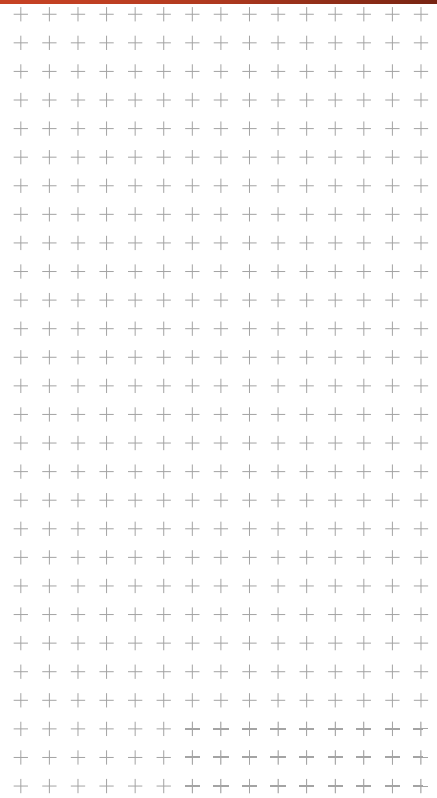
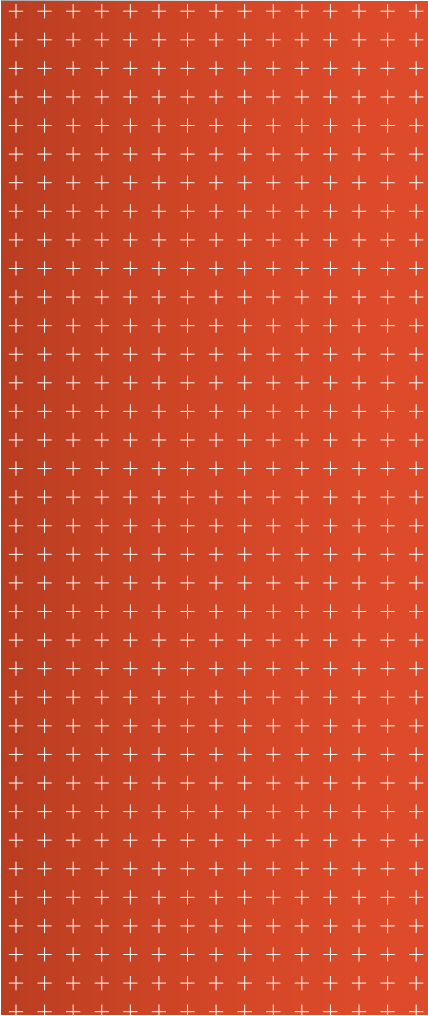
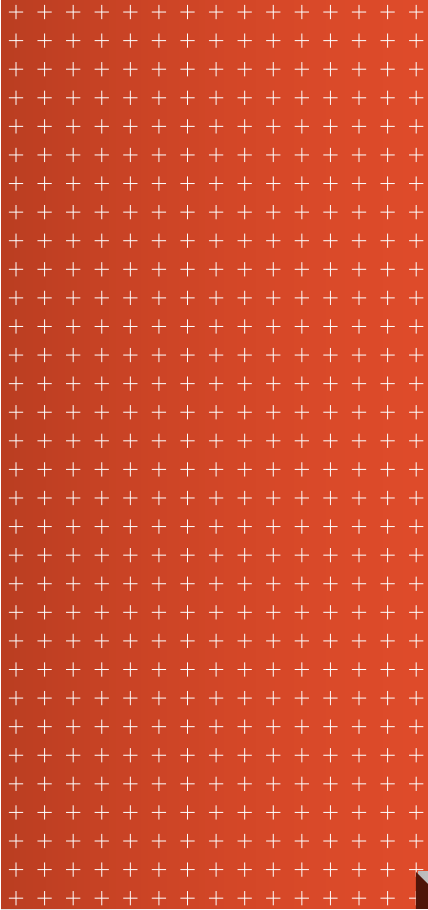


# annual report

# 2012

*Enhancing our engagement and embracing change*







Letter of Transmittal to the Minister	2
Vice-Chancellor's Report	3
Our Charter	4
The year in review	5
Community Reach & Partnerships	10
Research & Learning	13
Growth & Development	15
Students in the Spotlight	16
Staff Achievements	18
The University of Ballarat Foundation	21
Sustainability and Environmental Management	22
About the University	25
Council Members' Report	28
Organisational and Regulatory Information	41
Industrial Relations	46
Regulatory Compliance	49
Public Information	52
Appendix 1 – Compliance Index	53
Appendix 2 – Summary Financial Information	55
Financial Statements	f1



**A History of the Caledonian Tartan:**  
worn by the University of Ballarat Pipe Band, The Caledonian Tartan was also worn by pipers on the Goldfields in the 19th century. Since it belongs to no clan, it is one of those setts which anyone not possessing a tartan of his or her own is entitled to wear.

Photography: The University of Ballarat gratefully acknowledges the following contributors: The Courier and its team of photographers, the Wimmera Mail-Times, Ian Wilson – Wilson Photography, Trav Munro – Frame 11 Photography, Alison Faithful, Matthew Freeman and UB staff.



## Letter of Transmittal to the Minister

On behalf of the Council of the University of Ballarat it is my pleasure to present the 2012 Annual Report for the University, as approved by the Council on 19 February 2013 which has been prepared in accordance with the provisions of the Financial Management Act 1994.

This is my first report as Chancellor, having been appointed in July 2012, following the retirement of Emeritus Professor Robert H T Smith AM after seven years of extraordinary service as Chancellor and even longer-standing support of the University. Robert Smith will be sorely missed, but it was my great pleasure to present him with the award of both an Honorary Doctorate and also Emeritus Chancellor of the University of Ballarat at the December graduation ceremonies at the Mount Helen Campus. Robert and his wife Liz will long be remembered following the naming of the newly opened SMB Children's Centre in their honour.

The Council itself also underwent some significant changes in membership as several terms of appointment expired. Changes to the University Act also took effect at the end of the year. Three members left the Council in June 2012 - Ms Jodie Sizer, Ms Tracey Holmes and Ms Kay Macaulay. In December, Ms Dianne Hobday and Mr John McQuilten also stepped down as did the elected student member of Council, Mr Emilio Viegas and the two elected staff members, Ms Monica Heim and Mr Greg Simmons. On behalf of the Council I wish to thank each of these eight outgoing members of Council for their hard work, devoted and proficient service to the University.

Several new members have joined the Council over this period, either as Council appointees or as Governor-In-Council appointees, but following the changes to the Act the Council will be a somewhat smaller governing body. I am very confident that the new Council will be as capable and professional in its role on behalf of the University of Ballarat as with previous Councils.

The Council's responsibilities for governance oversight and performance monitoring of the University were properly exercised throughout 2012, both through the regular meetings of the full Council with the University's senior team in attendance, and meetings of the Council's Standing Committees, as well as frequent communication and feedback with the Vice-Chancellor and senior team.

During the year the Council met at various venues within the University, including the Horsham Campus.

A significant number of members of Council attended the eighth Australian Universities National Governance Conference in Sydney and two other professional development activities were also organised at the University during 2012. Several members also undertook a trip to Nanya Research Station in south-west New South Wales, to see refurbishments on the University's 40,000 hectare conservation property.

I have spent time familiarising myself with all parts of the University, including attending several workshops at various Schools, and in particular I had several days touring our Western campuses. I officiated at all the December graduation ceremonies and was also able to participate in one of our graduation ceremonies in Kuala Lumpur and learn a great deal about our programs in Malaysia with our partner providers.

The Council has been pleased to oversee the progress of the major building developments at the Mount Helen and SMB Campuses, as well as the development of the new Industry Skills Centre and UB College.

I wish to thank the Council for their confidence in appointing me as Chancellor. I also thank the Council, particularly the Deputy Chancellor, Ms Karen Douglas, as well as the Vice-Chancellor Professor David Battersby and senior staff for their assistance and support as I seek to lead and represent the University as it continues to grow in recognition as Australia's only regionally headquartered multi-sector university. I would also like to acknowledge all staff for their professional work and commitment to the University of Ballarat and our students and also the communities we represent at a local, national and international level.

Dr Paul J H Hemming  
Chancellor  
21 February 2013



## Vice-Chancellor's Report

A period of transition has been the hallmark of 2012 for the University of Ballarat.

Indeed, the constantly changing tertiary education sector has presented us with enormous challenges and opportunities which we have embraced.

The University has undergone a transformation in 2012 with an unprecedented major capital works program that is the largest undertaking since the inception of the University. Funding for these developments has come predominantly from the Commonwealth, supplemented with specific grants from the State government, for which we are most appreciative.

The Immersive Domestic Nursing Laboratory, the Sports and Recreation Centre and the Science and Engineering Precinct all neared completion late in 2012 at our Mt Helen Campus. Construction of the Manufacturing Technology Training Centre and the Technical Education Centre at our SMB Campus also progressed steadily. The refurbishment at the Horsham Campus to accommodate the co-located Trades Training complex was completed in late 2012.

These new buildings will create a vibrant future for the University and expose students to the latest learning, teaching and research environments. Our staff have been central to the planning of these new buildings, which have benefited from their insights into the latest developments in research, student learning and international best practice.

In tandem with this new infrastructure, UB College has been established, which will incorporate the University's Technical Education Centre and a range of training and preparatory programs including an English Language Centre. In addition, a new, employer-focused, Industry Skills Centre was opened in November focusing on apprenticeships and skills training.

Despite the challenges the University faced in 2012, it maintained its ranking for teaching quality scoring an unprecedented maximum rating of five stars for Teaching Quality in the Good Universities Guide for the fourth successive year. The University also scored a number of other five star ratings including for Graduate Satisfaction.

The year of transition for the University in 2012 was marked by the retirement of Emeritus Professor Robert H T Smith as Chancellor and the installation of Dr Paul Hemming as the University's fifth Chancellor. Emeritus Professor Smith and his wife Liz made an enormous contribution to the University of Ballarat and their legacy will be ongoing.

I thank the University's senior management and staff for their hard work and commitment during 2012. Our students, partner providers and the communities and regions served by the University remain fiercely loyal and dedicated to their University and our appreciation is extended to them. I also express thanks to the University Council and to our two Chancellors in 2012 for their ongoing stewardship of the University of Ballarat.

Professor David Battersby  
Vice-Chancellor



Top: The Science and Engineering Precinct is nearing completion  
Above: Real life home settings are part of the new Immersive Domestic Nursing Laboratory





Top: Chieftain and Vice-Chancellor, Professor David Battersby (far right) with the University of Ballarat Pipe Band, which has won the right to host the Australian championships again in 2014

Below left: Artist's impression of the new Science and Engineering precinct at the Mt Helen Campus  
 Below right: The University of Ballarat joins with Reconciliation Australia in affirming the special place and culture of Aboriginal and Torres Strait Islander people as the First Australians. The University launched its 2012-14 Reconciliation Action Plan (RAP) in May, 2012



## Our Charter

**The Charter will facilitate the University of Ballarat continuing to achieve a national profile as a university that:**

- > inspires its students to succeed;
- > actively participates in partnerships to promote learning, teaching, research and commercial opportunities;
- > makes a major contribution to the regions and communities it serves; and,
- > is international in its outlook and impact.

**The key values important to the University of Ballarat Australia in fulfilling its purpose are:**

- > intellectual responsibility;
- > ethical practice;
- > respect for each other;
- > service to our communities;
- > learning throughout life;
- > recognition of our international and global links and responsibilities; and
- > commitment to environmental sustainability.

**The University of Ballarat Australia will achieve its purpose by:**

- > providing access to effective and high-quality learning, teaching and research opportunities for Australian and international students;
- > producing graduates who are sought after within Australia and internationally for their knowledge, skills, competencies and employability;
- > involvement in internationally recognised research, and engaging in knowledge transfer, that has demonstrable relevance to, and impact on, communities, industries and regions served by the University;
- > deepening our engagement and partnership through industry, community and collaborative opportunities;
- > creating a work environment where staff are valued and where there are opportunities for renewal, career development, leadership and community service; and
- > committing to continual improvement in the stewardship of resources through ethical, effective and sustainable management and governance.



Left: UB Kindergarten graduates Matilda Britt and Braeden Dridan congratulate each other on their achievement

Below: Solid tribute to UB leader – Bob and Liz Smith at the opening of the SMB Children’s Centre



## The year in review

The Legislative Assembly of the Parliament of Victoria held its regional sitting at the University of Ballarat, Mt Helen Campus on Thursday 6 September 2012, providing regional Victorians the opportunity to see their Parliament in action.

The stage of the Founders Theatre was transformed to accommodate the 88 visiting Members of Parliament and to replicate a typical Sitting Day for the Assembly, including Question Time.

The Hon. Kate Ellis MP, Minister for Early Childhood and Child Care, opened the \$2.55 million Children's Centre for Early Childhood Education (later renamed the Liz and Bob Smith Children's Centre) at the SMB Campus. The first 15 kindergarten pupils graduated from the centre in December.

Additionally, the UB Children's Centre at Mt Helen welcomed the State Government's announcement of \$484,000 to the University to create a new kindergarten program and improved facilities.

The University of Ballarat Pipe Band hosted the 2012 Australian Pipe Band Championships in Ballarat. The event celebrated traditional Scottish culture with Highland music and 18 pipe bands.



Centre: Ballarat and Eureka are regarded as the birth place of Australian democracy, so it was fitting that the University (Mt Helen campus) was chosen to host the regional sitting of the Legislative Assembly in September

Above: Federal Minister, Kate Ellis (pictured right) and Member for Ballarat, Catherine King were given a helping hand at the opening of the SMB Children's Centre – a centre for early childhood education





The University's new Chancellor, Dr Paul J H Hemming, was installed at a ceremony at the Ballarat Central Uniting Church on Tuesday, 17 July, 2012. Dr Hemming is the fifth Chancellor in the University's history. Victorian Governor, His Excellency Alex Chernov AC QC, officiated at the installation.



Clare Gervasoni co-ordinated the completion of the SMB Honor Roll



## The year in review

The University announced a major restructure of its TAFE operations following funding changes to vocational training. An employer-focused, Industry Skills Centre focusing on apprenticeships and skills training and establishment of a UB College incorporating the University's Technical Education Centre (UB TEC) and English Language Centre have been developed as part of the change.

The State government announced a \$2.9 million contribution for the expansion of the University of Ballarat Technology Park, a project estimated to bring a total economic benefit of more than \$420 million to the region. The investment is to be made through the government's Regional Growth Fund.

**IBM, already an anchor tenant at the University's Technology Park, announced plans to expand its presence with a new software testing facility which will bring 150 new jobs into the region.**

The University of Ballarat recorded the highest ranking of any Victorian university for graduate full-time employment, according to the MyUniversity website released by the Federal Government.

**The School of Mines, Ballarat (SMB) World War I Roll of Honor project was completed. More than 400 names of SMB students and staff who served their country were researched and hand inscribed in calligraphy.**



Centre: With a focus on employer-based training - apprenticeships and traineeships - the Industry Skills Centre will bring training in the critical skills needs of the nation under one roof.

Above: From left, Andrew Stevens, IBM Managing Director; Mal Vallance, Director of the Technology Park; and Minister for Technology, the Hon. Gordon Rich-Phillips



Left: Regional University Network members from back, Professor Scott Bowman (Central Queensland University), Professor Peter Lee (Southern Cross University), Professor Jim Barber (University of New England), Professor David Battersby (University of Ballarat); front, Professor Jan Thomas (University of Southern Queensland) and Professor Greg Hill (University of the Sunshine Coast)  
Centre: Martin Westbrooke, Bob Smith and Peter Gell at the Nanya Research Station



## The year in review

Vice-Chancellors from the Regional Universities Network (RUN) were in Ballarat for the official signing of the RUN Accord. RUN is a network of six universities with headquarters in regional Australia and a shared commitment to playing a transformative role in their regions.

The visiting University leaders took part in the ABC Future Forum television program 'The Clever Country – can universities meet the challenges facing regional Australia?' which was recorded at the Ballarat Mining Exchange and broadcast on December 9.

Major refurbishments to living quarters were unveiled at the University's Nanya Research Station in south-west New South Wales. The 40,000 hectare property is used for undergraduate teaching and research by staff and postgraduate students. The Station helps to conserve a wide range of significant flora and fauna associated with the Nanya Salt Lake Complex.



A new publication, 'Lines of Succession: The Origins of the University of Ballarat from 1870' was launched in December. The publication gives a brief history of the University and its predecessor institutions.



The University's retiring Chancellor, Emeritus Professor, Robert H T Smith AM, at the unveiling of his portrait.



