,648
Equipment	38,795	33,295	36,943	32,166
Library books	4,269	4,187	4,269	4,187
Total depreciation	99,971	87,281	91,148	83,001
Amortisation				
Leasehold improvements	11,566	15,361	8,573	13,579
Software development	3,446	3,619	3,391	3,390
Electronic publications	3,635	3,215	3,635	3,215
Total amortisation	18,647	22,195	15,599	20,184
Impairment				
Equipment	94	-	94	-
Total impairment	94	-	94	-
Total depreciation, amortisation and impairment	118,712	109,476	106,840	103,185

13 REPAIRS AND MAINTENANCE

Buildings and grounds	42,082	36,253	40,666	36,243
Total repairs and maintenance	42,082	36,253	40,666	36,243

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

14 FINANCE COSTS

	Consolidated		Monash University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Loans from banks and other non-related sources	26,993	25,111	28,642	27,597
Less:				
Amounts included in the cost of qualifying assets	(7,796)	(10,165)	(7,796)	(3,184)
Total finance costs	19,197	14,946	20,846	24,413

15 SCHOLARSHIPS, AWARDS AND PRIZES

Scholarships	141,981	135,740	141,512	135,403
Awards and Prizes	1,508	1,186	1,508	1,186
Total scholarships and prizes	143,489	136,926	143,020	136,589

16 FINANCIAL AND ADMINISTRATION

Contracted and professional services	95,897	86,059	94,221	84,600
Royalties, patents, licences and permits	3,950	4,103	3,950	4,103
Other financial and administration	8,477	9,510	7,563	9,066
Total financial and administration	108,324	99,672	105,734	97,769

17 OTHER EXPENSES

Rent, leasing and utilities	77,989	67,650	71,556	63,108
Staff related	71,928	59,631	70,935	52,687
Travel	51,693	49,520	51,256	48,960
Laboratory	51,613	45,898	51,554	45,852
Student related	38,648	32,256	33,552	22,963
Information technology	52,100	40,221	51,175	39,889
Other equipment	19,820	26,561	18,731	16,218
Communication	17,310	14,367	16,976	13,944
Books and library	14,488	11,237	14,166	11,000
Advertising, marketing and promotional	14,760	10,155	14,491	9,890
Motor vehicle expenses	9,728	9,928	9,718	9,913
Printing and stationery	10,810	8,974	10,326	8,518
Net loss on disposal of property, plant and equipment	17,200	8,529	17,209	8,376
Impairment of financial assets	-	5,000	-	5,000
Foreign exchange losses (net)	109	647	109	647
Bad and impaired receivables	1,499	123	1,462	(39)
Restructuring expenses	(338)	749	(338)	749
Assurance services	758	484	565	334
Other expenses	23,154	20,848	21,281	19,350
Total other expenses	473,269	412,778	454,724	377,359

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

18 INCOME TAX EXPENSE

The income tax expense for the financial year differs from the amount calculated on the profit.

		Consolidated		Monash University	
		2016	2015	2016	2015
		\$000's	\$000's	\$000's	\$000's
Australian current tax	(a)	-	-	-	-
Australian deferred tax		-	-	-	-
Australian tax paid - prior year underprovision		-	15	-	-
South African provisional income tax		57	-	-	-
South African tax refund - prior year overprovision		-	(3)	-	-
Total income tax expense		57	12	-	-

(a) Reconciliation of income tax

The prima facie tax on profit for ordinary activities before income tax is reconciled to income tax as follows:

Profit/(loss) from ordinary activities before income tax expense		31	(16)	-	-
Prima facie tax payable on profit from ordinary activities before income tax at 28.5% (2015: 30%)		9	(5)	-	-
Losses for which no deferred tax asset has been recognised		-	5	-	-
Add / (deduct) tax effect of timing differences		(3)	-	-	-
Foreign income tax offset		(6)	-	-	-
Australian current tax		-	-	-	-

19 CASH AND CASH EQUIVALENTS

Cash at bank and on hand	(a)	32,749	15,695	24,591	10,783
Managed cash	(b)	33,255	84,668	33,255	84,668
Short-term deposits	(b)	25,795	1,942	-	147
Total cash and cash equivalents		91,799	102,305	57,846	95,598

(a) Cash at bank and on hand

Cash on hand is non-interest bearing.

Cash at bank had floating interest rates between 1.52% and 1.90% (2015: 1.97% and 2.34%).

(b) Managed cash and short-term deposits

This includes short-term deposits (less than 90 days) and those held in managed cash and had floating interest rates between 2.35% and 2.54% (2015: 2.36% and 3.32%). Managed cash can be accessed immediately by request without penalty, and had underlying investments with an average maturity of 75 days (2015: 93 days).

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

20 RECEIVABLES

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Current				
External				
Sundry receivables	51,846	36,646	48,941	33,266
Provision for impaired sundry receivables	(2,242)	(1,373)	(2,241)	(1,370)
Student fees	3,612	4,501	3,612	4,501
Provision for impaired student fees	(340)	(328)	(282)	(296)
Other amounts receivable	22,144	19,237	15,791	14,262
GST refundable (net)	18,552	14,750	18,431	14,568
Total external receivables	93,572	73,433	84,252	64,931
Amounts receivable from related parties				
Monash Property South Africa Pty Ltd	-	-	1,347	841
Monash College Pty Ltd	-	-	10,249	8,825
Monash University Foundation Trust	-	-	-	861
Monash Accommodation Services Pty Ltd	-	-	4,430	4,547
Monash Educational Enterprises NPC	-	-	2	-
Monash (Suzhou) Engineering Technology Co Ltd	-	-	3	-
Monash University Indonesia Ltd	-	-	8	-
Total amounts receivable from related parties	-	-	16,039	15,074
Total current receivables	93,572	73,433	100,291	80,005
Non-current				
External				
Non-current receivables	-	40	-	40
Total external receivables	-	40	-	40
Loans receivable from related parties:				
Monash Accommodation Services Pty Ltd	-	-	146,250	147,750
Monash South Africa Ltd	2,802	2,560	2,802	2,560
Other related party receivables	26,663	25,863	26,663	25,863
Total loans receivable from related parties	29,465	28,423	175,715	176,173
Total non-current receivables	29,465	28,463	175,715	176,213
Total receivables	123,037	101,896	276,006	256,218
(a) Provision for impaired sundry and student receivables				
The ageing of these receivables is as follows:				
Less than 30 days	65	192	63	191
30 - 60 days	138	51	82	18
60 - 90 days	28	113	28	113
90 - 120 days	10	8	10	8
120 days +	2,341	1,337	2,340	1,336
	2,582	1,701	2,523	1,666

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

20 RECEIVABLES (continued)

(b) Sundry and student receivables

The following is an ageing of the Group's sundry and student receivables that are due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the Group believes that the amounts are still considered recoverable. The Group does not hold any securities over these balances.

	Notes	Consolidated		Monash University	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Less than 30 days		38,264	20,599	36,148	17,545
30 - 60 days		4,333	4,401	3,666	4,172
60 - 90 days		5,199	7,476	5,177	7,410
90 - 120 days		986	4,274	975	4,282
120 days +		4,094	2,696	4,065	2,692
		52,876	39,446	50,031	36,101

(c) Movements in provision for impaired receivables are as follows:

At 1 January		1,701	2,329	1,666	2,272
Provision for impaired receivables recognised during the year		1,512	83	1,485	(63)
Receivables written off during the year as uncollectable		(628)	(711)	(628)	(543)
Unused amount reversed		(3)	-	-	-
At 31 December		2,582	1,701	2,523	1,666

The creation and release of the provision for impaired receivables has been included in Note 17 to the Statement of Comprehensive Income. Amounts charged to the provision account are generally written off where there is no expectation of recovery. The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

(d) Bad and impaired receivables expense

Bad debts	17	641	695	628	543
Doubtful debts	17	858	(572)	834	(583)
		1,499	123	1,462	(40)

21 INVENTORIES

Books, retail, laboratory and other		1,871	1,834	1,871	1,834
Total current inventories		1,871	1,834	1,871	1,834

22 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Interest in associates (a)		30,952	29,239	16,589	16,539
Investments in jointly controlled entities (b)		7,059	536	6,592	-
Total investments accounted for using the equity method		38,011	29,775	23,181	16,539

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

22 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

(a) Interest in Associates

Ownership / membership interest	Place of incorporation	Principal place of business	2016	2015
			%	%
Monash University Malaysia Sdn Bhd	Malaysia	Malaysia	45	45
Hudson Institute of Medical Research (i)	Australia	Australia	50	50
BioCurate Pty Ltd (ii)	Australia	Australia	50	-

(i) An independent institute formed via a merger in 2013 of the Monash Institute of Medical Research and Prince Henry's Institute of Medical Research. The merger provides opportunities to deliver innovative, cutting edge research and respond to key health challenges and priorities.

(ii) A joint venture launched in 2016 between two leading Australian biomedical Universities, the University of Melbourne and Monash University, supported by the Victorian State Government. As an independent venture catalyst, BioCurate will target the critical phase of drug development and provide the commercial focus, expertise and funding necessary to translate drug discoveries to a form which attracts investors or other commercialisation partners. As the company is funded on a cost neutral basis, its operating results are not material and are therefore not reported below.

There are no other material associates over which Monash University has significant influence.

Summarised financial information of associates

	Monash University Malaysia		Hudson Institute of Medical Research	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Financial Position				
Current assets	35,841	32,496	6,853	8,544
Non-current assets	16,366	17,579	23,720	23,349
Total assets	52,207	50,075	30,573	31,893
Current liabilities	18,076	19,179	13,481	13,575
Non-current liabilities	350	809	482	545
Total liabilities	18,426	19,988	13,963	14,120
Net assets	33,781	30,087	16,610	17,773
Share of associates' net assets	15,201	13,539	8,305	8,887
Reconciliation of carrying amounts				
Balance at 1 January	29,239	30,351	-	-
Share of profits after income tax	2,260	150	-	-
Share of foreign currency gain / (loss) on translation	(597)	(1,262)	-	-
Balance at 31 December	30,902	29,239	-	-
Financial Performance				
Income	73,483	68,079	42,474	44,053
Profit / (loss) from continuing operations before tax	4,821	261	(680)	(848)
Income tax expense	743	-	-	-
Profit / (loss) from continuing operations after tax	4,078	261	(680)	(848)
Other comprehensive income	(1,329)	(1,262)	(605)	(196)
Total comprehensive income	2,749	(1,001)	(1,285)	(1,044)

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

22 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Summarised financial information of associates (continued)	Monash University Malaysia		Hudson Institute of Medical Research	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Share of associates' profit / (loss)-recognised	2,260	150	-	-
Share of associate's unrecognised loss	-	-	(386)	(424)
Cumulative share of associate's unrecognised losses	-	-	(825)	(439)

(b) Investments in jointly controlled entities

Ownership/membership interest

	Place of incorporation	Principal place of business	2016 %	2015 %
GNUCO Pty Ltd (sole shareholder of Monash South Africa) (i)	Australia	South Africa	25	25
IITB - Monash Research Academy (ii)	India	India	50	50
Monash Health Research Precinct Pty Ltd (iii)	Australia	Australia	43	-

(i) A partnership arrangement in 2013, entered into by Monash University (MU) with Laureate International B.V. over its South African campus operations. MU with a reduced ownership interest of 25%, still exercises joint decision making on major matters affecting the campus operations.

(ii) The Academy is a joint venture between Indian Institute of Technology, Bombay (IITB), Mumbai and Monash University, Australia. The principal object of the Academy is to promote research and educational leadership and engage collaboratively with industry, enterprise and government to develop high-quality research and educational capability that enhances knowledge in various fields of scientific endeavour. The results of the Academy are not material and therefore not reported below.

(iii) The company manages the development and ongoing operation of translational and clinical research facilities co-located within a "Health and Research Precinct", which is occupied predominantly by the three shareholder parties, Monash Health, Hudson Institute of Medical Research and Monash University. The results of the company are not material and are therefore not reported below.

There are no other material jointly controlled entities.

Summarised financial information of jointly controlled entities

	GNUCO Pty Ltd	
	2016 \$000's	2015 \$000's
Financial Position		
Current assets	3,337	1,609
Cash and cash equivalents	912	1,845
Non-current assets	3,441	3,774
Total assets	7,690	7,228
Current liabilities		
Current financial liabilities	13,461	11,914
Non-current liabilities		
Non-current financial liabilities	13,107	6,287
Total liabilities	26,568	18,201
Net assets	(18,878)	(10,973)
Share of joint ventures' net assets	(4,719)	(2,743)
Financial Performance		
Income	23,311	26,984
Interest income	174	313

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

22 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

	GNUCO Pty Ltd	
	2016	2015
	\$000's	\$000's
Expenses	26,565	32,143
Interest expense	460	527
Depreciation & amortisation	1,600	1,613
Profit / (loss) from continuing operations before tax	(5,140)	(6,986)
Income tax expense / (refund)	266	(255)
Profit / (loss) from continuing operations after tax	(5,406)	(6,731)
Other comprehensive income	-	-
Total comprehensive income	-	-
Share of joint ventures' profit / (loss)-recognised	-	-
Share of joint ventures' cumulative profit-recognised	-	-
Share of joint ventures' unrecognised loss	(1,351)	(1,683)
Cumulative share of joint ventures' unrecognised losses	(4,020)	(2,669)

23 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Notes	Consolidated		Monash University	
		2016	2015	2016	2015
		\$000's	\$000's	\$000's	\$000's
At beginning of year		543,141	495,986	334,561	316,526
Additions		233,299	94,310	173,375	40,954
Disposals (sale and redemption)		(168,454)	(35,712)	(157,864)	(13,712)
Revaluation surplus / (deficit) transferred to equity	34(b)	22,779	(17,059)	13,908	(10,701)
Net gain / (loss) on disposal of available-for-sale financial assets	34(b)	1,230	5,616	(130)	1,494
At end of year		631,995	543,141	363,850	334,561

Listed securities and managed funds

Current

Listed securities	201	94	-	-
Total current	201	94	-	-

Non-current

Listed securities	2,853	3,134	67	45	
Managed funds	628,941	539,913	363,783	334,516	
Total non-current	631,794	543,047	363,850	334,561	
Total available-for-sale financial assets	47	631,995	543,141	363,850	334,561

24 OTHER FINANCIAL ASSETS

Current

Term deposits (> 90 days)	-	13,700	-	-
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Non-current

Interests in subsidiaries	45	-	-	27,221	19,377
Unlisted securities at cost	47	2,678	8,894	1,556	8,148
Unlisted securities at fair value	47	21,960	15,081	20,327	13,448
Derivative asset	47	8,500	7,133	8,500	7,133
Total non-current other financial assets		33,138	31,108	57,604	48,106
Total other financial assets		33,138	44,808	57,604	48,106

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

25 INVESTMENT PROPERTIES

	Consolidated		Monash University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Land				
Valuation as at 1 January	68,420	66,151	49,040	47,836
Net fair value gain / (loss)	2,324	2,269	823	1,204
Transfer to/ (from) another class	(16,080)	-	(16,080)	-
Valuation as at 31 December	54,664	68,420	33,783	49,040
Buildings				
Valuation as at 1 January	24,415	22,820	4,585	3,635
Additions	1,627	647	-	-
Net fair value gain / (loss)	(1,262)	948	145	950
Transfer (to)/from another class	(2,410)	-	(2,410)	-
Valuation as at 31 December	22,370	24,415	2,320	4,585
Total investment properties	77,034	92,835	36,103	53,625
(a) Amounts recognised in profit or loss for investment properties				
Rental income	3,474	3,165	1,476	1,361
Direct operating expenses	1,433	724	845	491
Total recognised in profit or loss	2,040	2,441	631	870

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

26 PROPERTY, PLANT AND EQUIPMENT

Land, buildings and cultural assets are held at fair value. Refer note 47.

Movements in Carrying Amounts

	Equipment (i) \$000's	Library books \$000's	Cultural Assets \$000's	Land \$000's	Buildings \$000's	Buildings under Construction \$000's	Leasehold Improvements \$000's	Total \$000's
Consolidated 2016								
At 1 January 2016								
Cost	425,475	95,722	7,737	4,696	742,827	80,230	121,024	1,477,711
Valuation	-	-	59,673	313,360	1,290,341	-	630	1,664,004
Accumulated depreciation / amortisation	(281,236)	(31,093)	-	-	(232,038)	-	(61,575)	(605,942)
Net book amount	144,239	64,629	67,410	318,056	1,801,130	80,230	60,079	2,535,773
Year ended 31 December 2016								
Opening net book amount	144,239	64,629	67,410	318,056	1,801,130	80,230	60,079	2,535,773
Revaluation increment / (decrement)	-	-	3,645	-	-	-	-	3,645
Additions	61,032	2,531	1,016	3,636	72,528	194,995	22,244	357,982
Disposals - written down value	(291)	(163)	(74)	-	(15,666)	(1,262)	-	(17,456)
Depreciation / amortisation	(38,795)	(4,269)	-	-	(56,907)	-	(11,566)	(111,537)
Transfer (to) / from another class	617	-	73	16,080	57,810	(57,495)	1,404	18,489
Impairment	(94)	-	-	(14,960)	(31,913)	-	-	(46,967)
Closing net book amount	166,708	62,728	72,070	322,812	1,826,982	216,468	72,161	2,739,929
At 31 December 2016								
Cost	476,261	97,824	8,754	24,412	920,671	216,468	139,678	1,884,068
Valuation	-	-	63,316	298,400	1,194,771	-	629	1,557,116
Accumulated depreciation / amortisation	(309,553)	(35,096)	-	-	(288,460)	-	(68,146)	(701,255)
Net book amount	166,708	62,728	72,070	322,812	1,826,982	216,468	72,161	2,739,929

**MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS**

26 PROPERTY, PLANT AND EQUIPMENT (continued)

Movements in Carrying Amounts (continued)

	Equipment (i) \$000's	Library books \$000's	Cultural Assets \$000's	Land \$000's	Buildings \$000's	Buildings under Construction \$000's	Leasehold Improvements \$000's	Total \$000's
Consolidated 2015								
At 1 January 2015								
Cost	382,337	93,861	6,040	1,676	508,694	66,891	104,237	1,163,736
Valuation	-	-	58,967	315,620	1,178,776	-	630	1,553,993
Accumulated depreciation / amortisation	(258,900)	(27,383)	-	-	(188,216)	-	(46,214)	(520,713)
Net book amount	123,437	66,478	65,007	317,296	1,499,254	66,891	58,653	2,197,016
Year ended 31 December 2015								
Opening net book amount	123,437	66,478	65,007	317,296	1,499,254	66,891	58,653	2,197,016
Revaluation increment / (decrement)	-	-	706	(2,260)	116,894	-	-	115,340
Revaluation decrement recognised in the income statement	-	-	-	-	383	-	-	383
Additions	51,212	2,705	1,426	3,020	64,809	201,105	9,080	333,357
Disposals	(1,161)	(367)	(18)	-	(5,652)	(247)	(236)	(7,681)
Depreciation / amortisation	(33,295)	(4,187)	-	-	(49,799)	-	(15,361)	(102,642)
Transfer (to) / from another class	4,046	-	289	-	175,241	(187,519)	7,943	-
Closing net book amount	144,239	64,629	67,410	318,056	1,801,130	80,230	60,079	2,535,773
At 31 December 2015								
Cost	425,475	95,722	7,737	4,696	742,827	80,230	121,024	1,477,711
Valuation	-	-	59,673	313,360	1,290,341	-	630	1,664,004
Accumulated depreciation / amortisation	(281,236)	(31,093)	-	-	(232,038)	-	(61,575)	(605,942)
Net book amount	144,239	64,629	67,410	318,056	1,801,130	80,230	60,079	2,535,773

(i) Equipment includes equipment under construction.

**MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS**

26 PROPERTY, PLANT AND EQUIPMENT (continued)

Movements in Carrying Amounts (continued)

	Equipment (i) \$000's	Library books \$000's	Cultural Assets \$000's	Land \$000's	Buildings \$000's	Buildings under Construction \$000's	Leasehold Improvements \$000's	Total \$000's
Monash University 2016								
At 1 January 2016								
Cost	419,150	95,722	7,737	4,696	592,993	79,031	106,207	1,305,536
Valuation	-	-	59,673	313,360	1,226,683	-	630	1,600,346
Accumulated depreciation / amortisation	(279,273)	(31,093)	-	-	(230,791)	-	(57,318)	(598,475)
Net book amount	139,877	64,629	67,410	318,056	1,588,885	79,031	49,519	2,307,407
Year ended 31 December 2016								
Opening net book amount	139,877	64,629	67,410	318,056	1,588,885	79,031	49,519	2,307,407
Revaluation increment / (decrement)	-	-	3,645	-	-	-	-	3,645
Additions	61,031	2,531	1,016	3,636	69,771	191,437	22,245	351,667
Disposals	(291)	(163)	(74)	-	(15,668)	(1,262)	-	(17,458)
Depreciation / amortisation	(36,943)	(4,269)	-	-	(49,936)	-	(8,573)	(99,721)
Transfer (to) / from another class	(73)	-	73	16,080	57,811	(52,931)	(2,470)	18,490
Impairment	(94)	-	-	(14,960)	(31,913)	-	-	(46,967)
Closing net book amount	163,507	62,728	72,070	322,812	1,618,950	216,275	60,721	2,517,063
At 31 December 2016								
Cost	469,245	97,824	8,754	24,412	704,422	216,275	120,988	1,641,920
Valuation	-	-	63,316	298,400	1,194,770	-	630	1,557,116
Accumulated depreciation / amortisation	(305,738)	(35,096)	-	-	(280,242)	-	(60,897)	(681,973)
Net book amount	163,507	62,728	72,070	322,812	1,618,950	216,275	60,721	2,517,063

**MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS**

26 PROPERTY, PLANT AND EQUIPMENT (continued)

Movements in Carrying Amounts (continued)

	Equipment (i) \$000's	Library books \$000's	Cultural Assets \$000's	Land \$000's	Buildings \$000's	Buildings under Construction \$000's	Leasehold Improvements \$000's	Total \$000's
Monash University 2015								
At 1 January 2015								
Cost	380,138	93,861	6,040	1,676	508,694	28,870	97,363	1,116,642
Valuation	-	-	58,967	315,620	1,115,948	-	630	1,491,165
Accumulated depreciation / amortisation	(258,068)	(27,383)	-	-	(184,407)	-	(43,739)	(513,597)
Net book amount	122,070	66,478	65,007	317,296	1,440,235	28,870	54,254	2,094,210
Year ended 31 December 2015								
Opening net book amount	122,071	66,478	65,007	317,296	1,440,235	28,870	54,254	2,094,211
Revaluation increment / (decrement)	-	-	706	(2,260)	110,735	-	-	109,181
Additions	51,212	2,705	1,426	3,020	64,809	75,814	9,080	208,066
Disposals	(951)	(367)	(18)	-	(5,652)	(247)	(236)	(7,471)
Depreciation / amortisation	(32,166)	(4,187)	-	-	(46,648)	-	(13,579)	(96,580)
Transfer (to) / from another class	(289)	-	289	-	25,406	(25,406)	-	-
Closing net book amount	139,877	64,629	67,410	318,056	1,588,885	79,031	49,519	2,307,407
At 31 December 2015								
Cost	419,150	95,722	7,737	4,696	592,993	79,031	106,207	1,305,536
Valuation	-	-	59,673	313,360	1,226,683	-	630	1,600,346
Accumulated depreciation / amortisation	(279,273)	(31,093)	-	-	(230,791)	-	(57,318)	(598,475)
Net book amount	139,877	64,629	67,410	318,056	1,588,885	79,031	49,519	2,307,407