## The year in review

It was a year of goodbyes for the University with Chancellor, Robert H T Smith AM farewelled after seven years. He was honoured with the degree of Doctor of the University *Honoris Causa* and also bestowed the title of Emeritus Chancellor of the University of Ballarat.

The University launched its 2012-14 Reconciliation Action Plan (RAP) which strives to ensure that Aboriginal and Torres Strait Islander staff and students are fully engaged in University of Ballarat governance, education, employment and community endeavours.

Professor Terry Lloyd, Senior Deputy Vice-Chancellor, also announced his retirement after more than a decade of exemplary service. He was also made an Honorary Doctorate of the University and awarded the title Emeritus Professor.

The Wimmera Trade Training Centre at the Horsham Campus was officially opened. The site features the University's Horsham programs in automotive, hair, beauty, building and construction, hospitality, electro-technology and plumbing.

The Ballarat and District Industrial Heritage Wiki was officially launched at the Geoffrey Blainey Research Centre. The project is a collaboration between the University of Ballarat and the Sovereign Hill Museums Association.



Centre: Business leaders and academics gathered to farewell Professor Terry Lloyd, who spent many years at the SMB Campus

Above: University of Ballarat Vice-Chancellor, David Battersby and Peter Henry, Acting Regional Director, Department of Education and Early Childhood Development open the new Wimmera Trade Training Centre





Left: Director of Campus Life, Colin Marshall, with former Olympic swimmer Nicole Livingstone OAM, who hosted the University's inaugural Blue Tie Ball hosted by 3BA morning announcer, Paul Taylor



Centre left: Over 200 staff attended the Christmas in July fundraising luncheon, Centre right: UB Living Resident Advisers (RAs) prepare to help new students adjust to 'life on res' Below: The University's Open Day encouraged students to choose the right career for them

## Community Reach & Partnerships

"A student who had never contemplated university now considers it as a possible pathway in the future. If he didn't experience university through this program, he would most likely have lived his entire life without ever setting foot inside one." Careers Advisor - West Wimmera region

The 2012 Regional Schools Outreach Program (RSOP) successfully delivered initiatives in partnership with 49 Government primary and secondary schools in Western Victoria to a total of 4802 Grade 5/6, Year 8, 9, 10 and 11 students, as well as 790 parents. The program focused on improving access to Higher Education.

Through our student residential communities and staff, the University of Ballarat has provided crucial support to the 3BA Christmas in July Appeal. In 2012 the University presented the appeal's largest ever single donation of \$18,600 along with a trailer of grocery items to assist needy families.

The University of Ballarat held the inaugural Blue Tie Ball in October to raise funds for beyondblue and its campaign to battle depression.

It was a busy year for the marketing and communications team, hosting more than 8000 visitors for Open Day. Staff also attended 40 careers expos throughout the year and made more than 40 secondary school visits throughout the region.



Ballarat Beer Festival organisers, Simon Coghlan, Kate Burrows and Tim Kearney unveil the golden ale created by the University's brewing students.



Judges from the Australian International Beer Awards (a joint event by UB and the Royal Agricultural Society of Victoria), presented a beer judging demonstration at Ballarat Town Hall. The University's brewing courses were further promoted with a special ale specifically brewed for the Ballarat Beer Festival and developed by UB brewing students and lecturer, Peter Aldred.

Sovereign Hill, as part of its affiliation relationship with the University, provides \$10,000 in scholarships. In 2012, two individual staff members, one student and a performing arts group were among the recipients.

**Head of Western Campuses, Geoffrey Lord, slept out in Horsham's Roberts Place as part of the community sleep-out event. Funds raised from the event support the homeless.**

It was a successful start to the year for the Dual Sector Partnership (DSP) Project, an innovative collaboration between the University of Ballarat and six TAFE Institutes in regional Victoria to increase higher education participation rates.

In 2012 more than 130 students were enrolled in programs delivered through the DSP collaboration with AdvanceTAFE in Bairnsdale, BRIT in Bendigo, GippsTAFE in Morwell, GoTAFE Shepparton, SuniTAFE in Mildura and Wodonga Institute of TAFE. DSP is funded through the Commonwealth Government's Structural Adjustment Fund.



Above: Geoffrey Lord rugs up in support of the homeless



Dr Francine Marques became the first researcher from UB to be awarded a Peter Doherty Fellowship, a prestigious Early Career Fellowship for biomedical science research in Australia. The Fellowship is awarded by Australia's peak body for supporting health and medical research, the National Health and Medical Research Council (NHMRC).





## Research & Learning

The University of Ballarat secured another world class rating for Clinical Services following the Australian Government's assessment of Australian universities for their quality of research.

Four University of Ballarat researchers made it to the finals of the Australian Competitive Research Symposium held in Melbourne. Associate Professor Stuart Berzins was awarded first place in the Health discipline and Dr Elisa Backer was awarded third place in the Arts, Education & Business discipline. Associate Professor Berzins was also awarded the overall winner across all disciplines from the competing universities.

In 2012 the University of Ballarat appointed four personal research chairs, Professors Caroline Finch, Erica Smith, Fadi Charchar and Peter Gell to assist the University build research capacity in areas in expected to achieve world-class standing.

The collaboration model between the University's Technology Park and IBM Australia was credited for Ballarat being named the most competitive location for the delivery of IT services in an independent report released by IT advisory firm, capioIT. IBM executives described the recognition as the ultimate accolade for Ballarat and the UB IT student training partnership that began in 1995.

Four UB Information Technology students took part in the first Cyber Defence University Challenge, pitting Universities against each other to test network security of a fictional company. The results – the team managed to hack their way into the webmail of the fake doctor's clinic to read messages sent to the CEO including confidential information about patients.



Top: Professor Caroline Finch, one of four professors appointed as personal research chairs

Above: University of Ballarat fourth-year IT student, Chris Bertram, who studied computer games development, took part in the first Cyber Defence University Challenge at the Greenhill Enterprise Centre



Students will receive hands-on learning as part of the Health Sciences' Immersive Domestic Nursing Laboratory training facility.

The University successfully implemented a Unified Communications System, providing updated telephone and email systems for staff.



## Growth & Development

The University of Ballarat became the first Australian university to implement PeopleSoft Contributor Relations as its Donor and Alumni Management System. The new on-line system allows graduates, staff and friends of the university to keep in touch as part of the UB alumni community.

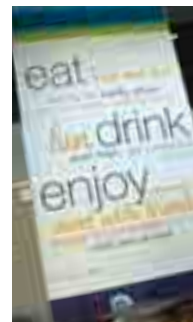
From July 2012 collections from the State Library of Victoria (SLV) were made available for use in the Geoffrey Blainey Research Centre, providing greater access for UB researchers and the wider UB community.

**The rollout began across the University for a new waste and recycling program aimed at reducing costs and landfill waste.**

A refurbished contemporary space was unveiled at the Mt Helen Campus café - 'The Hub', with polished concrete floors, new furniture and funky lighting providing a relaxing environment for students and staff.

**Ruby's Café also opened in the Albert Coates complex and a refurbishment of Café Lekker at the Greenhill Enterprise Centre was unveiled.**

The Campus Life Rewards program was introduced for students and staff, attracting more than 2,000 members in its first year. The program delivers special offers, instant rewards, exclusive events, promotions and competitions.



Above: Construction of a walking trail around the perimeter of the Mt Helen Campus encouraged staff and students into lunchtime walks. The 3.8 km loop is part of the Great Dividing Trail linking the goldfield towns of Buninyong, Ballarat, Creswick and finishing in Bendigo. Directional signage was supplied by Parks Victoria



# Students in the Spotlight

Our students gained a new voice in 2012 with the establishment of the UB Student Senate. The 23-member Senate not only provides a forum for student feedback, but is also a body that university schools and departments can approach to discuss matters that relate to students – directly with students.

UB student Tim Taylor from Ararat won gold at the 2012 National WorldSkills Australia competition in Sydney. He will travel to Germany with the Australian team to compete against the top young automotive mechanics in the world.

**The International Golden Key Honour Society's University of Ballarat Chapter inducted 456 new members.**

Student Careers and Employment was back in action at UB commencing in July 2012. The CareerHub online careers and employment system allows students to access casual and part time vacancies and graduate recruitment.

**The UB 'Blizzards' returned from one of their most successful Australian University Games with 124 students represented across 11 sports.**



Left: Adeline Rowe and Olivia Flynn modelled the hairdressing skills of UB students at their annual awards night  
Below: Newly elected Student Senate representatives





In July, a group of 19 eager student residents and staff from UB Living embarked on a 10-day trek across the Kokoda Trail. As the first official trip to Kokoda from the University, this inaugural trip provided a unique and enriching experience for participants.

Funded by the Student Services Amenities Fee (SSAF), the UB Advisory Service became operational and provides advice and support to UB students on matters relating to their educational experience.



Top: University of Ballarat students were among participants in the WorldSkills National Championships

Centre left: Simon Bale and Natalie Lake collect some useful information at the Health and Welfare Careers Expo

Centre right: UB students described the Kokoda Trail as a unique and enriching experience

Right: UB Tec students meet on a weekly basis with English As A Second Language students in a 'Cultural Corner' activity for their VCAL, Personal Development Skills subject







Top left: Nicolas Dore, from SMB, was a 20-year service milestone recipient  
 Our staff at work, from left: Sandra Griffin and Carol Bower (Reception Assistants, UBuy store);  
 Jenny Frost (Printing Assistant, UB Print); and Tracey Pitcher (Student Finance Liaison Officer)  
 Below: Andrew Dalgleish raising the flag (Facilities Services)  
 Below left: Bob O'Shea, Deputy Dean, The Business School



# Staff Achievements

The University acknowledged staff members who have given 10, 20 and 30 years continuous service to the organisation. Two staff members were presented with 30-year milestone awards, 11 with 20-year awards and 28 with 10-year honours.

Professor Erica Smith was presented with the Berwyn Clayton Award for Distinguished Service at the annual conference of the Australian Vocational Education and Training Research Association (AVETRA).





Rajeswari Shenton and Lisa Marshall  
enjoy end of year staff festivities  
hosted by the University



Twenty-two teams of UB staff participated in the 2012 Global Corporate Challenge walking 129,947 kms over five months (equivalent to walking three times around the world!)

John Hayes, Dr Xiaoli Jiang, Dr Amanda McGraw, Associate Professor Neil Trivett and David Wynen were awarded Federal Government citations for outstanding contributions to student learning.

Dr Helen Thompson was appointed a National Broadband Champion and spent the year promoting the benefits of next generation broadband to regional communities. Dr Thompson shared her insights into the benefits of new ICT advances for regional and rural Australia and attended the Victorian Super Trade Mission to China, led by the Victorian Premier.



Centre and above: The 'Out of Officers' staff team, led by Joey Hutchinson from Health Sciences, won the UB Global Corporate Challenge. Senior Deputy Vice-Chancellor, Rowena Coutts accepted the trophy on behalf of UB for being Australia's 6th Most Active University

Left: Keith Caldwell was appointed Acting Director of Facility Services in 2012



Arts Academy students (School of Education and Arts), Hamish Buchanan & Isabella Glaasson perform in the 2012 graduating Acting Company's production 'The Tempest'.

# The University of Ballarat Foundation

## Donor Recognition

### Thank You

The University of Ballarat Foundation acknowledges with gratitude funds donated to the University prior to the establishment of the Foundation, and warmly thanks donors and their families for their generosity.

### Chancellor's Circle donors

#### 2011

Dr Janet Holmes á Court AC  
 Professor Emeritus Kwong Chiu Lee Dow AM  
 Dr David Haymes and Mrs Jenny Haymes  
 Emeritus Professor Robert H T Smith AM  
 Dr Wai-man Woo  
 Professor David Battersby

#### 2012

In memory of John Charles Barker, B. Eng.  
 (B.C.A.E.) (1958-1994)  
 Ms Rowena Coutts  
 The Hon Dr John S Dawkins AO  
 Dr Meredith Doig  
 Dr John Harvey AO  
 Dr David Haymes and Mrs Jenny Haymes  
 Dr Paul J H Hemming  
 Mr William H McGregor OAM  
 Dr John R Magrath AM  
 Mr Colin Prowse OAM and Mrs Shirley Prowse  
 Dr William J Pryor AO  
 Mrs Elisabeth Ann Smith  
 Emeritus Chancellor Robert H T Smith AM

### Platinum Circle donor

#### 2010

Dr Wai-Man Woo

### Bronze Circle donor

#### 2011

Dr John Harvey AM

### Foundations

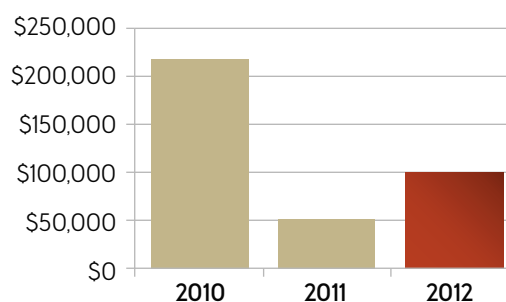
#### 2011

Pierce Armstrong Trust

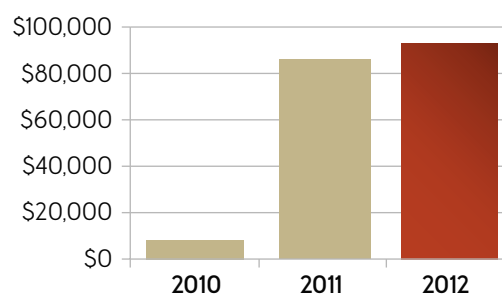
### Donor Recognition Categories

Bronze Circle	\$1,000 +
Silver Circle	\$10,000 +
Gold Circle	\$50,000 +
Platinum Circle	\$200,000 +

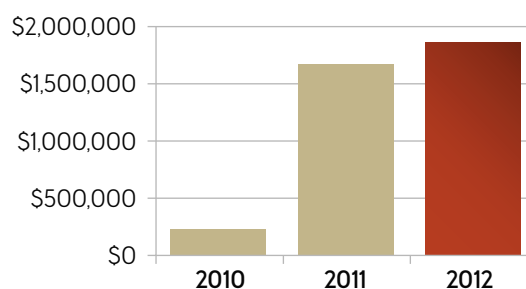
### Donations Received



### Investment Income



### Net Assets







# Sustainability and Environmental Management

2012 was a significant year for initiating major sustainability programs that will provide financial, environmental and social benefits to the University over the coming years.

The State Government's Greener Government Building program is the largest infrastructure efficiency program undertaken by the University. Contractors began auditing every building to recommend up to 30% in energy and water savings. The savings will be achieved through on-site electricity generation and efficiency programs such as lighting replacements and new gas boilers.



Other initiatives include a new waste and recycling program to reduce landfill waste and increase recycling, and the continued replacement of petrol vehicles with diesel in the car pool fleet. Highlights for 2012 include:

- > Greenhouse gas emissions are consistent with 2011 emissions and on track to meet 2013 target of 16,000 tonnes.
- > Consumption of electricity and natural gas similar to 2011 levels
- > Increase in water consumption by 10%
- > Reduced fuel consumption by 18,000 litres or 9%
- > Increase in staff train travel to Melbourne by 15%
- > Increase in paper consumption by 19% or 3,341 reams
- > Increase in waste to landfill by 32 tonnes (10% increase)
- > Amount of waste recycled is 22% of total waste



A gradual switch to diesel powered vehicles in the carpool fleet is reducing running costs and greenhouse gas emissions. UB's Sustainability Officer, Dale Boucher has reported that half the fleet is now diesel powered. "In 2012 our vehicles have travelled a similar distance to the previous year but the diesel vehicles have saved 18,000 litres of fuel, (a 9% reduction) and a 5% reduction in greenhouse gas emissions."