(i) Equipment includes equipment under construction.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

27 INTANGIBLE ASSETS

Consolidated

	Software Development \$000's	Goodwill \$000's	Electronic Publications \$000's	Total \$000's
At 1 January 2016				
Cost	51,107	3,500	102,311	156,918
Accumulated amortisation and impairment	(37,395)	(1,679)	(19,952)	(59,026)
Net book amount	13,712	1,821	82,359	97,892

Year ended 31 December 2016

Opening net book amount	13,712	1,821	82,359	97,892
Additions	5,154	-	13,502	18,656
Disposals	(533)	-	-	(533)
Amortisation charge	(3,447)	-	(3,635)	(7,082)
Closing net book amount	14,886	1,821	92,226	108,933

At 31 December 2016

Cost	55,728	3,500	115,813	175,041
Accumulated amortisation and impairment	(40,842)	(1,679)	(23,587)	(66,108)
Net book amount	14,886	1,821	92,226	108,933

Consolidated

At 1 January 2015

Cost	50,774	3,500	90,573	144,847
Accumulated amortisation and impairment	(34,762)	(1,679)	(16,737)	(53,178)
Net book amount	16,012	1,821	73,836	91,669

Year ended 31 December 2015

Opening net book amount	16,012	1,821	73,836	91,669
Additions	2,903	-	11,738	14,641
Disposals	(1,584)	-	-	(1,584)
Amortisation charge	(3,619)	-	(3,215)	(6,834)
Closing net book amount	13,712	1,821	82,359	97,892

At 31 December 2015

Cost	51,107	3,500	102,311	156,918
Accumulated amortisation and impairment	(37,395)	(1,679)	(19,952)	(59,026)
Net book amount	13,712	1,821	82,359	97,892

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

27 INTANGIBLE ASSETS (continued)

Monash University

	Software Development \$000's	Goodwill \$000's	Electronic Publications \$000's	Total \$000's
At 1 January 2016				
Cost	48,277	-	102,311	150,588
Accumulated amortisation and impairment	(34,680)	-	(19,952)	(54,632)
Net book amount	13,597	-	82,359	95,956

Year ended 31 December 2016

Opening net book amount	13,597	-	82,359	95,956
Additions	4,364	-	13,501	17,865
Disposals	(533)	-	-	(533)
Amortisation charge	(3,391)	-	(3,635)	(7,026)
Net book amount	14,037	-	92,225	106,262

At 31 December 2016

Cost	52,108	-	115,812	167,920
Accumulated amortisation and impairment	(38,071)	-	(23,587)	(61,658)
Net book amount	14,037	-	92,225	106,262

Monash University

At 1 January 2015

Cost	47,870	-	90,573	138,443
Accumulated amortisation and impairment	(32,276)	-	(16,737)	(49,013)
Net book amount	15,594	-	73,836	89,430

Year ended 31 December 2015

Opening net book amount	15,594	-	73,836	89,430
Additions	2,903	-	11,738	14,641
Disposals	(1,510)	-	-	(1,510)
Amortisation charge	(3,390)	-	(3,215)	(6,605)
Closing net book amount	13,597	-	82,359	95,956

At 31 December 2015

Cost	47,873	-	102,311	150,184
Accumulated amortisation and impairment	(34,276)	-	(19,952)	(54,228)
Net book amount	13,597	-	82,359	95,956

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

28 OTHER ASSETS

	Consolidated		Monash University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Current				
Prepayments (i)	17,849	16,111	17,445	15,527
Deposits	-	1,250	-	1,250
Total current other assets	17,849	17,361	17,445	16,777
Non-current				
Prepayments (i)	21,314	22,089	21,314	22,089
Total other non-current assets	21,314	22,089	21,314	22,089
Total other assets	39,163	39,450	38,759	38,866

(i) Prepayments include contributions made by Monash University for occupation of space in key facilities of strategic importance, and are amortised over a period of 30 years.

29 PAYABLES

Current payables

External Creditors	119,609	94,365	118,561	93,992
Accrued charges	30,316	24,960	23,366	18,986
Funds under administration	11,593	11,382	11,593	11,382
Restructuring leave entitlements (i)	-	2,930	-	2,930
Other payable	70,937	54,974	65,473	48,334
Total external payables	232,455	188,611	218,993	175,624

Intercompany

Monash Investment Trust	-	-	8,705	8,143
Monash Foundation	-	-	175	-
Monash College Pty Ltd	-	-	36,725	24,966
Monash Accommodation Services Pty Ltd	-	-	4,537	2,327
Total current payables	232,455	188,611	269,135	211,060

Non-current payables

External				
Total non-current payables	-	-	-	-
Total payables	232,455	188,611	269,135	211,060

(i) All restructuring leave entitlements payable to Federation University have been fully settled in 2016.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

30 BORROWINGS

	Note	Consolidated		Monash University	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Current					
Secure		-	-	-	-
Unsecured					
Bank loans		80,974	6,000	80,974	6,000
Notes	46(a)	1,675	1,663	1,675	1,663
Total current unsecured borrowings		82,649	7,663	82,649	7,663
Total current borrowings		82,649	7,663	82,649	7,663
Non-current					
Unsecured					
Bank loans - Commercial Bills					
Repayable 1-5 years		31,329	30,335	31,329	30,335
Repayable over 5 years		218,499	226,303	218,499	226,303
Total Bank Loans - Commercial Bills		249,828	256,638	249,828	256,638
Notes					
Repayable 1-5 years		6,699	6,654	6,699	6,654
Repayable over 5 years		156,583	157,194	156,583	157,194
Total Notes		163,282	163,848	163,282	163,848
Total non-current unsecured borrowings		413,110	420,486	413,110	420,486
Total non-current borrowings		413,110	420,486	413,110	420,486
Total borrowings		495,759	428,149	495,759	428,149
Credit standby arrangements					
Total facilities					
Bank loans		348,842	355,638	348,802	355,638
Notes		164,957	165,511	164,957	165,511
Bank overdrafts		2,000	2,000	2,000	2,000
		515,799	523,149	515,759	523,149
Used at balance date					
Bank loans		(330,802)	(262,638)	(330,802)	(262,638)
Notes		(164,957)	(165,511)	(164,957)	(165,511)
		(495,759)	(428,149)	(495,759)	(428,149)
Unused at balance date					
Bank loans		18,040	93,000	18,000	93,000
Bank overdrafts		2,000	2,000	2,000	2,000
		20,040	95,000	20,000	95,000
Borrowing facilities					
Total facilities		515,799	523,149	515,759	523,149
Used at balance date		(495,759)	(428,149)	(495,759)	(428,149)
Unused at balance date		20,040	95,000	20,000	95,000

Where notes are denominated in USD, the cashflows are hedged using a cross currency interest rate swap arrangement. The amounts reported in the USD denominated borrowings notes are converted at the spot rate at the end of the year.

The fixed interest rate maturities for these notes disclosed in Note 46 are based on the actual AUD amounts payable under the swap arrangement.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

31 PROVISIONS

	Notes	Consolidated		Monash University	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Current					
Provision for remuneration withheld		-	52	-	52
Provision for bonus payments		918	1,142	-	-
Restructuring provision	31(b)	242	921	242	921
Employee benefits:					
Academic:					
Provision for long service leave		64,254	60,693	61,620	58,216
Provision for recreation leave		36,124	34,298	34,434	32,413
Provision for parental leave		472	14	-	-
Non-Academic:					
Provision for long service leave		49,138	46,199	48,755	45,665
Provision for recreation leave		27,276	26,228	26,283	25,531
Provision for parental leave		68	-	-	-
Total current provisions		178,492	169,547	171,334	162,798
Non-Current					
Restructuring provision	31(b)	-	59	-	59
Employee benefits:					
Academic:					
Provision for long service leave		16,802	15,075	15,973	14,650
Non-Academic:					
Provision for long service leave		19,943	18,376	19,646	18,263
Total non-current provisions		36,745	33,510	35,619	32,972
Total provisions		215,237	203,057	206,953	195,770
(a) Current long service leave and recreation leave:					
Expected to be settled within 12 months					
Academic:					
Provision for Long Service Leave - nominal value		8,102	8,022	7,743	7,596
Provision for Recreation Leave - nominal value		23,230	21,911	21,939	20,904
Non-Academic:					
Provision for Long Service Leave - nominal value		7,117	6,326	7,065	6,213
Provision for Recreation Leave - nominal value		21,684	20,988	20,926	20,616
Total within 12 months		60,133	57,247	57,673	55,329
Expected to be settled beyond 12 months					
Academic:					
Provision for Long Service Leave - present value		56,151	52,671	53,872	50,616
Provision for Recreation Leave - present value		12,893	12,387	12,495	11,509
Non-Academic:					
Provision for Long Service Leave - present value		42,022	39,873	41,691	39,452
Provision for Recreation Leave - present value		5,591	5,240	5,357	4,915
Total beyond 12 months		116,657	110,171	113,415	106,492
Total current long service leave and recreation leave		176,790	167,418	171,088	161,821

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

31 PROVISIONS (continued)

(b) Movements in provisions

	Consolidated		Monash University	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Restructuring provisions				
Carrying amount at start of year	980	11,834	980	11,834
Additional provisions recognised	-	186	-	186
Amounts used	(738)	(11,040)	(738)	(11,040)
Carrying amount at end of year	242	980	242	980

The above restructuring provisions relate to final 2016 outstanding balances of support payments to Federation University and is expected to be fully paid in the first quarter of 2017.

32 OTHER LIABILITIES

Current

Prepaid rentals	582	450	-	-
Student fees received in advance	82,403	67,320	64,406	52,302
Income received in advance	6,299	7,278	6,299	7,278
Other liabilities	4,973	7,394	4,970	7,394
Current tax liability	31	-	-	-
Total current other liabilities	94,288	82,442	75,675	66,974

Non-current

Derivative liability - Note 46(a)	3,933	-	3,933	-
Other liabilities	4,235	-	4,235	-
Total non-current other liabilities	8,168	-	8,168	-
Total other liabilities	102,456	82,442	83,843	66,974

33 CAPITAL

Funds held in perpetuity:

Monash University Foundation

Funds held in perpetuity at 1 January	153,684	151,407	-	-
Preservation of capital	2,044	2,277	-	-
Funds held in perpetuity at 31 December	155,728	153,684	-	-

Contributed capital:

Commonwealth and State Government financial assistance

Contributions to capital works and land	83,102	83,102	83,102	83,102
Total contributed capital	83,102	83,102	83,102	83,102
Total capital	238,830	236,786	83,102	83,102

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

34 RESERVES

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Asset revaluation reserve				
Asset revaluation reserve at 1 January	1,132,564	1,017,224	1,106,238	997,058
Transfers (from) / to asset revaluation reserve	(63,395)	115,340	(43,229)	109,181
Asset revaluation reserve at 31 December	1,069,169	1,132,564	1,063,009	1,106,239
Investment revaluation reserve				
Investment revaluation reserve at 1 January	7,502	10,014	6,748	4,101
Transfers to investment revaluation reserve	27,124	(2,512)	18,268	2,647
Investment revaluation reserve at 31 December	34,626	7,502	25,016	6,748
Foreign currency translation reserve				
Foreign currency translation reserve at 1 January	(25,068)	(23,504)	-	-
Transfers to / (from) foreign currency translation reserve	1,246	(1,564)	-	-
Foreign currency translation reserve at 31 December	(23,822)	(25,068)	-	-
Hedge reserve				
Hedge reserve at 1 January	(9,128)	(6,658)	(9,128)	(6,658)
Transfers to / (from) hedge reserve	(3,511)	(2,470)	(3,511)	(2,470)
Hedge reserve at 31 December	(12,639)	(9,128)	(12,639)	(9,128)
Total reserves	1,067,334	1,105,870	1,075,386	1,103,859
Movements:				
(a) Asset revaluation reserve:				
Balance 1 January	1,132,564	1,017,224	1,106,238	997,058
Gain on revaluation of cultural assets	3,645	706	3,645	706
Gain / (loss) on revaluation of land and buildings, including impairment	(46,874)	114,634	(46,874)	108,475
Transfer to Retained Earnings	(20,166)	-	-	-
Balance 31 December	1,069,169	1,132,564	1,063,009	1,106,239
(b) Investment revaluation reserve:				
Balance 1 January	7,502	10,014	6,748	4,101
Realised (gain)/loss on sale of investments - transfer to net profit (i)	(1,245)	(5,615)	130	(1,494)
Realised gain on previously impaired investments -transfer to net profit	(2,519)	(334)	(2,519)	-
Revaluation of available-for-sale financial assets	24,009	(11,443)	13,778	(9,207)
Revaluation of other financial assets	6,879	14,880	6,879	13,348
Balance 31 December	34,626	7,502	25,016	6,748
(i) Includes gain on disposal not reinvested in available for sale financial assets (Refer Note 23)				
(c) Foreign currency translation reserve:				
Balance 1 January	(25,068)	(23,504)	-	-
Currency translation differences arising during the year	1,246	(1,564)	-	-
Balance 31 December	(23,822)	(25,068)	-	-

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

34 RESERVES (continued)

(d) Hedge reserve:

	Notes	Consolidated		Monash University	
		2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Balance 1 January		(9,128)	(6,658)	(9,128)	(6,658)
Currency and interest rate swap contract	46(a)	(3,511)	(2,470)	(3,511)	(2,470)
Balance 31 December		(12,639)	(9,128)	(12,639)	(9,128)

35 RETAINED EARNINGS

Retained earnings at 1 January		1,344,794	1,192,932	1,159,796	1,030,655
Adjustment to opening retained earnings		-	(7,995)	-	-
Transfer from Asset Revaluation Reserve		20,166	-	-	-
Net result for the year		171,485	162,134	104,571	129,141
Deferred government superannuation contributions	39(b)	(5,681)	1,229	(5,681)	1,229
Deferred employee benefits for superannuation	39(b)	5,681	(1,229)	5,681	(1,229)
Preservation of capital		(2,044)	(2,277)	-	-
Loss on deconsolidation		(1,562)	-	-	-
Retained earnings at 31 December		1,532,839	1,344,794	1,264,367	1,159,796

36 ASSURANCE AND OTHER SERVICES

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

Fees paid to Auditor-General of Victoria for the audit of financial reports		461	383	321	284
Fees paid to Non-Auditor-General of Victoria firms for the audit of financial reports and other assurance services		297	101	244	50
Total remuneration for assurance services		758	484	565	334

**MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS**

37 RESPONSIBLE PERSONS AND EXECUTIVE OFFICERS

(a) Minister

The responsible Minister is The Hon. Gayle Tierney MLC, Minister for Training and Skills (effective 9 November 2016).

The Hon. Steve Herbert MP was the responsible Minister for Training and Skills from 4 December 2014 to 9 November 2016.

Remuneration of the Minister is disclosed in the financial report of the Department of Premier and Cabinet. Other relevant interests are declared in the Register of Members' Interests, which each member of Parliament completes.

(b) Names of Responsible Persons

Responsible Persons are defined as being members of University Council. The names of members of University Council who held office during the reporting period are shown below:

Mr Y. Blacher PSM	Dr H. Drennen AM
Professor R. Brown	Professor M. Gardner AO
Mr S. Buggle	Ms M. Hopper
Ms H. Carmody	Mr S. McKeon AO
Dr M. Clark AC	Dr C. Nixon APM
Professor R. Coppel (<i>appointed 1 November 2016</i>)	Mr J. Simpson
The Hon S. Crean	The Hon P. Young QC
Mr M. Cubit	Mr Z. Zhang (<i>appointed 1 November 2016</i>)
Professor C. Davies	

(c) Related Party Transactions

The Responsible Persons listed in the table below hold positions in another entity that results in them having control or significant influence over the financial or operating policies of that entity. These entities transacted with the University in the reporting period on an arm's length basis in the ordinary course of business and on normal commercial terms and conditions.

Other related party transactions requiring disclosure under the directions of the Minister for Finance have been considered and there are no matters to report.

Responsible Person	External position held	Nature of transaction	2016 Received/ (Paid) by Monash University \$'000	2015 Received/ (Paid) by Monash University \$'000
Mr S. Buggle	Deputy Chief Financial Officer at Australia and New Zealand Banking Group Ltd (ANZ)	Provision of industry based learning scholarships and internships, and various grants from ANZ's Equity Trustees (e.g. Holsworth Wildlife Research Award funding).	400	600
		Interest expense paid by Monash University related to outstanding long-term, fixed rate borrowings (taken out in the period 2005-2007; decisions on these borrowings were made prior to Mr Buggle's appointment to Council) of \$99.4M (2015: \$103.4M) to ANZ.	(7,500)	(7,800)
		Interest received by Monash University on \$90M (2015: \$57.1M) of short-term (60-90 day maturity) deposits held with ANZ.	600	600
Dr M. Clark AC	Non-executive Director at Rio Tinto and Chairman of the Sustainability Committee	Provision of contract research services provided to Rio Tinto.	600	-
		Provision of contract research and scientific tests.	400	-
		Provisions predominantly related to research collaboration and/or shared research grant activities.	900	500
Professor M. Gardner AO	Director of Australia and New Zealand School of Government	Provision of program funding and salary recovery costs for chairing the Executive Master of Public Administration Program.	400	300
		Provisions predominantly related to research collaboration and/or shared research grant activities.	(400)	(300)
Professor M. Gardner AO	Director of Universities Australia	University membership contributions and conference fees.	(300)	(300)

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

37 RESPONSIBLE PERSONS AND EXECUTIVE OFFICERS (continued)

Responsible Person	External position held	Nature of transaction	2016 Received/ (Paid) by Monash University \$'000	2015 Received/ (Paid) by Monash University \$'000
Professor R. Brown	Spouse of the Chief Executive Officer of CRC for Water Sensitive Cities	Provision of funds for Monash research undertaken as part of the work program for the CRC (Note current funding agreement between Monash and the CRC was executed in 2012 prior to Professor Brown being appointed to Council).	4,800	5,600
Mr Z. Zhang	Director of O Group	Rental income for use of Monash University space by the O Group (Note payments received in 2016 were made pursuant to a legal agreement executed between Monash and the O Group in November 2015 before Mr Zhang was appointed to Council).	200	-

¹All transactions listed above have been rounded to the nearest \$100,000.

²The University's Vice Chancellor is the spouse of the Vice Chancellor of The University of Melbourne (UniMelb). The University received \$8.7M (2015: \$10.6M) from and paid \$9.4M (2015: \$11.9M) to UniMelb predominantly relating to research collaboration and/or shared research grant activities. The Vice-Chancellor made no decisions relating to financial arrangements of these collaborative/shared activities during the reporting period.

(d) Remuneration of Responsible Persons

The number of members of University Council and their total remuneration received or receivable for the reporting period, is shown under Monash University in the tables below; in total and in relevant income bands. Details of Responsible Persons and Executive Officers of controlled entities are disclosed in the respective financial statements of those entities.

Additionally, where University Council members are also board members of Monash University's subsidiaries, they may elect to receive their Council remuneration plus 50 per cent of the relevant remuneration as approved by the Board of the controlled entity. One University Council member elects to receive remuneration in this

way and their total remuneration is included in the tables below. In 2016, Monash had four University Council members who were staff members of the University (2015: three). Their remuneration as a staff member is reported; they received no additional remuneration for being a member of University Council.

Remuneration rates and arrangements for external University Council members is determined by the Minister. There are thirteen external members of University Council who elected to receive remuneration in 2016 for carrying out their University Council roles, and these amounts are included in the tables below (2015: eleven).

Income Band	Monash University	
	2016	2015
\$0 - \$9,999	1	-
\$20,000 - \$29,999	-	2
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	-	6
\$50,000 - \$59,999	10	1
\$90,000 - \$99,999	1	1
\$100,000 - \$109,999	1	-
\$180,000 - \$189,999	-	-
\$270,000 - \$279,999	-	1
\$300,000 - \$309,999	1	-
\$310,000 - \$319,999	2	-
\$320,000 - \$329,999	-	-
\$330,000 - \$339,999	-	1
\$1,020,000 - \$1,029,999	1	1
Total number of Responsible Persons	17	14

Remuneration of members of University Council / Board members of subsidiaries	Monash University	
	2016 \$'000	2015 \$'000
Short-term employee benefits	2,498	1,993
Post-employment benefits	203	148
Total	2,701	2,141

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

37 RESPONSIBLE PERSONS AND EXECUTIVE OFFICERS (continued)

(e) Remuneration of Executive Officers

Executive officers are defined as officers within the University occupying a senior management position that has a direct influence on the operation of the University. The total remuneration received or receivable by Executive officers of the University is shown in the first table below. The total number of Executive officers, together with their base and total remuneration in relevant income bands, is presented in the second table below.

Total executive remuneration has decreased by 0.4% in 2016. This is due to a range of factors, including the net impact of changes in fractional employment arrangements, one senior executive staff member who ceased to be an Executive officer, and the departure of two senior executive staff members during 2016 who received payment-in-lieu of accrued but untaken annual and long service leave.

Remuneration of Executive Officers	Monash University	
	2016 \$'000	2015 \$'000
Short-term employee benefits	12,880	13,148
Post-employment benefits	1,994	1,813
Other long-term benefits	31	11
Termination benefits	-	-
Total	14,905	14,972

Income Band	Monash University			
	Total Remuneration		Base Remuneration	
	2016	2015	2016	2015
\$150,000 - \$159,999	1	1	1	1
\$230,000 - \$239,999	-	-	-	1
\$240,000 - \$249,999	-	-	1	1
\$260,000 - \$269,999	1	2	2	1
\$270,000 - \$279,999	-	-	1	-
\$280,000 - \$289,999	1	-	-	-
\$290,000 - \$299,999	1	1	1	1
\$300,000 - \$309,999	-	-	-	2
\$310,000 - \$319,999	-	1	1	2
\$320,000 - \$329,999	1	2	2	2
\$330,000 - \$339,999	1	1	3	3
\$340,000 - \$349,999	1	2	1	2
\$350,000 - \$359,999	1	1	3	-
\$360,000 - \$369,999	1	2	-	2
\$370,000 - \$379,999	3	2	2	1
\$380,000 - \$389,999	3	-	1	-
\$390,000 - \$399,999	-	2	-	2
\$400,000 - \$409,999	-	1	1	3
\$410,000 - \$419,999	2	-	3	-
\$420,000 - \$429,999	1	1	-	1
\$430,000 - \$439,999	-	1	-	1
\$440,000 - \$449,999	2	2	1	-
\$450,000 - \$459,999	2	1	1	-
\$460,000 - \$469,999	-	1	-	-
\$470,000 - \$479,999	1	1	-	-
\$480,000 - \$489,999	-	1	-	2
\$500,000 - \$509,999	1	-	3	1
\$520,000 - \$529,999	-	1	-	-
\$540,000 - \$549,999	1	-	-	-
\$550,000 - \$559,999	1	1	-	-
\$560,000 - \$569,999	-	-	1	-
\$570,000 - \$579,999	1	-	-	1
\$580,000 - \$589,999	-	-	1	-
\$600,000 - \$609,999	-	-	-	1
\$610,000 - \$619,999	-	-	1	1
\$620,000 - \$629,999	1	-	-	-
\$630,000 - \$639,999	1	-	1	-
\$650,000 - \$659,999	-	-	-	1
\$660,000 - \$669,999	-	1	-	-
\$670,000 - \$679,999	-	1	-	-
\$680,000 - \$689,999	-	-	-	1
\$690,000 - \$699,999	1	-	-	-
\$700,000 - \$709,999	1	1	1	-
\$720,000 - \$729,999	-	1	-	-
\$730,000 - \$739,999	1	1	-	-
\$740,000 - \$749,999	-	1	-	-
\$770,000 - \$779,999	1	-	-	-
Total number of Executive Officers	33	34	33	34
Annualised Employee Equivalent (AEE)	31.8	32.7	31.8	32.7

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

38 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

No material bank guarantees have been provided to third parties in 2016 and 2015.