## 2012 Greenhouse Gas Emission Report

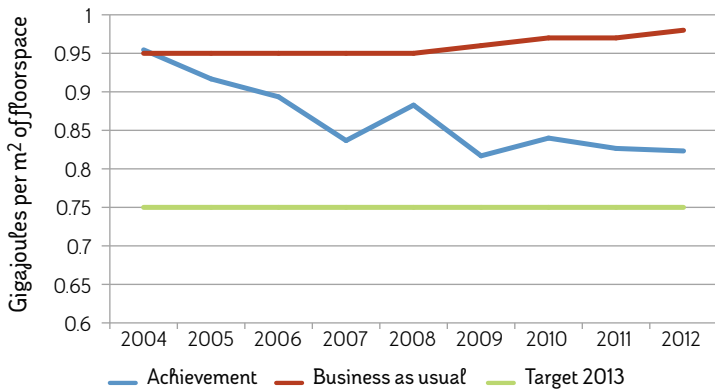
Emissions source	Consumption units	Consumption	Target emissions (tonnes) 2013	Actual Emissions (tonnes) 2012	Actual Emissions (tonnes) 2011	Change from 2011 %
<b>Direct emissions (Scope 1)</b>						
Natural Gas	GJ	60,708	2,900	3,116	3,103	0%
Petrol for vehicles	kL	121	304	277	394	30%↓
Diesel for vehicles	kL	69	152	187	96	94%↑
Petrol for hire vehicles	kL	13	50	31	57	46%↓
<b>Total Scope 1</b>			<b>3,406</b>	<b>3,611</b>	<b>3,650</b>	
<b>Indirect emissions (Scope 2)</b>						
Electricity	kWh	8,122,806	9,800	9,800	9,823	0%
<b>Optional Emissions (Scope 3)</b>						
Electricity - transmission & distribution losses	kWh	8,122,806	1,200	1,235	1,218	1%↑
Flights	km	4,908,288	1,339	1,280	1,283	0%
Waste - landfill	tonnes	328	342	394	355	11%↑
Extraction of natural gas	GJ	60,708	330	243	242	0%
Train travel	\$	27,622	45	160	135	19%↑
Water consumption	kL	64,903	128	152	138	10%↑
Paper consumption	reams	20,603	90	69	59	17%↑
Emissions from fuel extraction for petrol	kL	134	30	22	33	33%↓
Emissions from fuel extraction for diesel	kL	69	7	14	7	102%↑
<b>Total scope 3</b>			<b>3,511</b>	<b>3,569</b>	<b>3,470</b>	
<b>Scope 1 + 2 + 3</b>			<b>16,717</b>	<b>16,980</b>	<b>16,943</b>	
<b>Reduction measures</b>						
AGL Green power	kWh	663,603	-717	-889	-921	
<b>Net Emissions</b>			<b>16,000</b>	<b>16,091</b>	<b>16,022</b>	<b>0%</b>

**Scope 1** – Greenhouse gas emissions from burning combustible fuels. These are emissions from burning natural gas and vehicle fuel for business related travel.

**Scope 2** – Emissions from the consumption of electricity.

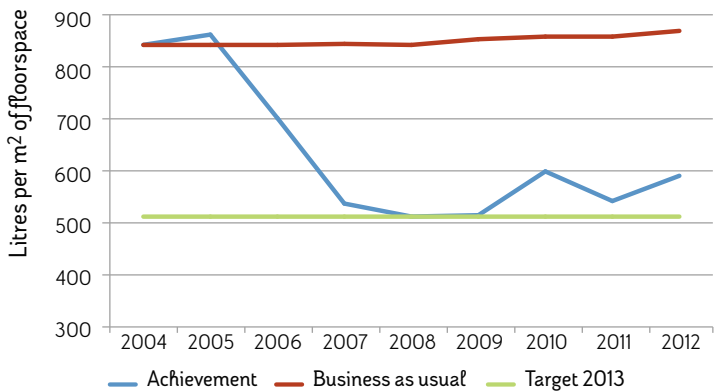
**Scope 3** – Indirect emissions associated with running the University, eg waste generation, staff travelling via public transport, air travel and consumption of paper and potable water.

### Energy consumption per m<sup>2</sup> of floor space 2004-2012



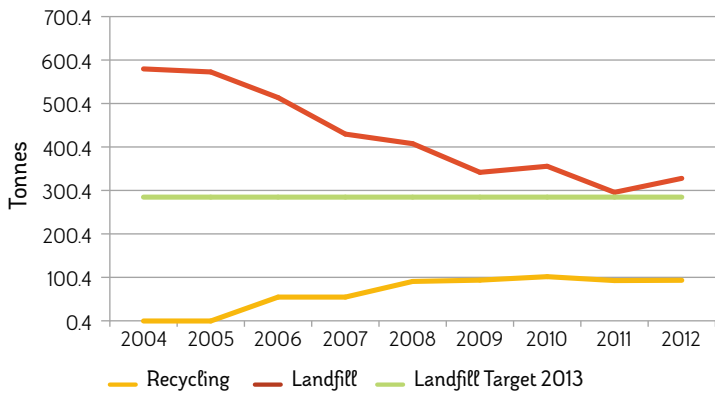
- Consumption of electricity and natural gas in 2012 was consistent with 2011 levels.
- Energy audits conducted under the Greener Government Building program to identify energy efficiency improvements at all campuses.
- The University has a target to reduce energy consumption by 15% per m<sup>2</sup> of floor space by 2013 (2008 baseline).

### Potable water consumption per m<sup>2</sup> of floor space 2004-2012



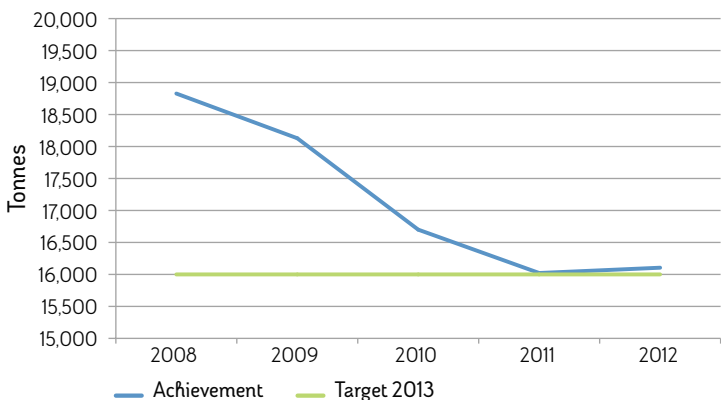
- Potable water consumption has risen by 10% in 2012.
- Broken water pipes at the Horsham Campus and the Mt Helen swimming pool were responsible for the majority of the increase.
- The Greener Government Building program has identified a number of water efficiency initiatives to be implemented.
- The University has a target to reduce potable water consumption to 512 litres per m<sup>2</sup> of floor space (currently 590 litres).

### Waste and Recycling



- Landfill waste increased in 2012 due to building works around Mt Helen Campus and an increase in on-campus students.
- Recycling rates are consistent with previous years
- All buildings are changing to a new waste and recycling procedure that will reduce landfill waste and increase recycling rates.
- 2013 target to reduce total landfill waste to 285 tonnes per year (currently 328 tonnes) and to increase recycling rates to 35% of total waste.

### Total Greenhouse gas emissions (Co2-e) all activities



- Total greenhouse gas emissions are consistent with 2011 levels and the university is on track to achieve the 2013 target of 16,000 tonnes.
- In 2012 the TAFE division purchased 25% green energy saving 889 tonnes of emissions.



# About the University

## **University of Ballarat Act 2010 (the Act)**

*The University of Ballarat was created by the University of Ballarat Act 1993, an Act of the Victorian Parliament, in 1994, out of the Ballarat College of Advanced Education. It was enlarged in 1998, through mergers with the Ballarat School of Mines and the Wimmera Institute of TAFE.*

*Although formally created as a University in 1994, the University of Ballarat has a lineage which takes it back to 1870, making it only the third institution of higher learning to be established in Australia and the first to be established in regional Australia. The Ballarat College of Advanced Education was created out of the tertiary division of the School of Mines while the technical division of the School merged with the new University in 1998.*

*The University of Ballarat provides a range of innovative educational, vocational, professional, cultural and research services, primarily to the communities of central and western Victoria.*

*The University's commitment to educational and social equity, teaching excellence, research distinction, environmental sustainability and regional capacity building has enabled it to develop in a way that draws on its proud heritage to inform its future.*

*Its regional character sets a framework for the University's priorities but does not constrain it from serving wider community interests, nationally and internationally.*

## Services Provided

The users of services provided by the University were drawn largely from the Central Highlands and Wimmera regions of Victoria, but also included persons, groups and organisations from other parts of Victoria, interstate and overseas. The nature and range of services provided are set out below.

Fields of Study Schools and Programs Portfolio		Other Services	
TAFE Vocational Education and Training	Higher Education Undergraduate and Postgraduate Programs	Research and Consultancy	Other Services
<p>Certificate, Diploma and Advanced Diploma courses were offered in the the following industries:</p> <ul style="list-style-type: none"> <li>• Food Sciences</li> <li>• Primary Industries</li> <li>• Equine</li> <li>• Nursing</li> <li>• Occupational, Health and Safety</li> <li>• Children's Services</li> <li>• Adult, Community and Further Education</li> <li>• General Manufacturing</li> <li>• Automotive</li> <li>• Metals and Engineering</li> <li>• Building and Construction</li> <li>• Primary Industry and Forest</li> <li>• Business Services</li> <li>• Public Administration and Safety</li> <li>• Community Services and Health</li> <li>• Tourism and Hospitality</li> <li>• Cultural and Recreational</li> <li>• Transport and Storage</li> <li>• Electro Technology and Communications</li> <li>• Wholesale, Retail and Personal Services</li> <li>• VCAL Training provided through the Technical Education Centre</li> </ul>	<p>Undergraduate, postgraduate and other courses at Higher Education level in 2011 were offered in the fields of:</p> <ul style="list-style-type: none"> <li>• Biomedical Science</li> <li>• Food Sciences</li> <li>• Human Movement and Sports Science</li> <li>• Visual and Performing Arts</li> <li>• Education</li> <li>• Humanities and Social Sciences</li> <li>• Business</li> <li>• Psychology</li> <li>• Information Technology and Computing</li> <li>• Sciences</li> <li>• Nursing</li> <li>• Management</li> <li>• Engineering</li> </ul>	<p>The University of Ballarat undertakes world-class research, and engages in knowledge transfer, in strategic targeted areas that have demonstrable relevance to, and impact on, communities, industries and regions served by the University, and beyond.</p> <p>It is emphasising partnerships, collaborations and integration in the interests of capacity building.</p> <p>Creating strong targeted knowledge partnerships with industry, other institutions and government is also a key strategy by which the University contributes to regional, national and international innovation.</p> <p>Its principal innovation platform is the UB Technology Park which is the largest regional technology park in Australia.</p> <p>The University aspires to build greater synergy between targeted research and innovation by increasing the collaborative opportunities in the UB Technology Park, connecting researchers with industry partners.</p>	<p>Other services include:</p> <p>Library, Learning Support and study Skills;</p> <p>Facilities Management;</p> <p>Information Technology Services;</p> <p>Catering and Conferencing Services;</p> <p>Wellbeing, Counselling and Sporting and Social services;</p> <p>Residential Living, Residential Community and Settlement services;</p> <p>Equity and Equal Opportunity Support and Outreach services;</p> <p>Centre for Learning Innovation and Professional Practice (CLIPP);</p> <p>Aboriginal Education Centre;</p> <p>Public Relations and Alumni;</p> <p>Human Resources;</p> <p>Legal – General Counsel;</p> <p>Centre for University Partnerships (CUP); and</p> <p>Finance.</p>

The University of Ballarat is a corporate entity consisting of a Council, academic, teaching and other staff, and enrolled students.

The objects of the University are fully defined under section 5 of the Act, and include:

- to provide and maintain a teaching and learning environment of excellent quality offering higher education at an international standard;
- 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;
- 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 well-being of the Victorian, Australian and international communities;
- to equip graduates of the University to excel in their chosen careers and to contribute to the life of the community;
- to serve the Victorian, Australian and international communities and the public interest by—
  - > enriching cultural and community life;
  - > elevating public awareness of educational, scientific and artistic developments;
  - > promoting critical and free enquiry, informed intellectual discourse and public debate within the University and in the wider society;
- 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—
  - > realising Aboriginal and Torres Strait Islander aspirations; and
  - > the safeguarding of the ancient and rich Aboriginal and Torres Strait Islander cultural heritage;
- to provide programs and services in a way that reflects principles of equity and social justice;
- to confer degrees and grant diplomas, certificates, licences and other awards;
- to utilise or exploit its expertise and resources, whether commercially or otherwise.



# Council Members' Report

## The Council

Under the provisions of the Act, the Council of the University is the governing authority of the University and has the direction and superintendence of the University. The Council is chaired by the Chancellor and has 15 members. Set out below are the members of the Council as at 31 December 2012 including the terms of office, Years on Council, qualifications and experience.



Back row (left to right): Ms Deborah Spring, Mr John McQuilten MLC (ret), Mr Emilio Viegas, Mr Peter Wilson, Professor Todd Walker, Mr Michael Ryan, Mr George Fong

Front row: Ms Dianne Hobday, Ms Karen Douglas (Deputy Chancellor), Dr Paul Hemming (Chancellor), Professor David Battersby (Vice-Chancellor), Ms Rowena Coutts (Senior Deputy Vice-Chancellor & Secretary to Council), Dr Meredith Doig

## Official Members

### The Chancellor

#### **Emeritus Professor Robert Henry Tufrey Smith AM**

BA (Hons 1) (UNE), MA (Nthwstn), PhD (ANU), Hon. DUniv (Sthn Cross) FASSA, FAIM

**Term of Office** 17 January 2011 to  
31 December 2013  
(Retired 30 June 2012)

**Years on Council** 7

Deputy Chancellor, Southern Cross University;  
Chair, National Board of Employment, Education and  
Training; Executive Director and President, Australian  
Education Office, Inc., Washington DC; Vice-Chancellor,  
The University of New England; Vice-Chancellor,  
The University of Western Australia; President pro tem.,  
The University of British Columbia

### The Chancellor

#### **Dr Paul John Harry Hemming**

MB, ChB, Fellow Royal Australian College of GPs, Fellow of  
Royal College of GPs(UK)

**Term of Office** 1 July 2012 to 30 June 2015  
**Years on Council** <1

General Practitioner

Past President AMA (Vic); President RACGP; Director  
'Beyondblue'; Executive Director Ballarat Division of GP;  
Member Medicare Services Advisory Committee;  
Consultant to Health Insurance Commission; Chair  
Medical Advisory Committee, St. John of God Hospital,  
Ballarat.

## Official Members

The Vice-Chancellor

### **Professor David Arthur Battersby**

MHEd NSW, PhD Waikato

**Term of Office** 1 July 2010 to 30 June 2016

**Years on Council** 5.5

Tutor, University of Waikato, New Zealand; Lecturer, Senior Lecturer, Massey University, New Zealand; Associate Professor, Professor, Charles Sturt University; Dean, Pro Vice-Chancellor, Deputy Vice-Chancellor, Charles Sturt University.

Chair, Academic Board

### **Professor Todd Walker**

B App Sci(Hons), PhD, Grad Cert Uni Lship and Management

**Term of Office** 1 January 2011 to  
31 December 2012

**Years on Council** 3

Lecturer, Senior Lecturer, Charles Sturt University. Associate Professor, Chair, Academic Board, University of Ballarat.

## Members appointed by Council

### **Mrs Karen Suzanne Douglas – Deputy Chancellor**

**Term of Office** 1 January 2010 to 31 December 2015

**Years on Council** 5

Ex Local Government as Councillor and Mayor; Chair of North Central Local Learning Employment Network; Chair, Stawell Regional Health, Member of Wimmera CMA, Partner in broad-acre farming business.

### **Dr Meredith Anne Doig FAICD**

BA (pure maths), Dip Ed, M Ed Studies, Grad Dip Mgt, PhD

**Term of Office** 1 January 2011 to 31 December 2013

**Years on Council** 1

Twenty years of experience as an executive in manufacturing, mining and banking, and Consultant in risk management and leadership development; 10 years of experience as a non-executive Director of boards in transport and logistics, retail, printing and education; President Rationalist Society of Australia Inc; Chairman Reason Australia; Facilitator with the Institute of Company Directors; Moderator with the Cranlana Program on Ethics and the Good Society.

### **Dr Paul John Harry Hemming**

MB, ChB, Fellow Royal Australian College of GPs, Fellow of Royal College of GPs(UK)

**Term of Office** 1 January 2009 to 30 June 2012

**Years on Council** 4

General Practitioner; Past President AMA (Vic); President RACGP; Director 'Beyondblue'; Executive Director Ballarat Division of GP; Member Medicare Services Advisory Committee; Consultant to Health Insurance Commission; Chair Medical Advisory Committee, St. John of God Hospital, Ballarat.

### **Mrs Jodie Sizer**

B.Commerce (UB)

**Term of Office** 1 January 2009 to 30 June 2012

**Years on Council** 9

Member of the strong Gunditjmara nation from the SW districts of Victoria. CPA qualified, professional career in Accounting and Auditing with Ernst and Young, Government role working with Aboriginal people and communities to stimulate and support business development. National Director of Ingenuity Australia promoting Aboriginal Intelligence and supporting improved outcomes for Aboriginal people and communities.

## Members appointed by Council continued

### Mr Peter Russell Wilson

LLB, Melbourne

**Term of Office** 1 January 2011 to 31 December 2013

**Years on Council** 4

Lawyer; Nevett Ford

### Mrs Tracey Leanne Holmes

Certificate III Hairdressing; 25 years experience in industry.