There are a number of legal claims and exposures which arise from the ordinary course of business, none of which are individually significant. Where the asset is not virtually certain and the liability is not probable the Group has not provided for such amounts in these financial statements. Additionally, there are a number of legal claims or potential claims against the Group, the outcome of which cannot be foreseen at present, and for which no amounts have been included.

39 SUPERANNUATION FUNDS

The University contributes to the following superannuation funds on behalf of its employees:

(a) UniSuper Ltd

UniSuper Ltd offers eligible members the choice of three schemes known as:

- (i) Defined Benefit Division
- (ii) Accumulation 2
- (iii) Accumulation 1

(i) Defined Benefit Division

The UniSuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law. As a result of amendments to Clause 34 of the UniSuper Trust Deed, it is treated as a defined contribution plan under Accounting Standard AASB 119.

The University makes contributions at the rate of 14% of gross salary.

Employees contribute at a rate between 0% and 7% of gross salary.

(ii) Accumulation 2

This section of the scheme is a cash accumulation scheme and the University makes contributions at a rate of 14% of gross salary.

Employees contribute at a rate between 0% and 7% of gross salary.

(iii) Accumulation 1

This section of the scheme is a cash accumulation productivity scheme and the University makes contributions at a rate of between 0% and 9.5% of gross salary.

Total contributions by the University to DBD, Accumulation 2 and Accumulation 1 for the year ended 31st December 2016 were \$111,758,197 (2015: \$103,958,628).

(b) Government Superannuation Office (GSO) (an operating division of the Emergency Services Super Board)

Monash University has, in its staffing profile, a number of employees who are members of the State Superannuation Fund, which is a defined benefits scheme administered by GSO.

As at 31 December 2016, the State Superannuation Fund was carrying total liabilities for member benefits, in excess of the value of the scheme's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the scheme. The notional share of this public-sector employee superannuation scheme's unfunded liabilities attributable to Monash University, as assessed by the scheme as at 31 December 2016, amounted to \$156,534,000 (2015: \$162,215,000).

The notional liability decreased by \$5,681,000 (minus 3.5%) from 2015 to 2016. This was due to the impact of a 4.0% decrease in membership, being partially offset by the discount rate decreasing from 3.51% to 3.25%.

It should be noted that an arrangement exists between the Australian Government and the State Government to meet the unfunded liability attributable to Monash University's beneficiaries of the State Superannuation Fund on an emerging cost basis. The arrangement is evidenced by the State Grants (General Revenue) Amendment Act 1987, Higher Education Funding Act 1988 and subsequent amending legislation. Accordingly, the unfunded liability (Deferred employee benefits for superannuation) and corresponding asset (Deferred Government superannuation contributions) have been recognised on the Statement of Financial Position. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the University. Total contributions by the University for the year ended 31 December 2016 were \$10,911,134 (2015: \$11,612,571).

(c) Other Superannuation Funds

Contributions are made by the University to other approved superannuation funds. These funds include accumulation and defined benefit funds and have no unfunded liabilities.

Total contributions of \$666,825 were made in 2016 (2015: \$481,890).

40 GEOGRAPHIC INFORMATION

The University operates predominantly in the field of education in Australia and provides teaching and research services.

The South African Campus is operated through a joint venture arrangement with Laureate International B.V. Monash's interest is through a 25% shareholding in the jointly controlled holding company GNUCO Pty Ltd (sole shareholder of Monash South Africa Ltd). Refer Note 22.

The Malaysian Campus is operated through a 45% (2015, 45%) ownership of associated entity Monash University Malaysia Sdn Bh. Investment in this entity is accounted for using the equity method. Refer Note 22.

The University partners with Southeast University in Nanjing in a joint graduate school in China and is establishing a joint research institute there under the partnership. Monash also has a wholly foreign owned entity in China, Monash (Suzhou) Engineering Technology Co Ltd to provide technical and consulting services to industries in China.

The IITB-Monash Research Academy is a joint venture between the University and the Indian Institute of Technology Bombay. The Academy offers a jointly badged PhD and aims to deliver innovative solutions through collaborative, multi-disciplinary research projects across areas of strategic importance to industry and to Australia and India. Investment in this entity is accounted for using the equity method. Refer Note 22.

41 EVENTS SUBSEQUENT TO BALANCE DATE

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

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

42 COMMITMENTS

(a) Capital commitments

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:				
Property, Plant and Equipment, payable:				
Within one year	228,431	88,148	227,890	86,057
Later than one year but not later than five years	27,416	24,586	27,416	24,586
	255,847	112,734	255,306	110,643

(b) Lease Commitments - as Lessee

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:

Within one year	34,072	33,211	23,705	21,405
Later than one year but not later than five years	110,223	118,338	81,916	79,184
Later than five years	170,286	184,264	165,301	173,099
	314,581	335,813	270,922	273,688

Representing:

Non-cancelable operating leases	305,739	318,248	262,080	261,851
Cancelable operating leases	8,842	17,565	8,842	11,837
	314,581	335,813	270,922	273,688

Operating leases

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

Within one year	31,005	28,046	20,638	18,344
Later than one year but not later than five years	104,448	105,939	76,141	70,408
Later than five years	170,286	184,263	165,301	173,099
	305,739	318,248	262,080	261,851

Commitments for minimum lease payments in relation to cancelable operating leases are payable as follows:

Within one year	3,067	5,165	3,067	2,998
Later than one year but not later than five years	5,775	12,400	5,775	8,839
	8,842	17,565	8,842	11,837

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

42 COMMITMENTS (continued)

(c) Lease Commitments - as Lessor

Future minimum rentals receivable under non-cancellable operating leases at the reporting date but not recognised as assets are as follows:

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Within one year	5,935	4,368	7,228	6,265
Later than one year but not later than five years	13,451	8,668	18,840	16,032
Later than five years	233	336	1,005	3,101
Total lease commitments as lessor	19,619	13,372	27,073	25,398

43 RELATED PARTIES

(a) Parent entities

The ultimate parent entity is Monash University.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 45.

(c) Associates and Jointly controlled entities

Interests in associates and jointly controlled entities are set out in Note 22.

(d) Directors and specified executives

Disclosures relating to directors and specified executives are set out in Note 37.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

43 RELATED PARTIES (continued)

(e) Transactions with related parties

The following transactions occurred with related parties:

	Monash University	
	2016	2015
	\$000's	\$000's
Amounts received from:		
Monash Accommodation Services Pty Ltd	8,396	10,689
Monash College Pty Ltd	44,316	36,592
Monash Investment Trust	803	1,042
Monash Property South Africa Pty Ltd	24	36
Monash South Africa Limited	-	42
Monash University Foundation Trust	15,072	12,535
Monash University Malaysia Sdn Bhd	13,342	14,092
Hudson Institute of Medical Research	3,865	7,167
IITB - Monash Research Academy	615	145
Monash Health Research Precinct Pty Ltd	250	-
	86,683	82,340
Amounts paid to:		
Monash Accommodation Services Pty Ltd	62	153,494
Monash College Pty Ltd	1,638	1,226
Monash Investment Trust	1,825	1,895
Monash South Africa Limited	1,065	66
Monash University Foundation Trust	48,202	14,660
Monash University Malaysia Sdn Bhd	861	1,013
Hudson Institute of Medical Research	29,569	33,991
IITB - Monash Research Academy	1,506	1,345
BioCurate Pty Ltd	1,095	-
	85,823	207,690

Amounts receivable and payable between related parties are disclosed in notes 20 and 29 respectively.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

44 RECONCILIATION OF NET RESULT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Consolidated		Monash University	
	2016	2015	2016	2015
	\$000's	\$000's	\$000's	\$000's
Net result for the year	171,485	162,134	104,571	129,142
Donated assets	(93)	(3,155)	(93)	(3,155)
Share of profits of associated and joint venture partnerships not received as dividends or distributions	(2,199)	(640)	-	-
Net gain on investments	(27,735)	(44,394)	(15,874)	(25,865)
Net (gain) / loss on investment properties	(1,062)	(3,217)	(969)	(2,154)
Net (gain) / loss on sale of non-current assets	17,209	8,633	17,209	8,558
Net exchange differences	109	794	109	794
Depreciation, amortisation and impairment	118,712	109,476	106,840	103,186
Capitalised finance costs	(7,796)	(10,165)	(7,796)	(3,184)
Bad and impaired debt expense	1,499	123	1,462	(39)
Provisions	12,180	4,955	11,183	3,518
Capitalised interest revenue	(1,918)	(1,865)	(10,077)	(8,846)
Impairment of investments	-	5,000	-	5,000
Realised gain on previously impaired investments	(2,519)	(334)	(2,519)	-
Provision for current tax	31	(1,406)	-	-
Other non-cash items	587	823	962	825
Changes in assets and liabilities:				
(Increase)/decrease in receivables	(21,638)	5,971	(21,777)	(6,701)
(Increase)/decrease in prepayments	(322)	(1,342)	(502)	1,005
(Increase)/decrease in inventories	(37)	(1,341)	(37)	(1,341)
Decrease in other current assets	-	411	-	411
Increase/(decrease) in payables	44,356	31,964	43,754	25,796
Increase/(decrease) in student fees received in advance	15,083	12,293	12,104	9,398
Increase/(decrease) in other income received in advance	(4,598)	1,261	(4,731)	1,003
Increase in other liabilities	5,565	-	5,565	-
Net cash inflow from operating activities	316,899	275,979	239,384	237,351

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

45 SUBSIDIARIES

Entity	Place of Incorporation	Countries where business carried on	Principal Activities	Details of Group Beneficial Interest		Details of Investment	
				2016 %	2015 %	2016 \$000	2015 \$000
Monash Commercial Pty Ltd	Victoria	Australia	Commercialisation of research and the provision of other services. No longer trading.	100%	100%	11,962	11,962
Monash Investment Holdings Pty Ltd	Victoria	Australia	Trustee of Monash Investment Trust.	100%	100%	10	10
Monash Investment Trust	Victoria	Australia	Manage investments on behalf of Monash University.	100%	100%	-	-
Monash Educational Enterprises NPC	South Africa	South Africa	Deregistered on 1 December 2016	100%	100%	-	-
Monash Property South Africa Pty Ltd	Victoria	Australia / South Africa	Ownership and development of the South African campus property. Sold property in 2013. Operations wound down in 2014.	100%	100%	1	1
Monash College Pty Ltd	Victoria	Australia	Education activities on behalf of Monash University or in its own right.	100%	100%	500	500
Monash University Foundation Pty Ltd	Victoria	Australia	Trustee of Monash University Foundation Trust.	100%	100%	-	-
Monash University Foundation Trust	Victoria	Australia	Generation of investment income for future benefit of Monash University.	100%	100%	-	-
Monash Accommodation Services Pty Ltd	Victoria	Australia	Construction and supply of affordable rental accommodation.	100%	100%	26,710	18,866
Monash (Suzhou) Engineering Technology Co Ltd	China	China	Technical and consulting services to industries in China	100%	100%	700	700
Monash University Indonesia Limited	Victoria	Australia	Strengthening local partnerships, encourage education and research collaborations through a representative office in Indonesia.	100%	-	-	-
Total						39,883	32,039

Monash Commercial Pty Ltd has not been consolidated as it is not trading and its results are not material.

Monash (Suzhou) Engineering Technology Co Ltd and Monash University Indonesia Ltd have recently been established and have not been consolidated as their results are not material.

**MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS**

45 SUBSIDIARIES (continued)

Summary of Financial Results

Statement of Comprehensive Income

Entity	Total Revenue		Total Expenditure		Foreign Exchange Gain / (Loss)		Tax		Net Result		Contribution to Consolidated Net Result	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000	2016 \$000	2015 \$000	2016 \$000	2015 \$000	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Monash College Pty Ltd	144,223	118,231	133,981	111,683	-	-	-	-	10,242	6,548	10,242	6,548
Monash Investment Trust	2,669	3,436	63	60	-	-	-	-	2,606	3,376	2,606	3,376
Monash University Foundation Trust	67,425	41,774	1,496	1,657	-	-	-	-	65,929	40,117	65,929	40,117
Monash Property South Africa Pty Ltd	103	99	72	116	-	-	57	12	(25)	(16)	(25)	(16)
Monash Accommodation Services Pty Ltd	27,468	15,337	28,409	20,871	-	-	-	-	(941)	(5,534)	(941)	(5,534)
Total	241,888	178,877	164,021	134,387	-	-	57	12	77,811	44,470	77,811	44,470

Statement of Financial Position

Entity	Working Capital		Physical Assets		Total Assets	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Monash College Pty Ltd	(2,777)	(14,159)	14,835	16,122	64,205	48,417
Monash Investment Trust	10,459	8,874	-	-	15,979	14,332
Monash University Foundation Trust	25,273	16,848	40,930	39,210	367,026	307,091
Monash Property South Africa Pty Ltd	794	919	-	-	2,205	1,802
Monash Accommodation Services Pty Ltd	4,218	1,702	208,032	212,246	217,283	218,959
Total	37,967	14,185	263,797	267,578	668,698	590,601

**MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS**

45 SUBSIDIARIES (continued)

Statement of Financial Position (continued)

	Internal Borrowings		External Borrowings		Total Liabilities		Equity	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Monash College Pty Ltd	-	-	-	-	50,602	45,056	13,603	3,361
Monash Investment Trust	-	-	-	-	26	36	15,953	14,296
Monash University Foundation Trust	1,554	1,554	-	-	1,852	2,722	367,174	304,369
Monash Property South Africa Pty Ltd	-	-	-	-	1,412	883	794	919
Monash Accommodation Services Pty Ltd	186,376	195,005	-	-	187,050	195,629	30,233	23,330
Total	187,929	196,559	-	-	240,942	244,326	427,757	346,277

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

46 FINANCIAL INSTRUMENTS DISCLOSURE

(a) Significant accounting policies, terms and conditions

Financial Assets

Receivables (Note 20)

Sundry debtors are generally required to be settled within 30 days. No interest is currently charged on student loans. The Group impairs specific amounts receivable where it considers recovery unlikely.

The Group does not specifically provide for all receivables over 120 days because historical experience is such that these receivables are generally collected regardless of their age.

Receivables from related entities result from commercial dealings and are made on commercial terms and conditions.

Available-for-Sale Financial Assets (Note 23)

Available-for-sale financial assets on hand comprise investments in managed funds. These financial instruments are traded in an organised financial market and are recorded at market value. Unrealised market adjustments are initially recognised in equity. Investment gains and losses realised from the sale of investments are then transferred from equity and reflected in the Statement of Comprehensive Income.

Asset allocations and portfolio structures are determined by the Investment Advisory Committee, overseen by Resources and Finance Committee of Council. Management of exposures through futures, options, hedging, interest or currency swaps and other arrangements are also considered through the Investment Advisory Committee.

Derivative Financial Instruments (Note 24 and 32)

Currency and interest rate swap contracts have been put in place to remove the financial risks associated with the respective senior note issues. A derivative asset reflects the bank's market value of the exposure to the University if the swap contract were to be broken at balance date. Conversely, derivative liability exposures are disclosed in Note 32.

Hedge accounting has been applied whereby the fair value movements in derivative financial instruments are recognised in a hedge reserve, refer Note 1(m)

Financial Liabilities

Payables (Note 29)

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity. Payables are normally settled within 30 days from the month of billing. Generally, no interest is charged on payables as the Group has controls in place to ensure payables are paid within the credit timeframe. The economic entity generally makes payment to its suppliers within agreed terms of trade.

Borrowings - Bank loans (Note 30)

The bank loans are drawn on a commercial bill facility and are carried at amortised cost. Interest is charged at a fixed rate and expensed as it accrues.

Borrowings – Notes (Note 30)

Monash University issued a series of fixed rate unsecured notes to international investors. The majority of the issue is denominated in foreign currency. The foreign denominated portion of the total liability is translated at the prevailing spot rate as at balance date and the resulting revaluation is recycled through a hedge reserve as per the hedge accounting election under AASB139.

(b) Financial Risk Management Objectives

The University's Council has overall responsibility for the establishment and oversight of the Group's risk management framework. The Council established:

- The Resources and Finance Committee, which meets regularly to monitor and evaluate the University's overall financial strategies;
- The Investment Advisory Committee as a Sub-Committee of Resources and Finance Committee, which monitors and advises on investment strategy and performance.

The Group's activities expose it to a variety of financial risks; market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Investment risk exposure is monitored by the Investment Advisory Committee and investment strategies are formed within approved risk parameters. The Group and/or its fund managers use derivative financial instruments such as forward exchange contracts and cross currency and interest rate swaps to hedge certain risk exposures. The Group measures risk exposures using methods including sensitivity analysis on investment returns and other price risks, and ageing analysis for credit risk.

Policies and procedures cover specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

NOTES TO THE FINANCIAL STATEMENTS

(b) Financial Risk Management Objectives (continued)

These policies and procedures provide written principles for overall risk management.

(i) Foreign Exchange Risk

The Group undertakes certain transactions denominated in foreign currencies creating exposures to exchange rate fluctuations. Significant exchange rate exposures are managed within approved parameters, and cross currency swaps are used where appropriate to hedge exposure. The hedging instrument is entered into once the exposure is firm and ascertainable.

The carrying value of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is shown in the table below, together with sensitivity analysis which details the Group's sensitivity to a 10% decrease and 1% increase (2015: 8% decrease and 1% increase) in the Australian Dollar against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items for the Group and adjusts their translation at the period end for a change in foreign currency rates. Translation of foreign subsidiary monetary assets and liabilities only impact equity.

Consolidated 2016

	Carrying Amount	Foreign exchange risk		Result	Equity
		Result	Equity		
	\$000's	-10%	-10%	+1%	+1%
		\$000's	\$000's	\$000's	\$000's
Financial Assets					
Cash at Bank	22,640	2,264	2,264	(226)	(226)
Short-term deposits	2,195	-	220	-	(22)
Receivables	886	87	89	(8)	(9)
Total financial assets	25,721	2,351	2,573	(234)	(257)
Financial Liabilities					
Payables	64	-	(6)	-	1
Total financial liabilities	64	-	(6)	-	1

Consolidated 2015

	Carrying Amount	Foreign exchange risk		Result	Equity
		Result	Equity		
	\$000's	-8%	-8%	+1%	+1%
		\$000's	\$000's	\$000's	\$000's
Financial Assets					
Cash at Bank	9,398	751	752	(94)	(94)
Short-term deposits	1,942	12	155	(1)	(19)
Receivables	759	60	61	(8)	(8)
Total financial assets	12,099	823	968	(103)	(121)
Financial Liabilities					
Payables	891	-	(71)	-	9
Total financial liabilities	891	-	(71)	-	9

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

46 FINANCIAL INSTRUMENTS DISCLOSURE (continued)

(ii) Market Risk - Other Price Risk

Exposure to other price risk arises due to the inherent risk of the possibility of unfavourable movements in the market value of the investments. The Group's objective in managing market risk is to minimise negative impacts on investment values due to the volatility of the financial markets.

The Group has maintained a long-term strategy to manage its diversified investment portfolio, which aims to reduce the impact of investment volatility on the value of the portfolio over the longer term.

The Group appoints external, independent investment advisors to monitor financial markets and report to management and the Investment Advisory Committee. The Investment Advisory Committee are responsible for making decisions regarding asset allocation tilts and assess individual investment manager performance within the market environment against performance benchmarks.

The following tables show the Group's maximum exposure to equity market risk, and a sensitivity analysis of other price risk:

Consolidated 2016	Carrying Amount \$000's	Market price risk		
		Equity -1%	Equity +3%	Equity +7%
		\$000's	\$000's	\$000's
Financial Assets				
Available-for-sale financial assets				
Managed funds	628,941	(6,289)	18,868	44,026
Listed shares	3,054	(31)	92	214
Total financial assets	631,995	(6,320)	18,960	44,240

Consolidated 2015	Carrying Amount \$000's	Market price risk		
		Equity -10%	Equity +3%	Equity +7%
		\$000's	\$000's	\$000's
Financial Assets				
Available-for-sale financial assets				
Managed funds	539,913	(53,991)	16,197	37,794
Listed shares	3,228	(323)	97	226
Total financial assets	543,141	(54,314)	16,294	38,020

MONASH UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS

(iii) Interest Rate Risk

The University is not exposed to interest rate risk on its borrowings as all current borrowings are at fixed interest rates.

The Group has minimal exposure to interest rate risk through its holdings of cash and other short term assets.

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 25 basis point decrease and a 25 basis point increase (2015: 25 basis point decrease and a 25 basis point increase) is used when reporting interest rate risk as these represent management's assessment of the possible changes in interest rates:

Consolidated 2016	Carrying Amount \$000's	Interest rate risk			
		Result -0.25% \$000's	Equity -0.25% \$000's	Result +0.25% \$000's	Equity +0.25% \$000's
Financial Assets					
Cash at Bank	10,209	(26)	(26)	26	26
Short-term deposits	2,195	(5)	(5)	5	5
Managed Cash	33,255	(83)	(83)	83	83
Total financial assets	45,659	(114)	(114)	114	114

Consolidated 2015	Carrying Amount \$000's	Interest rate risk			
		Result -0.25% \$000's	Equity -0.25% \$000's	Result +0.25% \$000's	Equity +0.25% \$000's
Financial Assets					
Cash at Bank	6,992	(17)	(17)	17	17
Short-term deposits	1,942	(5)	(5)	5	5
Managed Cash	84,668	(212)	(212)	212	212
Total financial assets	93,602	(234)	(234)	234	234

(iv) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

46 FINANCIAL INSTRUMENT DISCLOSURE (continued)

(v) Liquidity Risk Management

The Group manages liquidity risk by maintaining adequate reserves within the short term investment pool and availability of unused borrowing facilities (Note 30), as well as continuous monitoring of forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The short term investment pool is managed within the Resources and Finance Committee approved liquidity guidelines.