**Term of Office** 1 January 2009 to 30 June 2012

**Years on Council** 6

Member of Ballarat Courier Advisory Board; Member of Small Business Advisory Council; Former small business owner for 18 years gaining recognition at Regional, National and International levels; 2002 Victorian Telstra Business Woman.

### Mr Michael Ryan

Bachelor of Business (Accounting) RMIT  
Chartered Accountant

**Term of Office** 01 July 2012 – 30 June 2015

**Years on Council** < 1

30 years in Public Tax (Accountancy Practice in Horsham); 4 years in Commerce; Horsham Rural City Councillor for 7 years including 2 years as Mayor; 7 Years Audit and Finance Committees – Horsham Rural City.

### Mr George Fong

BA (CNA) Law  
Barrister-at Law, Lincoln's Inn (UK)  
Advocate and Solicitor, Supreme Court of Singapore

**Term of Office** 1 July 2012 – 30 June 2015

**Years on Council** < 1

Director, Lateral Plains Pty Ltd; Barrister at Law and Advocate and Solicitor in Singapore; Lecturer at the then Ballarat College of Advanced Education (1987-1996) in Tax and Business Law; Co founder of the 1st Regional Internet Service Provider in Australia- NetConnect Communications; Vice president of the Internet Society of Australia; Chair of the Board for the Ballarat Health Services Foundation; Member of the advisory board for .au Community Domains; Past Chair of The Ballarat Regional Multicultural Council; Past member of the Courier Advisory board; Member of IPV6 Now.

## Members appointed by the Governor-in-Council

### Mrs Kay Macaulay

Grad Cert of Business (HR Management)

**Term of Office** 10 February 2009 to 30 June 2012

**Years on Council** 4

Committee member; Regional Development Australia; Board member; Leadership Ballarat and Western Region; Committee member; Highlands Local Learning and Employment Network; facilitator of the Ballarat Export Network, HR Network and Sustainable Business Network; Secretary Ballarat Regional Occupational Safety & Health Group; and, President, Rotary Club of Wendouree Breakfast.

### Ms Dianne Maree Hobday

MAICD, GradDip AppSc., Edith Cowan University;  
Dip. Phys. Ed., TSTC (Melb)

**Term of Office** 1 January 2010 to 31 December 2012

**Years on Council** 7.5

Director, DMR Associates Pty Ltd; Consultant within the Health Industry. Consultant Director Information Resource Centre; Information Systems Management; Human Resources; Public Relations and Fundraising. Member of the Australian Institute of Company Directors. Broad experience on Not For Profit Boards and State & National Health Association Boards.

### Mr John Martin McQuilten MLC (Retired)

Dip Soft Drink Manufacturing

**Term of Office** 26 June 2010 to 31 December 2012

**Years on Council** 4.5

Victorian State Parliament Member of the Legislative Council for Ballarat Province from 1999 to 2006, Business Consultant, Vigneron, Board Member Ambulance Victoria, Member Australian Landcare Council, Former Member of Victorian Government Rail Freight Review Committee, Former Member Murray River National Parks Review Committee, Former Board Member Victorian Regional Channel Authority, Former Member for Economic Development Committee, Former Member of Rural & Regional Services Committee, Former Vice-President Pyrenees Vigerons, Former Executive Member Victorian Council Soft Drink Manufacturers, Former Director Gold Centre Tourism and Former Member Regional Development Agency.



**Ms Deborah Ann Spring**

MBA, Harvard Business School. MSc, Mechanical Engineering, Rensselaer Polytechnic Institute. BA Sc (summa cum laude), Mechanical Engineering, Union College. Australian Institute of Company Directors Diploma. Licensed Professional Engineer.

**Term of Office** 1 July 2012 to 30 June 2015

**Years on Council** < 1

25 years of experience as a senior executive in private, public and semi-government sectors across a diverse range of industries in both Australia and overseas. These industries include energy, manufacturing, recycling, petro-chemicals, rail, and transport and logistics.

Extensive board and committee experience in logistics, environment, education, and community services. Board positions include LockTec Pacific, Special Olympics (Deputy Chair), the Harvard Club, the Banksia Environmental Foundation (Chair), Mount Hotham Alpine Resort Management Board, and Ambulance Victoria.

**Mr Warwick Spargo**

BA Economics (Accounting); Registered Company Auditor; Fellow Certified Practising Accountant; Certified Fraud Examiner; Graduate Certificate in Fraud Investigation; Certificate IV in Government (Fraud Control).

**Term of Office** 1 January 2012 to 31 December 2014

**Years on Council** < 1

Previously worked for 12 years for the Victorian Auditor-General's Office; Progressed to Partner at RSM Bird Cameron through 12 years experience.

**Elected Members**

Academic Staff Member

**Mr Gregory Simmons**

MSc (Research), BSc

**Term of Office** 1 January 2011 to 31 December 2012

**Years on Council** 1

Director, Centre for University Partnerships, University of Ballarat; General Staff Member

**Ms Monika Heim**

GradCertBus (Gen Mgt) Ballarat; M.Tertiary Ed.Mgt (Uni Melb)

**Term of Office** 1 January 2011 to 31 December 2012

**Years on Council** 1

School Business Manager, School of Human Services; Student Member.

**Mr Emilio Jorge Viegas**

**Term of Office** 1 January 2012 – 31 December 2012

**Years on Council** < 1

President of Student Life (Christian club on campus); Vice President of the Education Society.

**Ministerial Appointment**

Vacant

Council and Committee Membership and attendance at meetings

Council Member	Committee member and meeting attendance												
	Council		Executive		Audit & Risk		Building & Inf.		Finance		Remuneration		
	No. of meetings held during the year	7	6	7	8	7	3	M	A	M	A		
Emeritus Professor Robert H T Smith AM <sup>(5)</sup>	•	3	•	3								•	2
Dr Paul Hemming <sup>(3) (7)</sup>	•	6	•	5			•	4	•	2		•	3
Professor David Battersby <sup>(1)</sup>	•	7	•	6					•	6			
Dr Meredith Doig	•	6			•	6			•	7			
Mrs Karen Douglas	•	7	•	6			•	8				•	3
Mr George Fong <sup>(2)</sup>	•	4					•	7					
Ms Monika Heim (Gen. Staff)	•	6											
Ms Dianne Hobday	•	7			•	5							
Ms Tracey Holmes <sup>(4)</sup>	•	3	•	3			•	7					
Ms Kay Macaulay <sup>(4)</sup>	•	3			•	3							
Mr John McQuilten	•	6											
Mr Michael Ryan <sup>(2)</sup>	•	4							•	3			
Mr Greg Simmons (Acad. Staff)	•	6											
Mrs Jodie Sizer <sup>(4)</sup>	•	3							•	4			
Mr Warwick Spargo <sup>(2)</sup>	•	7	•	2					•	6	•	3	
Ms Deborah Spring <sup>(2)</sup>	•	4							•	3			
Mr Emilio Viegas (Student)	•	6											
Prof Todd Walker <sup>(6)</sup>	•	6	•	3									
Mr Peter Wilson	•	6	•	6	•	6							

M = Member A = No. of meetings attended

(1) The Vice-Chancellor is the Chief Executive Officer of the University and has such powers, authorities, duties and functions as prescribed under the Act or as delegated by Council.

(2) Member appointed during the year and attended the required number of meetings from date of appointment.

(3) Special leave was granted by Council during the year for meetings not in attendance.

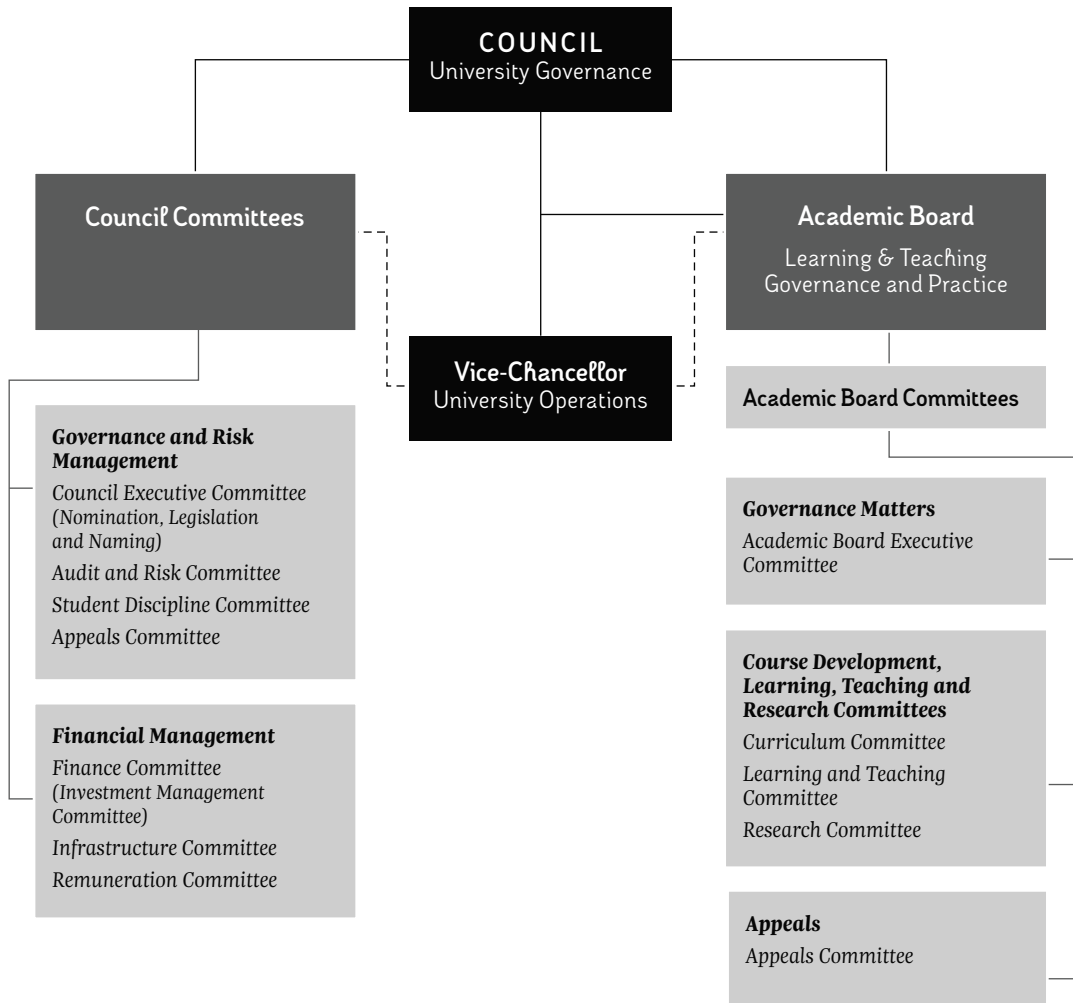
(4) Term expired 30 June 2012.

(5) Retired from Council as of 30 June 2012.

(6) Retired as Chair of Academic Board as of October 2012.

(7) Appointed Chancellor as of 1 July 2012.

# Governance Structure





## Committees of Council

The Council, by resolution, may constitute and appoint such committees as it thinks fit. A committee appointed by the Council must report to the Council on its activities at such times and in such manner as the Council directs.

<b>Governance and Risk Management Committees</b>	
<b>Council Executive Committee</b>	The Committee is responsible to Council for the conduct of such business as is necessary between meetings of the Council (generally deemed to be of an urgent nature) or such specific business and with such authority as is delegated to it by the Council. The committee also acts as a legislation, naming, honorary degree and nomination committee and advises on matters relevant to the terms and membership of council committees, and university ceremonies.
<b>Audit and Risk Committee</b>	The Committee is responsible to Council for the scope of work, performance and independence of internal audit, the engagement and dismissal by management of any chief internal audit executive, the scope of work, independence and performance of the external auditor, the operation and implementation of the risk management framework, matters of accountability and internal control affecting the operations of the University, and the University's process for monitoring compliance with laws and regulations and its own Human Resource Policies and Procedures and code of financial practice.
<b>Appeals Committee</b>	The Council Appeals Committee comprises three members of Council nominated by Council, one of whom shall be a student. The Committee hears and determines appeals against findings of breach of discipline or exclusion for reasons of unfitness. A summary report from the Appeals Committee is presented annually to Council.
<b>Legislation Committee</b>	To review statutes and regulations to ensure they are comprehensive, relevant and effective.
<b>Financial Management Committees</b>	
<b>Infrastructure Committee</b>	The Committee is responsible to advise Council on and make recommendations for the development of the physical infrastructure of the University. All advice and recommendations made by the Committee should be based upon consideration of: the report received from the University's Probity Advisor; a risk assessment; and an examination of the fit of the proposed project with issues of cultural and community awareness.
<b>Finance Committee</b>	The committee is responsible to Council for advising on matters concerning finance, investments, asset management, insurance, compliance with laws and regulations and its own Code of Finance Practice. The Committee monitors continuing financial viability of the University using key financial indicators and exercises oversight of University companies, trusts, profile and performance agreements, and other major commercial activities.
<b>Remuneration Committee</b>	The Committee sets performance goals and reviews the performance of the Vice-Chancellor on behalf of Council. It also considers and sets the salary and remuneration of the Vice-Chancellor and the senior executive officers.

## Academic Board and its Committees

The principal academic body of the University is the Academic Board. In 2012, the board comprised 31 members of whom 18 were Ex-Officio members representing senior academic and teaching staff and members of the senior management team, nine elevated members from teaching staff and students across the university and four appointed members.

The purpose of the Academic Board is to provide:

- academic oversight of prescribed academic programs and course of study in the University; and
- advice to the Council on the conduct and content of those programs and courses.

The Board, by resolution, may constitute and appoint such committees, as it thinks fit. A committee appointed by the Board must report to the Board on its activities at such times and in such manner as the Board directs.

### Academic Board Committees

The Academic Board has reduced the number of standing committees to better reflect the single integrated mission of the University. These changes complemented the various structural and business transformations that took place during 2011.

#### Governance Committees

The following committees assist the Academic Board on matters relating to Governance

##### The Academic Board Executive Committee

To serve as the executive of the Board, make decisions on its behalf as delegated, manage the Board's agenda and schedule of business and initiate discussion and commission papers as requested by the Board on major issues of educational importance.

#### Course Development, Learning, Teaching and Research Committees

The following committees assist the Academic Board on matters relating to course development, learning and teaching

##### Curriculum Committee

To advise on all new and modified coursework programs and substantial changes to existing courses in relation to the consistency of courses with the University's Learning and Teaching Plan, the need for new or revised legislation/policy relating to coursework program, amendments to award regulation and the functioning of policies and procedures. Report to the Board on the accordance of programs with the Australian Qualifications Framework.

##### Learning and Teaching Committee

Advise on matters relating to the measurement, quality improvement and policies and procedures for teaching and learning. To recommend and advise the Board on the development, accreditation, implementation and evaluation of Vocational Education and Training (VET) Program and associated teaching and learning procedures, pathway enhancement strategies.

##### Research Committee

To provide advice on policy and procedures related to research and research training in the context of the University's research plan, review the University's research plan and report annually to the Academic Board on the implementation of the plan and quality assurance related to research and research training.

##### Appeals Committee

The Committee meets as required to hear and determine appeals relating to student exclusion or final grade matters.

# Management Structure

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The Vice-Chancellor is the chief executive officer of the University with responsibility for the overall management of its affairs and the implementation of policy. This includes finances, property and academic development of the University, subject to Council's determinations and the University legislation (Statutes and Regulations). The Vice-Chancellor is the primary source of advice to Council in relation to University affairs.

The Vice-Chancellor is responsible to the Council for discharging those duties which it prescribes. The Vice-Chancellor is assisted by a Senior Deputy Vice-Chancellor and four Deputy Vice-Chancellors. Collectively these officers are known as the Vice-Chancellor's Senior Team. Each has specified portfolios of authority and responsibility to assist the Vice-Chancellor in the overall management of the University. The Senior Deputy Vice-Chancellor and Deputy Vice-Chancellors are responsible and accountable to the Vice-Chancellor for performance in their respective portfolios.

The Vice-Chancellor, Senior Deputy Vice-Chancellor and Deputy Vice-Chancellors (within their respective portfolios) have authority to approve the creation and filling of other positions within the University that include responsibility for management of specific areas of activity undertaken by or on behalf of the University. These positions are known as Deans, Directors and Managers. Collectively these officers form the University's leadership and are members of the Vice-Chancellor's Forum. Staff occupying these positions will be responsible and accountable to the Vice-Chancellor or the Senior Deputy Vice-Chancellor or the Deputy Vice-Chancellors, or their nominees.

The Vice-Chancellor has approved the establishment of a number of advisory Committees and these relate to:

- a) The University of Ballarat Technology Park;
- b) International activities;
- c) Occupational Health and Safety;
- d) Commercial Services;
- e) Budget;
- f) The Professoriate; and,
- g) Information Technology.

Each Committee provides periodic reports to the Vice-Chancellor through Senior Team meetings.

## Review

A formal assessment of the performance of Council and its standing committees, including the Academic Board is completed on an annual basis. Performance measurement is undertaken through the distribution of a review document requiring a confidential written response by all members.

At the end of each year the Chancellor also holds individual discussions with each Council member to discuss the member's response to the Council appraisal form which covers the member's performance and involvement in Council during the previous year.

The Remuneration Committee annually sets performance goals and reviews the performance of the Vice-Chancellor on behalf of Council. It also considers and sets the Vice-Chancellor's and the senior executive officers' salary and remuneration.

The Vice-Chancellor annually sets performance goals and reviews performance of the Senior Deputy Vice-Chancellor and Deputy Vice-Chancellors. Key performance indicators for evaluating the performance of persons occupying these and other management positions are determined on an annual basis.

## Reporting

Council has set the following annual reporting timelines in relation to the strategic direction of the University:

- a) March Retreat – Council will receive the Vice-Chancellor's report on progress against strategic priorities; and consider and review the Charter, the Key Performance Indicators and the strategic priorities;
- b) October meeting – Council sets the Strategic Direction for the forthcoming year;
- c) December & July meetings – The Vice-Chancellor reports to Council on the half-yearly achievements against the major directions for the University.

For each meeting of Council, the Vice-Chancellor will present a written report to Council on developments, and the overall operations and achievements of the University.

Council will receive reports on the implementation of plans and policy that have institution-wide applicability in accordance with governing or operational policies.

The University of Ballarat Council is compliant with the Voluntary Code of Best Practice.



Council will receive periodic reports on:

- a) the financial position of the University;
- b) the operations of the Academic Board and committees of the Council, which may be in the form of minutes of the meetings;
- c) the operations and achievements of the controlled entities of the University; and
- d) such other matters as the Council may determine. Operational level monitoring of, and reporting on, the implementation of budgets, policies, plans, procedures or similar will be undertaken as required under the relevant policies, procedures or similar instruments, or as required by the authorities approving those instruments.

The monitoring and reporting framework of the University will be subject to independent external audit, the findings of which will be reported to Council.

The University's Annual Report to the Victorian Government will incorporate the externally audited financial statements of the University and a report on University governance and achievements for the relevant year.

## Role of Council and Duties of Council Members

The University of Ballarat Act 2010 (the Act), as amended provides the legislative base for the University's governance and operations. Council is the governing body and is responsible for the University's direction.

The role of Council and the duties of Council members are defined as:

Provide a clear statement on the University's strategic direction, vision and mission and continually monitor progress against agreed goals.

- Shape and review its vision, mission and values and evaluate its own performance.
- Appoint and appraise the performance of the Vice-Chancellor as chief executive.
- Require and monitor compliance with statutory and regulatory obligations.
- Oversee the establishment and effective operation of key policies consistent with legal requirements and the spirit of community expectations, including those expressed in statutes and regulations.
- Ensure delegated responsibilities and authorities are clearly defined to the Vice-Chancellor and other bodies, and to the Board and other committees.
- Ensure adequate risk management procedures and associated internal controls are established and effectively maintained.

- Approve and monitor commercial undertakings and monitor education, training, research and consultancy activities.
- Oversee the effective and prudential operation of the University and assess performance against key performance indicators agreed with management, including:
  - > approve and monitor budgets and financial plans;
  - > ensure the University's assets and resources are properly managed; and
  - > approve and monitor controlled entities.
- Effectively manage its own operations, including the appointment of the Chancellor; selection of new members and their induction and the proper execution by members of their fiduciary duties.

It is the duty of members of Council to:

- Act always in the best interests of the University as a whole, with this obligation to be observed in priority to any duty a member may owe to those electing or appointing him or her;
- Act in good faith, honestly and for a proper purpose;
- Exercise appropriate care and diligence;
- Not improperly use their position to gain an advantage for themselves or someone else; and,
- Disclose and avoid conflicts of interest.

## Management of Interests or Conflicts of Interest

Under the provision of the Act, Council members shall declare an interest in a matter being considered. University legislation also requires that at all Council meetings including meetings of its committees and Board the following procedures in relation to pecuniary or other conflicts of interest apply:

- 1) A member of a body who has a pecuniary or other conflict of interest in a matter being considered or about to be considered by the body must, as soon as practicable after the relevant facts have come to his or her knowledge, declare the nature of the interest at a meeting of the body or in writing addressed to the chair of the body.
- 2) If the chair of a body receives a written declaration under subsection (1), the chair must report it, or cause it to be reported, at the next meeting of the body.
- 3) The person presiding at a meeting at which a declaration is made under sub-section (1) or reported under sub-section (2) must cause a record of the declaration to be made in the minutes of the meeting.

- 4) After a declaration is made under sub-section (1) by a member of the body –
    - a) unless the body otherwise directs, the member must not be present during any deliberation with respect to that matter; and
    - b) the member is not entitled to vote on the matter;
    - c) if the member does vote on the matter, the vote must be disallowed.
  - 5) Notwithstanding the provisions of any other statute or any regulation the Council may remove a member of a body from office as a member of the body if a member fails to disclose a pecuniary or other conflict of interest as required by this section.
- In addition:
- 1) Members of the University Council are required to disclose related party interests where those interests could potentially lead to a conflict of interest. “Related party interests” means interests from a relationship which arises from being a member of immediate family, or a relationship which gives rise to a real or potential conflict of interest and includes such matters as matrimonial (including de facto), sexual, financial and business relationships.
  - 2) Council members, upon adoption of this procedure or upon appointment to the Council, are required to advise the Council office by completing a disclosure form of potential areas of conflict and/or related transactions with the University. If, during the course of a member’s term of office, that member subsequently becomes aware that an interest held by them or a related party may potentially cause a conflict of interest with the University’s affairs, they shall advise the Council office as soon as possible. A record of such advice received shall be kept by the Council office.
  - 3) Council members will also be required under the Financial Management Act 1994 and the Australian Accounting Standards to disclose, at the end of each financial reporting period, the transactions that they (or their related party) had with the University during that financial period. This information is reported in the University’s Annual Report.
  - 4) If the chairperson perceives there to be a conflict of interest of which a member of the Council or a committee of the Council may be unaware, the chairperson shall raise the matter with that individual prior to the meeting concerned.

## Risk Management at UB

The University is committed to the effective management of risk through good governance arrangements and its Risk Management Policy and Procedure and annual Strategic Risk Management review and reporting process.

The Council’s Audit and Risk Committee monitors outcomes relating to the risk review and reporting process and provides advice to the Council. The University’s Budget Committee continued to monitor the overall financial risk to the University of earned-income projects during 2012.

The Vice-Chancellor’s Senior Team of the University of Ballarat and selected members of the Audit and Risk Committee conducted a strategic risk review in 2012. The review was part of the Strategic Risk Management program, which started in 2006. The review identified a broad range of organisational risks, their treatment actions, the senior officers responsible, and the anticipated completion dates.

The Audit and Risk Committee monitor the completion of actions relating to High or Extreme risks.

## Register of Shareholdings that includes a Risk Assessment

Compliance University of Ballarat Subsidiary Companies (Wholly Owned Controlled Entities)

University of Ballarat Associated Entities (part ownerships from shareholdings):		
Entity	Objects	Risk assessment
Inskill Pty Ltd	Holds shareholdings in start-up companies	Low
The School of Mines and Industries Ballarat Limited	Inactive	Low
UB Housing Pty Ltd	Inactive	Low

Compliance University of Ballarat Other Companies (Associated Entities)

University of Ballarat Associated Entities (part ownerships from shareholdings):		
Entity	Objects	Risk assessment
AINSE Limited	Access for researchers to carry out research in connection with nuclear science and engineering	Low
Australian Research and Education Network Pty Ltd (AARNet)	Provision of internet services to education and research.	Low
Viterra Inc	Agribusiness trading in grain commodities.	Low
Cooperative Action by Victorian Academic Libraries Limited (CAVAL)	Consortium of Victorian University Libraries and State Library of Victoria providing information services and resources.	Low
Datascreen Pty Ltd	Commercialisation of intellectual property.	Low
Education Australia Limited	Recruitment of international students for Australian universities.	Low
VERNet Pty Ltd	Provision of optic fibre to Victorian education sector.	Low
Universities Australia	Body representing the University sector	Low
Telstra Limited	Telecommunications and information services	Low
Council of Australian University Directors of Information Technology Inc (CAUDIT)	Procurement and collaboration in information technology	Low
Regional Universities Network	Collaboration of six universities with headquarters in regional Australia	Low



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## **Council Professional Development and Appraisal**

Professional Development is provided to each Council member on an annual basis comprising:

- An induction package distributed when members commence;
- A mentor assigned to new members (if requested);
- A Professional Development and Induction Workshop;
- A Council Retreat comprising two days of professional development;
- Participation in events organised by the relevant Commonwealth and State Government Departments responsible for Higher Education and TAFE;
- Additional workshops addressing specific skills i.e. Financial Statements, Audit and Risk, Protocols.

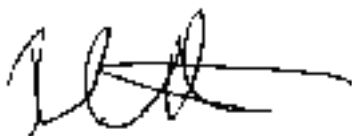
A formal assessment of the performance of Council and its standing committees is completed on an annual basis. Performance measurement is undertaken through the distribution of a review document requiring a confidential written response by all members.

## **Indemnity of Councillors and Senior Officers**

The University has Directors and Officers liability insurance in place for the indemnity of Councillors and Senior Officers relating to the conduct of their duties and responsibilities as officers of the University.

## **Attestation on compliance with the Australian/New Zealand Risk Management Standard**

I, Rowena Coutts certify that the University of Ballarat has risk management policies, procedures and processes in place consistent with the Australian/New Zealand Risk Management Standard (or equivalent designated standard) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control strategic risk exposures. The Audit and Risk Committee of the University Council verifies this assurance and that the strategic risk profile of the University of Ballarat has been critically reviewed within the last 12 months.



Rowena Coutts

22 February 2013

# Organisational and Regulatory Information

## Student Load Performance

### TAFE Programs

Overall, the University delivered VET programs to over 10,000 students in 2012, equating to approximately 3.1 million Student Contact Hours (SCH) of training, 2.3 million SCH related to funding from the State Government and 0.75 million SCH in non-government funded training. Training activity was significantly below the previous year due to a number of factors including:

- Completion of pipeline students who commenced prior to introduction of demand driven funding system.
- Cessation of programs not viable under new government funding arrangements.
- Continued competition for students from private RTOs.
- Commercial training now eligible for government funded training.

### TAFE Training Delivery and Performance Summary

	2011 Actual SCH million	2012 Actual SCH million	% difference
Government Funded	2.8	2.3	-16%
Non-Government Funded	1.1	0.8	-32%
<b>Total (SCH)</b>	<b>3.9</b>	<b>3.1</b>	<b>-21%</b>

### Higher Education Programs

#### Domestic Commonwealth Supported Place (CSP) funded Student Enrolments

The University had its highest level of CSP funded student load achieving 4,371 EFTSL and over performing the target enrolment by 5.3%. This reflected a record commencing student enrolment in undergraduate programs across all disciplines and continuing strong demand for postgraduate programs that lead to professional qualifications in areas of education, nursing and engineering.

#### Higher Education CSP Funded Equivalent Full Time Student Load (EFTSL)\*

	Target 2012	Actual 2012	% difference
Undergraduate	3898	4033	3.5%
Postgraduate	253	338	33.5%
<b>Total</b>	<b>4151</b>	<b>4371</b>	<b>5.3%</b>

\*Target represents the domestic undergraduate and postgraduate student load funded by the Federal Government as per agreed load funding arrangements.

Estimated Actual EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2013.

## Domestic Research and Fee-Paying Student Enrolments

The University's non-commonwealth funded load comprises a small program of activities which varies from year to year based on demand. Major changes in enrolled load in 2012 reflect more places being offered to domestic students in the Research Training Scheme and more postgraduate students taking up CSP places.

### Higher Education Non - Commonwealth Funded Load

Category	Report Group	2011 Actual EFTSL	2012 Actual EFTSL*	% Over (under)
Research	Research Training Scheme	100	101	1.5%
Research	Domestic Fee-Paying	0	0	na
Research	International	32	37	13.1%
<b>Total</b>		<b>132</b>	<b>138</b>	<b>4.5%</b>
Fee Paying Domestic Students	Non-Award	25	21	(16.8%)
Fee Paying Domestic Students	Postgraduate	212	233	10.1%
<b>Total</b>		<b>237</b>	<b>243</b>	<b>2.5%</b>

\*Estimated Actual EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2013.

## International Student Enrolments

International student commencements in 2012 showed a decline compared to previous years. This continues a declining trend as a result of the global financial crisis, student visa integrity issues and changes to the Australian Government immigration policies. Consistent with prior years, students from India and China constitute the majority of international students for both on-campus and on-shore partner providers.

### Commencing International Student Enrolled Load at Provider Locations - On-Shore\*

City of Provider	2011 Actual EFTSL	2012 Actual EFTSL*	% Over (under)
Adelaide	166	86	(48.4%)
Geelong	10	54	416.9%
Melbourne <sup>(1)</sup>	859	811	(5.6%)
Sydney	663	455	(31.3%)
<b>Total</b>	<b>1698</b>	<b>1406</b>	<b>(17.2%)</b>

\*Estimated EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2013

### Commencing International Student Enrolled Load at Provider Locations - Off-shore\*

Country	2011 Actual EFTSL	2012 Actual EFTSL*	% Over (under)
HE - China	14	1	(92%)
HE - Malaysia	163	103	(36.8%)
HE - Hong Kong	33	20	(39.4%)
HE - Singapore	97	50	(48.5%)
HE - Sri Lanka	15	27	80%
HE - Viet Nam	0	9	na
<b>Total</b>	<b>322</b>	<b>210</b>	<b>(35%)</b>
TAFE - Hong Kong#	5.7	22.7	298.2%
TAFE - New Zealand#	0	0.6	na
TAFE - Sri Lanka#	0	16.2	na
<b>Total</b>	<b>5.7</b>	<b>39.5</b>	<b>593.0%</b>

\*Estimated EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2013

#Single unit enrolments where 720 Student Contact Hours is equated to 1 EFTS. Figures are provisional, and collated prior to final 2011 data submissions to Skills Victoria, and subject to reconciliation processes to be undertaken by Skills Victoria.

### Commencing International Student Enrolled Load at Ballarat Campuses - On-shore\*

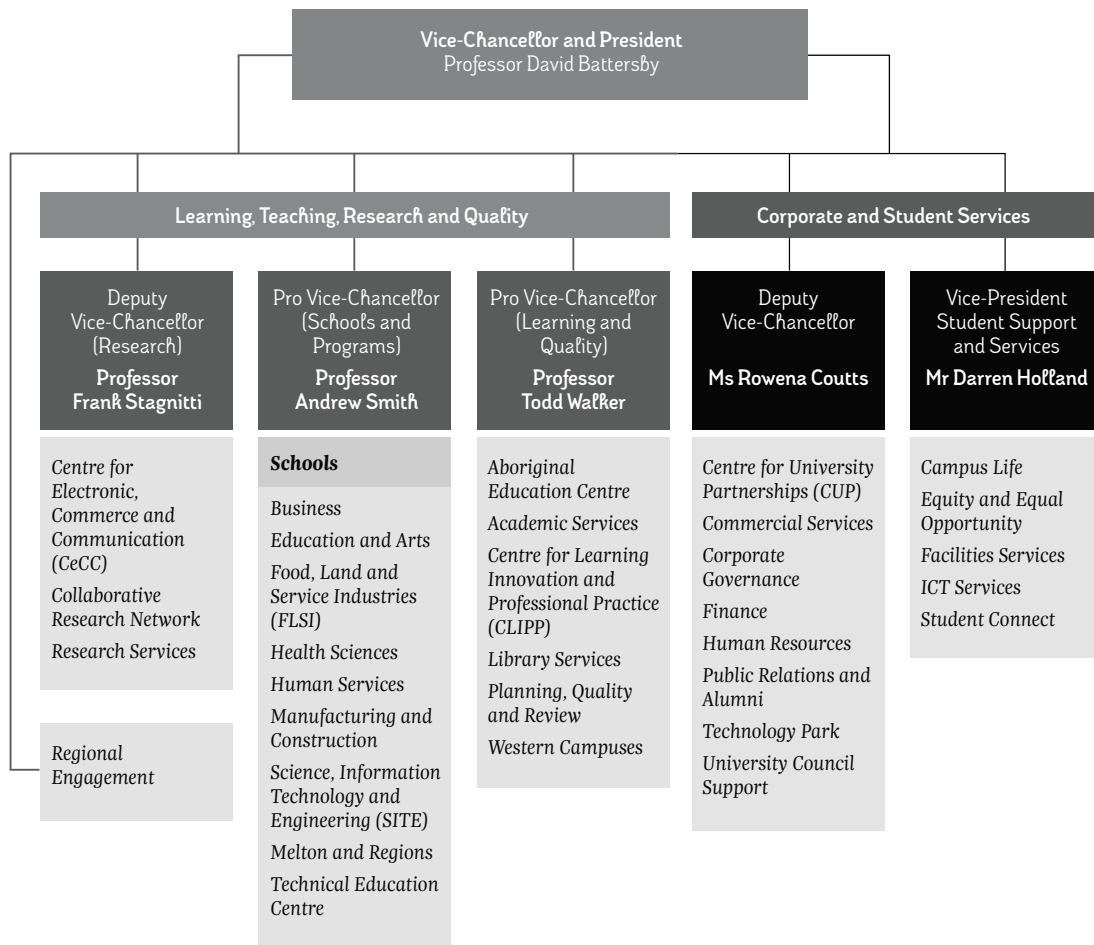
School	2011 Actual EFTSL	2012 Actual EFTSL*	% Over (under)
Arts Academy	0	0	na
BSSH	27	0	na
Business	64	78	21.9%
Education	7	0	na
Education/Arts	na	22	na
ITMS	24	0	na
Nursing	110		na
Health Sciences	na	85	na
Research	7	12	71.4%
Science & Engineering	44	0	na
SITE	na	81	na
<b>Total Higher Education</b>	<b>283</b>	<b>278</b>	<b>2%</b>
Applied Sciences#	0	1	na
Business Services#	4	0.6	(85.0)%
<b>Total TAFE#</b>	<b>4</b>	<b>1.6</b>	<b>(60)%</b>

\*Estimated EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2013.