Consolidated 2016

	Fixed Interest Rate Maturities						Total \$000's
	Weighted average interest rate %	Variable interest rate \$000's	Less than 1 year \$000's	1 to 5 years \$000's	5+ years \$000's	Non interest bearing \$000's	
Financial Assets							
Cash at Bank	0.95	10,209	-	-	-	22,540	32,749
Managed Cash	2.54	33,255	-	-	-	-	33,255
Short-term Deposits	2.88	2,195	23,600	-	-	-	25,795
Shares	-	-	-	-	-	27,692	27,692
Managed Funds	-	-	-	-	-	628,941	628,941
Receivables	6.77	-	-	26,663	1,926	75,883	104,472
Total financial assets		45,659	23,600	26,663	1,926	755,056	852,904
Financial Liabilities							
Loans - Bank	6.86	-	80,974	31,329	218,499	-	330,802
Notes	5.49	-	1,500	6,000	140,250	-	147,750
Payables	-	-	-	-	-	232,552	232,552
Total financial liabilities		-	82,474	37,329	358,749	232,552	711,104
Net financial assets		45,659	(58,874)	(10,666)	(356,823)	522,504	141,800

Consolidated 2015

	Fixed Interest Rate Maturities						Total \$000's
	Weighted average interest rate %	Variable interest rate \$000's	Less than 1 year \$000's	1 to 5 years \$000's	5+ years \$000's	Non interest bearing \$000's	
Financial Assets							
Cash at Bank	2.22	6,992	-	-	-	8,703	15,695
Managed Cash	2.84	-	84,668	-	-	-	84,668
Short-term Deposits	2.70	1,795	-	-	-	147	1,942
Other term deposits	2.89	-	13,700	-	-	-	13,700
Shares	-	-	-	-	-	27,203	27,203
Managed Funds	-	-	-	-	-	539,913	539,913
Receivables	6.77	-	-	25,863	1,809	59,474	87,146
Total financial assets		8,787	98,368	25,863	1,809	635,440	770,267
Financial Liabilities							
Loans - Bank	6.86	-	6,000	30,335	226,304	-	262,639
Notes	5.49	-	1,500	6,000	141,750	-	149,250
Payables	-	-	-	-	-	188,611	188,611
Total financial liabilities		-	7,500	36,335	368,054	188,611	600,500
Net financial assets		8,787	90,868	(10,472)	(366,245)	446,829	169,767

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

46 FINANCIAL INSTRUMENT DISCLOSURE (continued)

Monash University 2016

	Fixed Interest Rate Maturities						
	Weighted average interest rate	Variable interest rate	Less than 1 year	1 to 5 years	5+ years	Non interest bearing	Total
	%	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Financial Assets							
Cash at bank	1.79	2,052	-	-	-	22,539	24,591
Managed Cash	2.54	33,255	-	-	-	-	33,255
Shares	-	-	-	-	-	21,950	21,950
Managed Funds	-	-	-	-	-	363,783	363,783
Receivables	5.69	-	4,358	32,663	142,176	78,378	257,575
Total financial assets		35,307	4,358	32,663	142,176	486,650	701,154
Financial Liabilities							
Loans - Bank	6.86	-	80,974	31,329	218,499	-	330,802
Notes	5.49	-	1,500	6,000	140,250	-	147,750
Payables	-	-	-	-	-	269,135	269,135
Total financial liabilities		-	82,474	37,329	358,749	269,135	747,687
Net financial assets		35,307	(78,116)	(4,666)	(216,573)	217,515	(46,533)

Monash University 2015

	Fixed Interest Rate Maturities						
	Weighted average interest rate	Variable interest rate	Less than 1 year	1 to 5 years	5+ years	Non interest bearing	Total
	%	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Financial Assets							
Cash at bank	2.25	2,083	-	-	-	8,700	10,783
Managed Cash	2.84	-	84,668	-	-	-	84,668
Short-term deposits	-	-	-	-	-	147	147
Shares	-	-	-	-	-	41,018	41,018
Managed Funds	-	-	-	-	-	334,516	334,516
Receivables	5.69	-	4,387	31,863	143,559	61,841	241,650
Total financial assets		2,083	89,055	31,863	143,559	446,222	712,782
Financial Liabilities							
Loans - Bank	6.86	-	6,000	30,335	226,304	-	262,639
Notes	5.49	-	1,500	6,000	141,750	-	149,250
Payables	-	-	-	-	-	211,060	211,060
Total financial liabilities		-	7,500	36,335	368,054	211,060	622,949
Net financial assets		2,083	81,555	(4,472)	(224,495)	235,162	89,833

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

47 Fair Value Measurements

(a) Fair value measurements

	Total consolidated carrying amount as per statement of financial position		Aggregate net fair value	
	2016 \$000's	2015 \$000's	2016 \$000's	2015 \$000's
Financial Assets				
Cash and cash equivalents	91,799	102,305	91,799	102,305
Unlisted securities at fair value	21,960	15,081	21,960	15,081
Term deposits	-	13,700	-	13,700
Receivables	104,486	87,146	104,486	87,146
Derivative asset	8,500	7,133	8,500	7,133
Available-for-sale financial assets	631,995	543,141	631,995	543,141
Total financial assets	858,740	768,506	858,740	768,506
Non-financial assets				
Investment properties	77,034	92,835	77,034	92,835
Buildings	1,826,982	1,801,130	1,826,982	1,801,130
Land	322,812	318,056	322,812	318,056
Cultural assets	72,070	67,410	72,070	67,410
Total non-financial assets	2,298,898	2,279,431	2,298,898	2,279,431
Financial Liabilities				
Payables	232,455	188,611	232,455	188,611
Borrowings	495,759	428,149	495,759	428,149
Derivative liability	3,933	-	3,933	-
Total financial liabilities	732,147	616,760	732,147	616,760

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

47 Fair Value Measurements (continued)

Receivables, payables and borrowings:

Receivables, payables and borrowings are measured at amortised cost. All other financial instruments are measured at fair value. Where their value cannot be reliably measured they are measured at cost. Receivables excludes net GST refundable.

Investments in unlisted securities:

Unlisted securities are measured at fair value when the value can be reliably measured. These unlisted securities are valued at \$22 million (refer note 24). For some unlisted investments, fair value has not been disclosed as their fair value cannot be reliably measured. The fair value of these investments cannot be reliably measured due to no current active market and no recent on-selling activity to interested parties. The carrying amount of these investments, disclosed under other financial assets is \$2.7 million (refer Note 24).

At the date of preparing these financial statements, the Group has no intention to dispose these investments.

- Investments in managed funds are included in the accounts on the basis of statements from investment managers and are valued at closing market prices, adjusted for any transaction costs necessary to realise the asset. The money market securities are valued at net realisable market prices.
- Discount securities are recorded at net fair values and bank call deposits are stated at cost.

The balance of Monash University's investments also includes direct property holdings which are shown at valuations advised annually by qualified independent valuers.

Investment properties:

Investment properties are independently revalued on a recurring basis, at least annually. Values are based on market information and are performed by AssetVal Pty Ltd, a registered independent valuer.

The fair value of investment property land has been determined using the direct comparison approach. This is a market based approach whereby the subject property is compared to sales of comparable development sites and an appropriate rate per square metre of land area is selected. Land values assume highest and best use of the land after consideration of the current zoning.

The fair value of investment property buildings has been determined using a market based approach (capitalisation of net income and direct comparison on a rate per square metre of building area). Market based approaches apply to buildings where there is a quoted active and liquid market and therefore similar market evidence exists.

Land and buildings:

Land and buildings are independently valued on a recurring basis every three years.

Land fair values have been determined using the direct comparison approach. This is a market based approach whereby the subject property is compared to sales of comparable development sites and an appropriate rate per square metre of land area is selected. Land values assume highest and best use of the land after consideration of the current zoning.

Building fair values have been determined by either a depreciated replacement cost (DRC) model or a market based approach. The DRC model is applied where there is no quoted price in active and liquid markets and therefore no similar market evidence (University campus buildings). The current replacement cost of the building is determined by observable industry based building cost indices as a base and where relevant, adjusted to account for the complex and specialised nature of the building using the valuers' database of sector specific costs and examples of recent and/or current construction costs for similar buildings. Buildings are then depreciated at a rate that reflects the percentage of their remaining useful life. The market based approach is applied where there is a quoted price in active and liquid markets and similar market evidence exists. This approach applies to buildings (e.g. houses/units) surrounding or external to the various campus sites using a direct comparison approach on a rate per square metre of building area.

A full revaluation was performed in 2015 by AssetVal Pty Ltd, a registered independent valuer. A desktop valuation was conducted by AssetVal Pty Ltd in 2016. A fair value less costs of disposal (recoverable amount) valuation was conducted for certain land and buildings due to the change in use.

Cultural assets:

Cultural assets include artworks and rare books. These assets are valued at 'fair value'.

The fair value of the University's artworks was assessed through formal valuation by Dwyer Fine Art at 31 December 2016. These

MONASH UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS

47 Fair Value Measurements (continued)

items are not depreciated as they generally appreciate in value. A full external valuation is undertaken every 3 years, with an internal review completed in intervening years by expert Monash University staff with regard to market values of comparative items.

The fair value of the University's rare book collection is assessed annually by expert Monash University staff with regard to market values of comparable items. These items are not depreciated as they generally appreciate in value.

(b) Fair value hierarchy

Monash University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used to derive their fair value.

Level 1 - quoted prices in active markets for identical assets or liabilities.

Level 2 - quoted prices in non-active markets and inputs other than quoted prices that are observable, either directly or indirectly.

Level 3 - inputs that are not based on observable market data.

	\$000's	Carrying Value		
		Level 1 \$000's	Level 2 \$000's	Level 3 \$000's
Consolidated 2016				
Available-for-sale financial assets	631,995	631,995	-	-
Managed Cash	33,255	33,255	-	-
Unlisted securities at fair value	21,960	-	1,633	20,327
Investment land	54,664	-	54,664	-
Investment buildings	22,370	-	22,370	-
Campus land	232,170	-	-	232,170
Off-campus land	90,642	-	90,642	-
Campus buildings	1,741,617	-	8,800	1,732,817
Off-campus buildings	18,155	-	18,155	-
Specialised off-campus buildings	67,209	-	-	67,209
Cultural assets	72,070	-	-	72,070
Derivative asset	8,500	-	8,500	-
Derivative liability	3,933	-	3,933	-
	2,998,540	665,250	208,697	2,124,593
Consolidated 2015				
Available-for-sale financial assets	543,141	543,141	-	-
Managed cash	84,668	84,668	-	-
Unlisted securities at fair value	15,081	-	1,633	13,448
Investment land	68,420	-	68,420	-
Investment buildings	24,415	-	24,415	-
Campus land	247,130	-	-	247,130
Off-campus land	70,926	-	70,926	-
Campus buildings	1,732,495	-	-	1,732,495
Off-campus buildings	16,282	-	16,282	-
Specialised off-campus buildings	52,353	-	-	52,353
Cultural assets	67,410	-	-	67,410
Derivative liability	7,133	-	7,133	-
	2,929,454	627,809	188,809	2,112,836

There were no transfers between level 1 and 2 for recurring fair value measurements during the year.