#Single unit enrolment where 720 Student Contact Hours is equated to 1 EFTS. Figures are provisional, and collated prior to final 2011 data submissions to Skills Victoria, and subject to reconciliation processes to be undertaken by Skills Victoria



# 2012 Organisational Chart



## Staff Workforce Data

	2011		2012	
	No of Persons	Full-time Equivalent	No of Persons	Full-time Equivalent
<b>Higher Education Academic Staff*</b>				
<i>On-going</i>				
Male	109	103.2	113	108.3
Female	97	90.11	110	102.71
<i>Fixed-Term</i>				
Male	31	29.6	32	29.2
Female	31	27.7	33	28.1
<b>TOTAL</b>	<b>268</b>	<b>250.61</b>	<b>288</b>	<b>268.31</b>
Total Male	140	132.8	145	137.5
Total Female	128	117.81	143	130.81

\*Does not include casual staff (estimated to be full-time equivalent staff 32.31 for 2011 and 35.58 for 2012), nor staff employed by third party providers. Probationary staff are included in the ongoing staff statistics.

<b>VET Teaching Staff*</b>				
<i>On-going</i>				
Male	83	80.4	70	68.4
Female	54	44.05	49	39.85
<i>Fixed-Term</i>				
Male	33	30.6	16	14
Female	12	9.8	8	7.3
<b>TOTAL</b>	<b>182</b>	<b>164.85</b>	<b>143</b>	<b>129.55</b>
Total Male	116	111	86	82.4
Total Female	66	53.85	57	47.15

\*Does not include casual staff (estimated to be full-time equivalent staff 36.72 for 2011 and 33.15 for 2012), nor staff employed by third party providers.

<b>General Staff*</b>				
<i>On-going</i>				
Male	123	113.02	131	121.15
Female	288	253.21	317	274.46
<i>Fixed-Term</i>				
Male	47	44.28	38	36.58
Female	74	62.83	70	56.26
<b>TOTAL</b>	<b>532</b>	<b>473.34</b>	<b>556</b>	<b>488.45</b>
Total Male	170	157.3	169	157.73
Total Female	362	316.04	387	330.72

\*Does not include casual staff (estimated to be full-time equivalent staff 67.11 for 2011 and 69.80 for 2012), nor staff employed by third party providers.

# Industrial Relations

The major industrial instruments in which University staff terms and conditions of employment are stipulated are:

- The University of Ballarat Union Collective Agreement 2010-2012 Academic and General Staff Employees; and
- The Victorian TAFE Teaching Multi-Business Agreement 2009 (for TAFE Teachers).

Both Agreements nominally expired in 2012 and negotiations are expected to commence in early 2013 for replacement Agreements.

A major task in 2012 has been the implementation of a new organisational structure for the University, particularly in relation to the rationalisation of TAFE Schools and the establishment of the UB Industry Skills Centre and UB College (both commencing operation from 1 January 2013), following a significant reduction in government funding for a number of TAFE programs.

A further round of voluntary redundancies was conducted in 2012, which resulted in a number of TAFE teachers and general staff ceasing University employment. A small number of targeted redundancies also occurred in the latter half of 2012.

No days were lost due to strikes or industrial disputes in 2012.

## Staff well-being initiatives

The Global Corporate Challenge commenced in May and finished in mid-September. UB had 22 teams (154 staff) participate in the event. Our final stats were:

**Total combined steps:** 203,042,545 or 129,947km  
(This is equivalent to walking three times around the world.)

**Average steps per day:** 12,860

**Average distance per day:** 8.23 km

**Reported improvements in health and well-being at the end of the GCC:**

**Increased physical activity** – 77% of employees reported meeting or exceeding 10,000 steps per day compared to 13% pre-event.

**Health Scores** – 86% of employees rated their overall health as either good or excellent compared to 72% pre-event.

**Employee engagement** – 62% reported increased awareness of the organisation's commitment to their health and well-being. 65% felt more connected to colleagues and 27% reported feeling more connected to the organisation, with 53% describing morale as excellent.

**Reducing Stress** – 72% reported a reduction in stress levels either at work or at home.

**Increased Productivity** – 52% reported an increase in their daily of 90% or more compared to 51% pre-event.

The University finished the challenge being Australia's 6th Most Active University this year which is a fantastic achievement for our first year. The winning UB team this year was the Out of Officer's, capably led by Joey Hutchinson from Health Sciences.

## Employee Assistance Program

The Employee Assistance Program is now in its ninth year with EAP, Manager Assist and Career Assist services continuing to be well supported by staff members and their immediate family. To 31 December 2012 there have been 392 counselling sessions undertaken with a utilisation rate of 6.69%.

## WorkCover

The University remains committed to providing staff members with support and assistance following a work-related injury, and promoting effective and sustainable rehabilitation assistance in accordance with the Accident Compensation Act 1985. The aim, in the case of all WorkCover claims received, is to ensure that a co-operative and proactive environment is created to enable successful outcomes to be achieved for both the injured staff member and the University.

2012 has presented a number of challenges with an increase in physical injuries that accounted for 86.5% of the total injuries claimed for this year. As a result of this there has been an increase in the number of standard claims received when compared to 2011, and overall there was an increase in the total number of WorkCover claim received in 2012. Muscular strain/repetitive use injuries were the cause of the highest number of claims in 2012 accounting for 35% of the total claims received.

There was an over 46% increase in standard claims costs for 2012, however the 2012/2013 premium notice show an increase of only 11.36% in claims costs affecting premium when compared to 2011/2012. The overall premium for 2012/13 increased 6.82% from the previous financial year.

### Key Performance Indicators

#### Incidence of Claims:

- Number of standard claims reported: 20 claims (increased from 14 standard claims in 2011).
- Claims frequency rate: 0.22 per \$million remuneration (increased from 0.15 per \$million in 2011).

#### Claims Costs:

- Average cost of claims \$7,497 per claim (increased from \$7,327 in 2011)
- Claims cost ratio: \$1,632 per \$million remuneration (increased from \$1,063 per \$million remuneration in 2011)

#### Improvement target:

- The University of Ballarat has an annual improvement to reduce WorkCover claims KPIs by 7% per annum.

## Distinguished Service List

The University thanks the following staff who left the organisation in the period 1 January 2012 to 31 December 2012. Their combined efforts represent more than 279.28 years of service to the University and its communities.

Name	Date Started	Date Left	Years of Service	Position Description	School / Section
Mrs Carmel Day	07 Nov 91	21 Sep 12	20.84	Administrative Assistant	School of Human Services
Mr Neville French	02 Feb 82	27 Jul 12	30.42	Advanced Skills Teacher	School of Education and Arts
Mrs Rosalie Haley	04 Jul 90	27 Apr 12	21.76	Records Management Officer	Planning, Quality and Review
Mr Dennis Hawkes	01 Feb 77	31 Dec 12	35.84	Teacher	School of Manufacturing and Construction
Mrs Elizabeth Heffernan	13 Feb 90	16 Mar 12	22.08	Teacher	The Business School
Mr Paul Lambeth	02 Mar 87	21 Sep 12	25.50	Head of Program – Arts Academy	School of Education and Arts
Mr Tom Lawless	28 Oct 85	21 Dec 12	27.08	Teacher	School of Manufacturing and Construction
Mrs Geraldine Monaghan	22 Jan 90	03 Aug 12	22.50	Teacher, Further Education Services	School of Human Services
Mr Garry Rice	03 Apr 91	03 Aug 12	21.33	Teacher	The Business School
Ms Annice Sanderson	07 Nov 88	13 Nov 12	24.00	Customer Service Officer	School of Human Services
Mr Alastair Shaw	19 Mar 84	16 Mar 12	27.93	Teacher	The Business School
			<b>279.28</b>		

## Access and Equity

### Equal Opportunity for Women in the Workplace Agency (EOWA)

The University undertakes an annual review of the implementation of its access and equity principles relevant to the employment of women and provides an annual report to the Equal Opportunity for Women in the Workplace Agency (EOWA). This included the following staff profile analysis for the year ended 31 March 2012:

#### Overview as at 31.3.2012 as compared with 31.3.2011

Overall, there was an increase in the number of permanent and contract University staff (to 1,010 from 986), with the proportion of female staff rising to 59% (from 56% in 2011). The proportion of female staff at quite senior levels – above HEW 10/ Academic E & above/ SE3 and above – rose slightly to 33% (from 32% in 2011).

#### General Staff

Overall, the representation of female General Staff rose slightly to 70% from 68%, with the representation of women in senior levels rising slightly to 47% from 45% at HEW Levels 9 and above.

#### Academic Staff

Overall, the representation of female Academics remained rose slightly to 49% from 47%, with the representation of women in senior levels dropping to 27% from 31% at Academic Levels D and above.

#### TAFE Teaching Staff

Overall, the representation of female TAFE Teachers rose slightly to 40% from 38%, with the representation of women in senior levels rising to 44% from 41% at Level SE2 and above.



## Program and student focused initiatives

With respect to Higher Education, the Australian Government has a particular focus on raising the participation rate of people from low socio-economic (SES) backgrounds – with a target of 20 per cent of domestic undergraduate students coming from low SES backgrounds by 2020. UB is already above the Government's target, and aims to increase this rate further.

In Higher Education initiatives targeting low SES students, amongst others, included:

- administration of the Commonwealth Scholarship Scheme;
- offering a UB Financial Aid Scholarship program, targeting Indigenous students and students from rural and low socio-economic backgrounds which, in 2012, provided 137 scholarships to new and continuing undergraduate students;
- inclusion in the UB Financial Aid Scholarship program of a Regional Relief Scholarships scheme specifically addressing the hardship experienced by rural students;
- provision of a Free Computer Equity Scheme, providing 142 reconditioned computers to students in financial need;
- provision of Book Bursaries to commencing undergraduate students in financial need;
- implementation of the University's Regional Schools Outreach Program (RSOP), with a focus on increasing access to university of students from rural and low socio-economic backgrounds, which delivered initiatives in partnership with 49 Government primary and secondary schools in Western Victoria (Barwon-South West, Loddon-Mallee, and Grampians DEECD regions) to a total of 4,802 Grade 5/6, Year 8, 9, 10 and 11 students, as well as 790 parents of these students;

- implementation of a community-based project to enhance aspirations of students in the local Sebastopol/Delacombe area to engage with higher education;
- continuation of the first year undergraduate Transition Program, including the Mentor Program, for all first year on-campus students;
- continuation of the PASS Program – Peer Assisted Study Sessions – to further support students develop strategies for studying and learning.

In Vocational Education and Training, (VET), as part of the University's performance agreement with the Victorian Skills Commission, particular focus was on

- support for the implementation of Wurreker including achievement of the University's Indigenous Education Program targets and progress towards the Victorian Government Koorie employment target; and
- enabling students with disabilities to access and participate in education without experiencing discrimination.

## Indigenous students

Across the University, in both Higher Education and VET, the University supported the access and success of Indigenous students through the Aboriginal Education Centre, and through implementing the strategies of the Reconciliation Action Plan.

## Students with a disability

Support for students with disabilities across the University continued to be enhanced through the work of the Disability Liaison Unit. The range of services includes arranging for production of materials in Braille and use of BrailleNote refreshable Braille display; provision of note-taking services; provision of Live Remote Captioning and Auslan interpreting for Deaf students; and continuing to train staff and students in the use of WYNN literacy software.

# Regulatory Compliance

## Application and Operation of the 'Freedom of Information Act 1982'

### General Statement

The office of the Senior Deputy Vice-Chancellor, Corporate Services was responsible for the processing of applications for information under the Freedom of Information Act 1982. The following information and references are provided to meet the reporting requirements of the Freedom of Information Act 1982.

### Description of the University and its Decision-Making Powers

The University is described, and reference to its objects is made on page 27 of this report. The University's website [www.ballarat.edu.au](http://www.ballarat.edu.au) outlines the areas of work and responsibility which each School and Portfolio of the University administers. The University Council has responsibility for the direction and superintendence of the University and has power to make statutes and regulations in accordance with the University of Ballarat Act 2010.

### Categories of Documents

The University holds an extensive range of documents, procedural statements, policies, statutes and regulations. General enquiries relating to the gaining of access to these documents and/or a copy thereof may be made to the Senior Deputy Vice-Chancellor, Corporate Services. However, enquirers may go direct to the office involved in the preparation and implementation of the area of responsibility concerned as indicated hereunder as at 31 December 2012.

#### Vice-Chancellor's Office:

- Policies and directives from the:
- Vice-Chancellor
- Senior Deputy Vice-Chancellor
- Deputy Vice-Chancellors
- Documents pertaining to Aboriginal Education.

#### Further documents available from the Senior Deputy Vice-Chancellor, Corporate Services:

- Documents pertaining to the Legal Office, Council, External Marketing, Public Relations, Community Relations matters, University Legislation and International Programs;
- Documents pertaining to Appointments and Recruitment, Industrial Relations, Enterprise Bargaining, Salaries, Staff Records, Staff Development and Training, Superannuation, Occupational Health and Safety and WorkCover, and the procedures and processes relating thereto;
- Documents pertaining to the University of Ballarat Technology Park;

- Documents pertaining to Commercial Services and the procedures and processes relating thereto;
- Documents pertaining to University Financial Planning, Budgets, Finances, Financial Reporting, Asset Management, Insurance, and the procedures and processes relating thereto;
- Documents pertaining to the management of Student Loans and Parking Procedures.

#### Further documents available from the Deputy Vice-Chancellor, Learning and Quality:

- Documents pertaining to Academic Secretariat, Curriculum Renewal and Development and Planning;
- Documents pertaining to University-wide policies, procedures and guidelines and the procedures and processes relating thereto;
- Documents pertaining to Professional Practice, Learning Environment, Library Services and Records Management.

#### Further documents available from the Deputy Vice-Chancellor, Research:

- Documents pertaining to Research and the procedures and processes relating thereto.

#### Further documents available from the Deputy Vice-Chancellor, Student Support and Services:

- Documents pertaining to Equity, Disability and Equal Opportunity;
- Documents pertaining to Student Services and Student Administration (direct enquiry may be made to the Director, Student Connect);
- Documents pertaining to Scholarships and Awards;
- Documents pertaining to Communications Services, Information Technology Services, Media Technology Services, Web Services, Printing Centre, and the procedures and processes relating thereto;
- Documents pertaining to management of the 1870 Founders' Theatre, Accommodation and Halls of Residence (direct enquiry may be made to the Director, Campus Life), Catering, Bar and Conference Management (direct enquiry may be made to the Manager, Conference & Catering Services), and the procedures and processes relating thereto;
- Documents pertaining to Capital Works and Maintenance Programs and Stores and Supplies.

#### The Administrative Office of each School

- Documents and procedures relating to specific academic programs may be obtained from the Office of the Dean of School in each case.

### Subscription Services and Free Mailing Lists

- The University does not normally provide literature by way of a subscription service or free mailing lists.

### Formal Freedom of Information Requests

The University has a policy of providing access where possible to documents and publications produced by the University.