There is a transfer out of level 3 to level 2 due to a change in use of certain buildings measured on the basis of market value as opposed to depreciated replacement cost.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

47 Fair Value Measurements (continued)

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

The following table is a reconciliation of level 3 items for the periods ended 31 December 2016 and 2015:

	Campus land \$000's	Campus buildings * \$000's	Specialised off- campus buildings \$000's	Cultural assets ** \$000's	Unlisted securities \$000's	Total \$000's
Level 3 fair value measurements						
2016						
Opening balance	247,130	1,732,495	52,352	67,410	13,448	2,112,835
Transfers out of level 3	-	(8,800)	-	-	-	(8,800)
Acquisitions	-	59,971	12,557	1,016	-	73,544
Disposals	-	(15,642)	-	(74)	-	(15,716)
Depreciation	-	(54,562)	(1,812)	-	-	(56,374)
Impairment	(14,960)	(31,913)	-	-	-	(46,873)
Transfers out of capital work in progress	-	51,269	4,112	73	-	55,454
Total gains / (losses)	-	-	-	3,645	6,879	10,524
Closing balance	232,170	1,732,818	67,209	72,070	20,327	2,124,594
Recognised in other comprehensive income	(14,960)	(31,913)	-	3,645	6,879	(36,349)
Level 3 fair value measurements						
2015						
Opening balance	251,144	1,431,684	50,594	65,007	100	1,798,529
Transfers into level 3	6,362	-	15,060	-	-	21,422
Transfers out of level 3	-	-	(12,118)	-	-	(12,118)
Acquisitions	3,020	64,548	-	1,426	-	68,994
Disposals	-	(5,652)	-	(18)	-	(5,670)
Depreciation	-	(47,637)	(1,708)	-	-	(49,345)
Transfers out of capital work in progress'	-	175,241	-	289	-	175,530
Total gains / (losses)	(13,396)	114,311	526	706	13,348	115,495
Closing balance	247,130	1,732,495	52,354	67,410	13,448	2,112,837
Recognised in other comprehensive income	(13,396)	114,311	526	706	13,348	115,495

* Campus buildings include infrastructure, for example, sports fields, carparks, landscaping, underground tunnels and service infrastructure.

** Cultural assets comprises rare books and artworks.

**MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS**

47 Fair Value Measurements (continued)

(d) Valuation inputs and relationship to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Asset	Fair value at 31 December 2016 \$'000s	Valuation technique	Significant unobservable inputs
Campus land	232,170	Market/Direct comparison approach adjusted for unobservable inputs and cost of disposal where relevant.	Unit of value by comparative basis (\$/m ²) Community Service Obligation (CSO) adjustment Cost of disposal
Campus buildings*	1,732,818	Cost/Depreciated Replacement Cost approach applied by independent valuers using recognised industry building cost indicators and/or Quantity Surveyors for specialised buildings or examples of current costs.	Direct Cost per square metre Remaining useful life
Specialised off-campus buildings	67,209	Cost/Depreciated Replacement Cost approach applied by independent valuers using recognised industry building cost indicators and/or Quantity Surveyors for specialised buildings or examples of current costs.	Cost per square metre Remaining useful life
Rare books > \$5,000	3,487	Market Approach assessed annually against auction results and quoted prices on rare materials websites.	Market price per title
Rare books < \$5,000	38,535	Internal valuation by Rare Books Librarian with reference to equivalent values in similar collections	Estimated market price of volumes/collections
Artworks	30,049	Market Approach. Expert external assessment of auction results and known private sales, closely reviewed by gallery staff	Market price per item
Unlisted securities	20,327	Adjusted net asset value approach. Net assets adjusted for any asset with no reliably observable and/or measurable market value; listed investments; and any restrictions of trade (as applicable).	Closing net asset value Closing ASX prices for listed investments Discount factor for escrow period

* Includes infrastructure, for example, sports fields, landscaping, underground tunnels and related service infrastructure.

MONASH UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS

48 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

(a) Education - CGS and Other EDUCATION Grants

	Commonwealth Grants Scheme		Indigenous Support Program		Partnership and Participation Program		Disability Support Program		Promotion of Excellence in Learning and Teaching	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	345,140	323,435	522	590	3,885	3,868	182	178	1,594	1,420
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the year	345,140	323,435	522	590	3,885	3,868	182	178	1,594	1,420
Surplus from the previous year	-	-	-	-	748	2,392	-	0	100	-
Total revenue including accrued revenue	345,140	323,435	522	590	4,633	6,260	182	178	1,694	1,420
Less expenses including accrued expenses	345,140	323,435	522	590	4,307	5,512	182	178	1,584	1,320
Surplus / (deficit) for the year	-	-	-	-	326	748	-	0	110	100

	Superannuation Program		Diversity and Structural Adjustment Fund		Transitional Cost Program		Other		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	11,738	11,085	-	-	-	-	-	-	363,061	340,576
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the year	11,738	11,085	-	-	-	-	-	-	363,061	340,576
Surplus from the previous year	-	-	-	-	-	-	-	-	848	2,392
Total revenue including accrued revenue	11,738	11,085	-	-	-	-	-	-	363,909	342,968
Less expenses including accrued expenses	11,738	11,085	-	-	-	-	-	-	363,473	342,120
Surplus for the year	-	-	-	-	-	-	-	-	436	848

MONASH UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS

48 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

(b) Higher Education Loan Programmes

	HECS - HELP 2016	2015	FEE - HELP 2016	2015	SA-HELP 2016	2015	Total 2016	2015
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	213,648	205,414	62,205	51,540	5,070	4,623	280,923	261,577
Net accrual adjustments	151	225	395	(568)	(27)	9	519	(334)
Revenue for the year	213,799	205,639	62,600	50,972	5,043	4,632	281,442	261,243
Deficit from the previous year	-	-	-	-	-	-	-	-
Total revenue including accrued revenue	213,799	205,639	62,600	50,972	5,043	4,632	281,442	261,243
Less expenses including accrued expenses	213,799	205,639	62,600	50,972	5,043	4,632	281,442	261,243
Deficit for reporting period	-	-	-	-	-	-	-	-

(c) Scholarships

	Australian Postgraduate Awards		Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships		Commonwealth Accommodation Scholarships		Indigenous Access Scholarships		Total
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	22,934	22,079	1,803	1,740	137	175	86	163	118	130	25,078
Net accrual adjustments	-	-	-	-	74	(305)	60	(197)	-	(38)	134
Revenue for the year	22,934	22,079	1,803	1,740	211	(130)	146	(34)	118	92	25,212
Surplus / (deficit) from the previous year	2,521	2,674	(979)	(299)	(131)	124	(22)	101	13	42	1,402
Total revenue including accrued expenses	25,455	24,753	824	1,441	80	(6)	124	67	131	134	26,614
Less expenses including accrued expenses	22,499	22,232	1,286	2,420	80	125	124	89	131	121	24,120
Surplus / (deficit) for the year	2,956	2,521	(462)	(979)	-	(131)	-	(22)	-	13	2,494

Accrual adjustments for both revenue and expenditure includes other adjustments which reflect the repayment by Government of the 2015 overpayment by Monash University.

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

48 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

	Joint Research Engagement		Research Training Scheme		Research Infrastructure Block Grants		JRE Engineering Cadetships		Sustainable Research Excellence in Universities		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	28,561	28,072	55,805	53,784	24,810	23,199	474	445	20,722	17,538	130,372	123,038
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the year	28,561	28,072	55,805	53,784	24,810	23,199	474	445	20,722	17,538	130,372	123,038
Surplus / (deficit) from the previous year	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue including accrued revenue	28,561	28,072	55,805	53,784	24,810	23,199	474	445	20,722	17,538	130,372	123,038
Less expenses including accrued expenses	28,561	28,072	55,805	53,784	24,810	23,199	474	445	20,722	17,538	130,372	123,038
Surplus / (deficit) for the year	-	-	-	-	-	-	-	-	-	-	-	-

(e) Other Capital Funding

	Education Investment Fund		Total	
	2016	2015	2016	2015
	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	100	875	100	875
Net accrual adjustments	-	-	-	-
Revenue for the year	100	875	100	875
Surplus from the previous year	55	-	55	-
Total revenue including accrued revenue	155	875	155	875
Less expenses including accrued expenses	155	820	155	820
Surplus for reporting period	-	55	-	55

MONASH UNIVERSITY
NOTES TO THE FINANCIAL STATEMENTS

48 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (continued)

(f) Australian Research Council Grants (continued)

(iii) Networks and Centres

	Centres		Special Research Initiatives		Total	
	2016 \$000	2015 \$000	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Financial assistance received in cash during the year	11,275	11,086	-	-	11,275	11,086
Net accrual adjustments	(5,290)	(4,655)	625	625	(4,665)	(4,030)
Revenue for the year	5,985	6,431	625	625	6,610	7,056
Surplus from the previous year	5,601	4,595	193	477	5,794	5,072
Total revenue including accrued revenue	11,586	11,026	818	1,102	12,404	12,128
Less expenses including accrued expenses	6,038	5,425	733	909	6,771	6,334
Surplus for the year	5,548	5,601	85	193	5,633	5,794

(g) OS-HELP

	2016 \$000's	2015 \$000's
Cash received during the reporting period	5,721	4,557
Cash spend during the reporting period	5,200	4,487
Net Cash received	521	70
Cash Surplus / (Deficit) from the previous period	1,347	1,277
Cash Surplus / (Deficit) for reporting period	1,868	1,347

(h) Student Services and Amenities Fee

Unspent/(overspent) revenue from previous period	150	-
SA-HELP Revenue Earned	5,069	4,623
Student Services and Amenities Fees direct from Students	4,546	4,973
Total Revenue expendable in period	9,765	9,596
Student Services expenses during period	9,615	9,446
Unspent/(overspent) Student Services Revenue	150	150

DECLARATION

2016 CONSOLIDATED FINANCIAL STATEMENTS

In our opinion:

- (a) the consolidated financial statements and notes of Monash University and its subsidiaries present fairly the financial transactions during the financial year ended 31 December 2016 and the financial position for the year ended on that date,
- (b) the financial statements have been prepared in accordance with the Australian Accounting Standards and other mandatory professional reporting requirements of the *Financial Management Act 1994* including financial reporting directives, and the relevant financial reporting requirements of the Commonwealth Department of Education, and the *Australian Charities and Not-for-Profits Commission Act 2012*,
- (c) the amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended and Monash University has complied with the requirements of applicable legislation, contracts, agreements and program guidelines in making this expenditure, and
- (d) the Student Services and Amenities Fees have been charged strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

As at the date of this declaration:

- (a) we are not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate, and
- (b) there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Council of Monash University.



S. McKeon AO
Chancellor



Professor M. Gardner AO
Vice-Chancellor and President



D. M. Pitt
Chief Financial Officer and
Senior Vice-President



D. G. McWaters
Principal Accounting Officer
Executive Director, Corporate Finance

Dated 22 March 2017

INDEPENDENT AUDITOR'S REPORT

To the Council of Monash University

Opinion

I have audited the consolidated financial report of Monash University (the university) and its controlled entities (together the consolidated entity) which comprises the:

- consolidated entity and university statements of financial position as at 31 December 2016
- consolidated entity and university statements of comprehensive income for the year then ended
- consolidated entity and university statements of changes in equity for the year then ended
- consolidated entity and university statements of cash flows for the year then ended
- notes including a summary of significant accounting policies
- the declaration by the Chancellor, Vice-Chancellor and President, Chief Financial Officer and Principal Accounting Officer.

In my opinion the financial report is in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- presenting fairly, in all material respects, the financial position of the university and the consolidated entity as at 31 December 2016 and their financial performance and cash flows for the year then ended
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis for opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

The Auditor-General's independence is established by the *Constitution Act 1975*. My staff and I are independent of the university and the consolidated entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Independent Auditor's Report (continued)

Council's responsibilities for the financial report

The Council of the university is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Council determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the university and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 university and the consolidated entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council
- conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the university and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the university and the consolidated entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the financial report (continued)

- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the university and the consolidated entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the university and the consolidated entity. I remain solely responsible for my audit opinion.

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Council with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

MELBOURNE
23 March 2017



Simone Bohan
as delegate for the Auditor-General of Victoria

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