Persons wishing to obtain information by following the procedures laid down under Freedom of Information Act 1982 may contact the Senior Deputy Vice- Chancellor, Corporate Services, Ms R Coutts, Administration Building, Mt Helen Campus, University of Ballarat, University Drive, Mt Helen, Vic 3350, Telephone: (03) 5327 9506 or by email to [foi@ballarat.edu.au](mailto:foi@ballarat.edu.au).

There were four (4) requests for information under the Freedom of Information Act 1982 during the year.

## Whistleblowers Protection Act 2001

The following information is provided pursuant to section 104 of the Whistleblowers Protection Act 2001.

\*As per the University of Ballarat Whistleblower Procedure and in accordance with the Victorian Ombudsman's guidelines.

The current procedures established by the public body under Part 6	*See above
The number and types of disclosures made to the public body during the year	1
The number of disclosures referred during the year by the public body to the Ombudsman for determination as to whether they are public interest disclosures	Nil
The number and types of disclosed matters referred to the public body during the year by the Ombudsman	Nil
The number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate	Nil
The number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year	Nil
The number of requests made under section 74 during the year to the Ombudsman to investigate disclosed matters	Nil
The number and types of disclosed matters that the public body has declined to investigate during the year	Nil
The number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	Nil
Any recommendations of the Ombudsman under this Act that relate to the public body	Nil
Provide a statement on the number of complaints made to and investigated by the Ombudsman involving the University	N/A

## National Competition Policy

### General Statement

The University is committed to ensuring that it complies with the requirements of the National Competition Policy.

### Assurance Programs

Competition Code Compliance Manual – The University of Ballarat has in place a Competition Code Compliance Manual which has recently been updated to reflect the provisions of the Competition and Consumer Act 2010 as it applies to the University. The Competition Code Compliance Manual is displayed on the University website and reference to the manual is included in induction material provided to new staff. For provision of commercial services, the University uses a costing model which adopts competitive neutrality.

## Education Services for Overseas Students Act 2000

### General Statement

The University provides experiences to international students that are equivalent to those provided to domestic students. The University has established policies, procedures and student support services to ensure it is compliant with the Educational Services for Overseas Students (ESOS) Act 2000 (as amended 2010) and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2007. These processes are regularly reviewed to ensure their effectiveness and that they support the positive learning experience for international students.

### Assurance programs

**ESOS Compliance Team** – The ESOS Compliance Team is comprised of representatives from all Schools and Portfolios. Meetings of this team ensure issues regarding ESOS compliance are raised, discussed and resolved in a timely manner.

**Joint Operations Committees** – The Joint Operations Committees are comprised of representatives from Schools and Portfolios and representatives from the University's Partner Providers. The meetings look at operational issues including ESOS compliance issues which are discussed and resolved in a timely manner.

**Internal audit** – Internal audits are conducted against the University's ESOS Compliance Framework. These audits are conducted on campus and at Partner Provider locations across all programs and courses, student recruitment and student support areas. Results of these audits are reported to the International & Partnerships Committee for discussion and review.

## Building Act 1993

### General statement

The University holds all plans and documentation for building extensions and new buildings lodged for issue of building approvals by certified building surveyors. Upon completion of construction the University has obtained Certificates of Occupancy and practical completion certificates from the relevant architects and surveyors.

### Assurance programs

**Certification of Building Projects:** During 2012, Certified Building Surveyor's provided completion certificates and necessary building compliance and regulatory certificates were received for all projects completed during the year.

**Building Maintenance Programs:** The University has an ongoing maintenance program (using University staff

and engagement of specialist external contractors) for works to the existing buildings controlled by the University.

### Compliance statement

It is considered that all buildings on campus currently conform to the Building Regulations as existed at the time of construction of the respective buildings. All new buildings constructed since the promulgation of the Building Act 1993, comply with those relevant standards. The University has an ongoing program to ensure that any alterations or improvements to buildings meet the necessary standards to ensure that they are safe and fit for purpose.

## Grievance and Complaints Procedures

### General statement

The University is committed to ensuring that all students and staff have a positive relationship with the University and members of the University community.

### Assurance Programs

#### **Grievance and Complaint Procedures:**

Where issues arise, the University has established the following procedures that include processes for receiving and processing complaints:

- Student Grievance Policy & Procedure
- Student Appeal Policy & Procedure
- Staff Grievance Policy & Procedure

#### **Diversity, Equal Opportunity and Prevention of Bullying:**

Where issues arise, the University has established the following procedures that include processes for receiving and processing complaints:

- Equal Opportunity and Valuing Diversity Policy
- Bullying Prevention and Management Policy & Procedure
- Harassment Policy
- Harassment Complaint Procedure

(Policies and procedures can be downloaded from [www.ballarat.edu.au/staff/policy-central](http://www.ballarat.edu.au/staff/policy-central))

**Ombudsman:** Complaints about administrative actions and decisions of the University can be made to the Victorian Ombudsman ([www.ombudsman.vic.gov.au](http://www.ombudsman.vic.gov.au)). The Ombudsman is, generally, the office of last resort. If the steps set out in the relevant University procedures are not followed, the Ombudsman may request that this occurs before considering a complaint.

Eighteen (18) complaints involving the University were made to the Ombudsman and two (2) of these were referred back to the University for investigation and/or further action.



# Public Information 2012

## University Addresses, Telephone and Facsimile Numbers, Email Addresses

University and Main Campus				
Mount Helen Campus				
University Drive, Mt Helen, Victoria 3350 PO Box 663, Ballarat, Victoria, 3353, Australia Telephone: (03) 5327 9000 Facsimile: (03) 5327 9704		Web Site: <a href="http://www.ballarat.edu.au">www.ballarat.edu.au</a> Email: <a href="mailto:info@ballarat.edu.au">info@ballarat.edu.au</a> CRICOS Provider Number 00103D ABN 51 818 692 256		
Other Campus Locations and Contact Details				
Horsham Campus	Camp St Campus	SMB Campus	Stawell Campus	Ararat Campus
Baillie Street, Horsham, Victoria 3400	Arts Academy, University of Ballarat Camp Street Precinct, Ballarat, Victoria 3350	107 Lydiard Street South, Ballarat, Victoria 3350	Sloane Street, Stawell, Victoria 3380	Laby Street, Ararat, Victoria 3377
PO Box 300, Horsham, Victoria 3402, Australia	PO Box 745, Ballarat Mail Centre, Victoria 3353, Australia	PO Box 668, Ballarat, Victoria 3353, Australia	PO Box 115, Stawell, Victoria 3380, Australia	
Tel: +61 3 5362 2600 Fax: +61 3 5362 2610 <a href="mailto:info@horsham.ballarat.edu.au">info@horsham.ballarat.edu.au</a>	Tel: +61 3 5327 8600 Fax: +61 3 5327 8601 <a href="mailto:artsinfo@ballarat.edu.au">artsinfo@ballarat.edu.au</a>	Tel: +61 3 5327 8000 Fax: +61 3 5327 8001 <a href="mailto:smb.prospective@ballarat.edu.au">smb.prospective@ballarat.edu.au</a>	Tel: +61 3 5358 7200 Fax: +61 3 5358 7250	Tel: +61 3 5355 3000 Fax: +61 3 5352 4616

Website address for current and previous Annual Reports

Annual Reports prior to 2012 can be found at: [www.ballarat.edu.au/organisational-data](http://www.ballarat.edu.au/organisational-data)

### Information contained on the University website

The following links to additional information about the University and its activities can be made from the University's home page at: [www.ballarat.edu.au](http://www.ballarat.edu.au)

Information includes:

- General Information & News
- Resources and Services
- Important Announcements
- Governance
- Prospective Students
- International Education
- Student Life at the University of Ballarat
- Business and Community
- Alumni

Other Relevant Information available at the University

### Information not contained in the Annual Report

The following information, details of which are not all included in this report, are available, through contact with the Office of the University's Senior Deputy Vice-Chancellor, Corporate Services, Telephone: (03) 5327 9506:

- a) declarations of pecuniary interests duly completed by all relevant officers;
- b) details of shares held by a senior officer as nominee or held beneficially in statutory authority or subsidiary;
- c) details of publications produced by the University about the University and the places where the publications can be obtained;
- d) details of changes in prices, fees, charges, rates and levies charged by the University;
- e) details of any major external reviews carried out on the University;
- f) details of major research and development activities undertaken by the University;
- g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- h) details of major promotional, public relations and marketing activities undertaken by the University to develop community awareness of the University and the services it provides;
- i) details of assessments and measures undertaken to improve the occupational health and safety of employees;
- j) a general statement on industrial relations within the University and details of time lost through industrial accidents and disputes;
- k) a list of major committees sponsored by the University, the purposes of each committee and the extent to which the purposes have been achieved.

# Appendix 1

## Compliance Index

The Annual Report of the University of Ballarat is prepared in accordance with:

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
DEEWR	Department of Education, Employment and Workplace Relations
ESOS	Education Services for Overseas Students Act 2000
ETRA 2006	Education and training reform Act 2006
FMA	Financial Management Act 1994
FRD	A-IFRS Financial Reporting Directions
PAEC	Decision of Public Accounts and Estimates Committee of Parliament
RUG	Victorian Government response to the Review of University Governance
SD	Standing Directions of the Minister for Finance issued under the Financial

No.	Clause	Disclosure	Page(s) F # indicates Financial Section
<b>Standing Directions for the Minister of Finance (SD)</b>			
1	SD 4.2(g)	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 Financial Management Act, 1994.	2-57
2	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions.	F1
3	SD 4.2(j)	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved.	2
4	SD 4.2(a)	<ul style="list-style-type: none"> <li>Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements;</li> <li>Financial Reporting Directions; and</li> <li>Business Rules.</li> </ul>	F1 – F15
5	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> <li>Balance Sheet (Statement of Financial Position)</li> <li>Statement of Recognised Income and Expense (Comprehensive Operating Statement);</li> <li>Statement of Changes in Equity</li> <li>Cash Flow Statement (Statement of Cash Flows); and</li> <li>Notes to the financial statements.</li> </ul>	F3 – F49
6	SD 4.2(c)	Signed and dated statement by Accountable Officer stating that financial statements: <ul style="list-style-type: none"> <li>present fairly the financial transactions during reporting period and the financial position at end of the period;</li> <li>were prepared in accordance with Standing Direction 4.2 (c) and applicable Financial Reporting Directions; and</li> <li>comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements.</li> </ul>	F1
7	SD 4.2(d)	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"> <li>\$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and</li> <li>\$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000.</li> </ul>	F3
8	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit or responsible body prior to finalisation and submission.	F1
9	SD 4.5.5	Attestation on compliance with the Australian/New Zealand Risk Management Standard	40

No.	Clause	Disclosure	Page(s)
<b>A-IFRS FINANCIAL REPORTING DIRECTIONS (FRD)</b>			
10	FRD 10	Disclosure index	
11	FRD 11	Disclosure of ex-gratia payments	F49
12	FRD 07A	Early adoption of authoritative accounting pronouncements	F15
13	FRD 17A	Long service leave, wage inflation and discount rates	F13
14	FRD 19	Private provision of public infrastructure	n/a
15	FRD 21A	Responsible person and executive officer disclosure in the financial report	F31
16	FRD 22B	Standard disclosures in the report of operations	2-57
17	FRD 25	Victorian Industry Participation Policy in the report of operations	55
18	FRD 26A	Accounting for VicFleet motor vehicle lease arrangements on or after 1 February 2004	n/a
19	FRD 102.	Inventories	F21
20	FRD 104	Foreign currency	F14,F38
21	FRD 106	Impairment of assets	F10,F11,F22
22	FRD 107	Investment properties	F24
23	FRD 109	Intangible assets	F24
24	FRD 110	Cash flow statements	F5
25	FRD 112A	Defined benefit superannuation obligations	F30
26	FRD 113	Investments in subsidiaries, jointly controlled associates and entities	F35
27	FRD 114	Financial investments	F36
<b>Department of Education, Employment and Workplace Relations (DEEWR)</b>			
28	FRD 22B DEEWR	Analysis of the achievement of the entity's operational and budget objectives for the financial year; should include comparative analysis of indicators such as enrolments, graduations, student performance and satisfaction, staff profile, research performance and performance position.	2-57
29	DEEWR	Information with respect to the governance and administrative structure of the University, specifically council members and occupants of senior officers	28-40
30	DEEWR	Outline of student and staff grievance procedures and number of complaints made to and investigated by the Ombudsman.	51
31	DEEWR	Details of information available on institution's website, including locations of current and previous Annual Reports	52
32	DEEWR	Compliance of financial statements with the Financial Statement Guidelines for Australian Higher Education Providers for 2008 Reporting Period issued by DEEWR	F1
<b>Financial Management Act 1994 (FMA)</b>			
33 34 35 36 37	FMA 1994; FMA 49 (a); FMA 49 (b) FMA 49 (c) FMA 49 (d) FMA 49 (e)	Financial Statements: • contain such information as required by the Minister; • are prepared in a manner and form approved by the Minister; • present fairly the financial transactions of the department or public body during the relevant financial year to which they relate; • present fairly the financial position of the department or public body as at the end of that year; and • are certified by the accountable officer in the manner approved by the Minister	F1-F52
<b>Victorian Government Response to the Review of University Governance (RUG)</b>			
38	RUG	Statement outlining that public funds allocated to the University have been allocated to the purposes specified by the Government or other public funding body. Statement is audited by the Auditor-General.	F1
39	RUG	University Council's risk management strategy	38
40	RUG	Summary of financial performance of Associates and Commercial Ventures	F35
<b>Educational Services for Overseas Students Act 2000 (ESOS)</b>			
41	ESOS	Statement indicating compliance with ESOS Act 2000 and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (National Code 2007)	51
<b>Education and Training Reform Act 2006 (ETRA)</b>			
42	ETRA, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in the preceding financial year	n/a
<b>Decision of Public Accounts and Estimates Committee of Parliament (December 1997)</b>			
43	PAEC	Financial and other information relating to institution's international operations	42-43, F1-F52

# Appendices 2

## Summary Financial Information

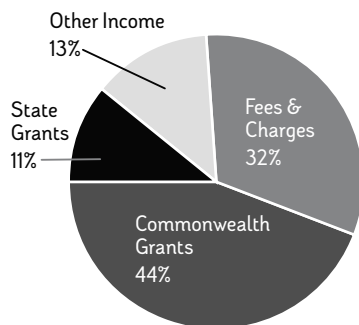
### Financial Summary - Consolidated Results

The University of Ballarat and its controlled entities recorded an operating surplus of \$ 59.6 million for the year ended 2012. This compared to an operating surplus of \$42.8 million in 2011.

#### Income

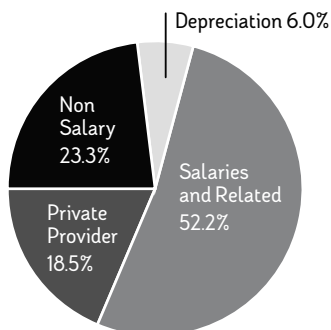
Operating Revenue from continuing operations in 2012 increased by 11.4% to \$265.8 million. Included in this income is Government contributions for specific projects of \$37.75 million (2011 \$20.8 million)

Unspent income received during 2012 but due for completion in future years amounts to \$ 35.81m, comprising unspent capital income of \$ 17.67m and operating income of \$ 18.14m.



#### Expenditure

Expenditure increased by 6% to \$207.1 million with payroll costs increasing \$6.6 million or 6.5%, and private provider costs increasing \$4.5 million or 13.3%.



#### Assets, Liabilities and Equity

Total Assets increased by \$99.2 million to \$632.6 million, in the main through increased cash balances as a consequence of unspent Government project funds, the underlying profit and the fixed asset revaluation.

#### Statement of Allocation of Funds

The University of Ballarat allocates public funds for the purpose specified by the Government or other public funding body.

#### Victorian Industry Participation Policy (VIPPP)

The University considers the application of VIPPP as part of its procurement process for relevant tenders as defined in the policy. In 2012, the application of VIPPP was not considered applicable to tenders.



## Five Year Financial Summary

	2012 \$'000	2011 \$'000	2010 \$'000	2009 \$'000	2008 \$'000
<b>INCOME</b>					
Revenue from Continuing Operations					
Commonwealth Government Grants	97,759	71,089	78,150	74,662	63,858
HELP – Australian Government payments	27,037	23,808	20,780	19,321	20,616
Victorian State Government Grants	31,665	37,796	28,667	28,445	23,191
Other Income	128,328	106,015	113,102	126,105	118,163
<b>Total revenue from continuing operations</b>	<b>284,789</b>	<b>238,708</b>	<b>240,699</b>	<b>248,533</b>	<b>221,254</b>
Expenses from continuing operations	225,153	195,886	210,356	218,339	205,226
<b>Net result for the year</b>	<b>59,636</b>	<b>42,822</b>	<b>30,343</b>	<b>30,194</b>	<b>16,028</b>
<b>BALANCE SHEET</b>					
Current Assets					
Cash and cash equivalents	119,389	93,876	93,876	83,296	67,383
Receivables	12,687	18,083	18,082	17,149	14,370
Other financial assets	80,257	282	282	272	249
Other assets	2,398	3,149	3,149	2,611	3,674
<b>Total Current Assets</b>	<b>214,731</b>	<b>115,390</b>	<b>115,389</b>	<b>103,328</b>	<b>85,676</b>
Non-Current Assets					
Receivables	85,347	67,268	67,268	56,865	49,389
Property, plant and equipment	261,383	218,624	218,624	217,076	218,675
Investment Property	66,070	65,577	65,577	60,545	47,338
Other	5,081	24,167	24,167	14,765	15,898
<b>Total Non-Current Assets</b>	<b>417,881</b>	<b>375,636</b>	<b>375,636</b>	<b>349,251</b>	<b>331,300</b>
<b>TOTAL ASSETS</b>	<b>632,612</b>	<b>491,026</b>	<b>491,025</b>	<b>452,579</b>	<b>416,976</b>
Current Liabilities					
Payables	9,544	9,955	9,955	6,521	9,209
Borrowings	560	495	495	467	440
Provisions	23,459	19,654	19,654	20,676	19,817
Other liabilities	6,744	3,194	3,194	7,274	7,080
<b>Total Current Liabilities</b>	<b>40,307</b>	<b>33,298</b>	<b>33,298</b>	<b>34,938</b>	<b>36,546</b>
Non-Current Liabilities					
Borrowings	1,390	2,478	2,478	2,973	3,441
Provisions	88,340	69,448	69,448	59,398	51,913
<b>Total Non-Current Liabilities</b>	<b>89,730</b>	<b>71,926</b>	<b>71,926</b>	<b>62,371</b>	<b>55,354</b>
<b>TOTAL LIABILITIES</b>	<b>130,037</b>	<b>105,224</b>	<b>105,224</b>	<b>97,309</b>	<b>91,900</b>
<b>NET ASSETS</b>	<b>502,575</b>	<b>385,802</b>	<b>385,801</b>	<b>355,270</b>	<b>325,076</b>
<b>TOTAL EQUITY</b>	<b>502,575</b>	<b>385,802</b>	<b>385,801</b>	<b>355,270</b>	<b>325,076</b>

## Consultancies

There were no consultancies undertaken during the year where the cost was \$100,000 or above.  
There was one Consultancy costing less than \$100,000 for the year, which totalled \$40,000.

## TAFE Key Performance Indicators

No.	TAFE Key Performance Indicator	Definition	2012 TAFE Result	2011 TAFE Result
<b>STRATEGIC ALIGNMENT</b>				
1	Participation of 15 – 24 year olds	No of students within the age group	5,233	5,321
2	Participation of 25 –64 year olds	No of students within the age group	5,368	6,523
<b>TRAINING OUTCOMES</b>				
3	Module Load Completion rate	Schedules hours assessed and passed or satisfactorily completed / total scheduled hours reported less hours recorded with Credit Transfer and continuing studies outcomes.	88.7%	76.80%
4	Student Satisfaction	Proportion of graduates satisfied with the overall quality of training.	N/A	N/A
<b>FINANCIAL MANAGEMENT</b>				
5	Total Cost per Student Contact Hours (SCH)	Total funded expenditure (excl depreciation) / Total School contact Hours	\$14.72	\$11.81
6	Working Capital Ratio	Current Assets / Current Liabilities (adjusted for non current long service leave)	3.51	3.94
7	Net Operating Margin	Funded Operating Surplus / Total Revenue (excl Capital)	-7.73%	6.82%
8	Fee For Service Revenue	Fee For Service Revenue / Total Revenue (%)	7.92%	14.50%
<b>ORGANISATIONAL MANAGEMENT</b>				
9	Revenue per EFT Staff	Total Revenue (excl Capital) / Average EFT staff	\$129,009	\$138,168
10	Student Contact Hours	Total no. of student contact hours against contracted delivery	3,090,579	3,921,920
		Government Funded	2,345,190	2,772,772
		Non Government Funded	745,389	1,149,148
<b>ENVIRONMENT</b>				
11	Building/ Space (m2)		43,708	46,513
	Energy Consumption Per Square Meter (Gj)		0.53	0.46
	Electricity (Gj)		9,762	10,758
	Natural Gas (GJ)		13,241	10,752
	Green power		2393	2422



Victorian Auditor-General's Office

Level 24, 35 Collins Street  
Melbourne VIC 3000  
Telephone 61 3 8601 7000  
Facsimile 61 3 8601 7010  
Email [comments@audit.vic.gov.au](mailto:comments@audit.vic.gov.au)  
Website [www.audit.vic.gov.au](http://www.audit.vic.gov.au)

## INDEPENDENT AUDITOR'S REPORT

### To the Members of University of Ballarat - TAFE Division

#### *The Statement of Performance*

The accompanying statement of performance for the year ended 31 December 2012 of the University of Ballarat - TAFE Division which comprises the statement, the relates noted the President of the Board and Chief Finance Officers' declaration has been audited.

#### *The Board's Responsibility for the Statement of Performance*

The Board Members of University of Ballarat - TAFE Division are responsible for the preparation and the fair presentation of the statement of performance in accordance with the *Financial Management Act 1994* and for such internal control as the Board Members determine is necessary to enable the preparation of the statement of performance that is free of material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the statement of performance based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the statement of performance is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of performance. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the statement of performance, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the statement of performance in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the statement of performance.

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

#### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

## Independent Auditor's Report (continued)


### *Opinion*

In my opinion, the statement of performance of the University of Ballarat - TAFE Division in respect of the 31 December 2012 financial year presents fairly, in all material respects, and in accordance with the *Financial Management Act 1994*.

### *Matters Relating to the Electronic Publication of the Audited Performance Statement*

This auditor's report relates to the performance statement of the University of Ballarat - TAFE Division for the year ended 31 December 2012 included both in the University of Ballarat - TAFE Division's annual report and on the website. The Board Members of the University of Ballarat - TAFE Division are responsible for the integrity of the University of Ballarat - TAFE Division's website. I have not been engaged to report on the integrity of the University of Ballarat - TAFE Division's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE  
5 March 2013



Dr Peter Frost  
*Acting Auditor-General*



# Financial Statements

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<b>Declaration by President of the Board, Chief Executive Officer and Chief Finance &amp; Accounting Officer</b>	<b>f1</b>
<b>Establishment of the University of Ballarat</b>	<b>f2</b>
<b>Statement of Comprehensive Income</b>	<b>f3</b>
<b>Statement of Financial Position</b>	<b>f4</b>
<b>Statement of Cash Flows</b>	<b>f5</b>
<b>Statement of Changes in Equity</b>	<b>f6</b>
Note 1: Statement of Significant Accounting Policies	f7
Note 2: Revenue from continuing activities	f16
Note 3: Expenses from Continuing Activities	f19
Note 4: Cash and Cash Equivalents	f20
Note 5: Receivables	f20
Note 6: Inventories	f21
Note 7: Biological Assets	f21
Note 8: Other Financial Assets	f21
Note 9: Non Current Assets Held for Sale	f22
Note 10: Other Assets	f22
Note 11: Non Current: Property, Plant and Equipment	f22
Note 12: Investment Properties	f24
Note 13: Intangible Assets	f24
Note 14: Payables	f25
Note 15: Borrowings	f25
Note 16: Provisions	f25
Note 17: Other Liabilities	f26
Note 18: Current Tax Liabilities	f26
Note 19: Equity and Movements in Equity	f27
Note 20: Cash Flow Information	f28
Note 21: Leases	f28
Note 22: Commitments for Expenditure	f29
Note 23: Contingent Liabilities	f29
Note 24: Superannuation	f29
Note 25: Auditors' Remuneration	f31
Note 26: Key Management Personnel Disclosures	f31
Note 27: Disaggregation Information	f34
Note 28: Subsidiaries	f35
Note 29: Financial Instruments	f36
Note 30: Acquittal of Commonwealth Government Financial Assistance	f42
Note 31: Higher Education, TAFE Results	f45
Note 32: Ex Gratia Payments	f49
Note 33: Events Occuring after Reporting Date	f49
<b>Auditor General's Report</b>	<b>f50</b>

# Financial Statements

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## Declaration by the Chancellor, Vice-Chancellor and Chief Financial Officer

We certify that the attached financial report for the University of Ballarat has been prepared in accordance with Standing Direction 4.2 (c) of the Financial Management Act 1994, applicable Financial Reporting Directions issued under that legislation, Australian Accounting Standards, Business Rules and other mandatory professional reporting requirements.

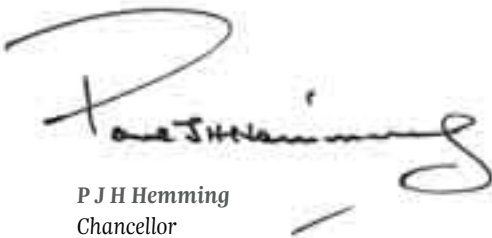
We further state that, in our opinion, the information set out in the operating statement, statement of financial position, statement of changes in equity, statement of cash flows and notes to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2012 and financial position of the University as at 31 December 2012.

At the date of signing this financial report, we are not aware of any circumstance that would render any particulars included in the financial report to be misleading or inaccurate. There are reasonable grounds to believe that the University will be able to pay its debts as and when they became due and payable.

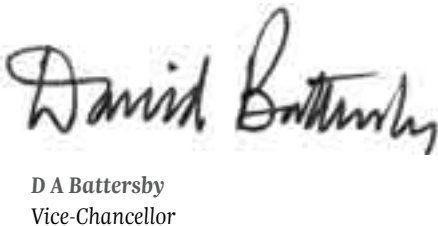
Government Financial assistance expended during the reporting period was expended in accordance with the purposes for which it was provided. TAFE key performance indicators are presented, in accordance with the responsible Minister's requirements.

This Financial Report was audited by the Victorian Auditor-General's Office.

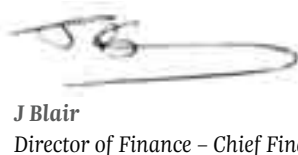
The Chancellor, Vice-Chancellor and Chief Financial Officer sign this declaration as delegates of, and in accordance with a resolution of, the Council of the University of Ballarat.



P J H Hemming  
Chancellor



D A Battersby  
Vice-Chancellor



J Blair  
Director of Finance – Chief Financial Officer

Mt Helen  
Dated: 22 February 2013

## University of Ballarat Act 2010 (the Act)

The University of Ballarat was created by the University of Ballarat Act 1993, an Act of the Victorian Parliament, in 1994, out of the Ballarat College of Advanced Education. It was enlarged in 1998, through mergers with the Ballarat School of Mines and the Wimmera Institute of TAFE.

Although formally created as a University in 1994, the University of Ballarat has a lineage which takes it back to 1870, making it only the third institution of higher learning to be established in Australia and the first to be established in regional Australia. The Ballarat College of Advanced Education was created out of the tertiary division of the School of Mines while the technical division of the School merged with the new University in 1998.

## Statutory Functions and Objectives of the University

The University of Ballarat is a corporate entity consisting of a Council, academic, teaching and other staff, and enrolled students.

The objects of the University are fully defined under section 5 of the Act, and include:

- to provide and maintain a teaching and learning environment of excellent quality offering higher education at an international standard;
- 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;
- 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 well-being of the Victorian, Australian and international communities;
- to equip graduates of the University to excel in their chosen careers and to contribute to the life of the community;
- to serve the Victorian, Australian and international communities and the public interest;
- 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 realising Aboriginal and Torres Strait Islander aspirations and the safeguarding of the ancient and rich Aboriginal and Torres Strait Islander cultural heritage;
- to provide programs and services in a way that reflects principles of equity and social justice;
- to confer degrees and grant diplomas, certificates, licences and other awards;
- to utilise or exploit its expertise and resources, whether commercially or otherwise.

## Organisational Structure of the University

### The Council

Under the provisions of the UB Act, the Council of the University is the governing body of the University and has the general direction and superintendence of the University. The Council is chaired by the Chancellor and has 15 members.

With respect to the appointment of these members of Council the UB Act requires that two must be persons with financial expertise with relevant qualifications and experience in financial management; one must be a person with commercial expertise at a senior level; one must be a person who has substantial knowledge or experience of vocational education and training; two must be persons who live or work in the Ballarat region; one must be a person who lives or works in the Wimmera Region.

The Vice Chancellor is the Chief Executive Officer of the University and has such powers, authorities, duties and functions as prescribed under the UB Act or as delegated by Council.

The Council, by resolution, may constitute and appoint such committees, as it thinks fit. A committee appointed by the Council must report to the Council on its activities at such times and in such manner as the Council directs.

### The Academic Board

The principal academic body of the University is the Academic Board. The board comprises 31 members of whom 18 are Ex-Officio members representing senior academic and teaching staff and members of the senior management team and 9 elected members from teaching staff and students across the University. The purposes of Academic Board are to provide:

- academic oversight of prescribed academic programs and courses of study ; and
- advice to the Council on the conduct and content of those programs and courses.

In December 2005, the Board of Technical Studies and the Board of TAFE were disbanded and their responsibilities assumed by the Academic Board or Council as appropriate from January 2006. This represented final actions to bring together the multi-sector academic governance of the University.

# Statement of Comprehensive Income for the year ended 31 December 2012

Income	Notes	Consolidated		University	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Revenue from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants	2.1	97,759	71,089	97,759	71,089
HELP - Australian Government payments	2.1	27,037	23,808	27,037	23,808
FEE-HELP					
VET FEE HELP					
STUDENT ANENITIES - HELP					
State Government financial assistance	2.2	31,665	37,796	31,665	37,796
HECS-HELP - Student payments		2,340	2,328	2,340	2,328
Course fees and charges	2.3	70,592	67,308	70,592	67,308
Other fees and charges	2.3	14,602	11,330	14,602	11,329
Consultancy and contract research	2.4	5,421	9,476	5,421	9,476
Investment revenue	2.5	15,030	13,726	15,030	13,726
Other revenue	2.6	1,354	1,661	1,354	1,612
Profit on disposal of assets	11	-	-	-	-
<b>Total revenue from continuing operations</b>		<b>265,800</b>	<b>238,522</b>	<b>265,800</b>	<b>238,472</b>
Revaluation increment on investment properties	12	890	-	890	-
Actuarial (gain) / loss of superannuation defined benefit plans	5	18,099	186	18,099	186
<b>Total revenue</b>		<b>284,789</b>	<b>238,708</b>	<b>284,789</b>	<b>238,658</b>
<b>Expenses from continuing operations</b>					
Employee expenses	3.1	107,711	101,137	107,711	101,137
Depreciation and amortisation	3.2	12,463	13,287	12,463	13,287
Repairs and maintenance	3.3	5,068	4,731	5,068	4,731
Bad and doubtful debts	3.4	( 65)	1,214	( 65)	1,214
Other expenses	3.6	43,257	40,833	43,250	40,792
Losses on disposal of assets	11	91	26	91	26
Finance costs		148	178	148	178
Private providers		38,381	33,897	38,381	33,897
<b>Total expenses from continuing operations</b>		<b>207,054</b>	<b>195,303</b>	<b>207,047</b>	<b>195,262</b>
Revaluation decrement on investment properties	12	-	397	-	397
Actuarial (gain) / loss of superannuation defined benefit plans	5	18,099	186	18,099	186
<b>Total Expenses</b>		<b>225,153</b>	<b>195,886</b>	<b>225,146</b>	<b>195,845</b>
<b>Operating result before income tax for the year</b>		<b>59,636</b>	<b>42,822</b>	<b>59,643</b>	<b>42,813</b>
Income tax expense	3.5	( 2)	4	-	-
<b>Operating result after income tax for the year</b>		<b>59,638</b>	<b>42,818</b>	<b>59,643</b>	<b>42,813</b>
<b>Other Comprehensive Income</b>					
Gain on revaluation	11 & 19	14,317	-	14,317	-
<b>Total Comprehensive Income</b>		<b>73,955</b>	<b>42,818</b>	<b>73,960</b>	<b>42,813</b>

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



# Statement of Financial Position for the year ended 31 December 2012

	Notes	Consolidated		University	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Current Assets</b>					
Cash and cash equivalents	4	119,389	119,354	119,374	119,329
Receivables	5	12,687	13,580	12,696	13,590
Inventories	6	205	231	205	231
Biological assets	7	3	11	3	11
Other financial assets	8	80,257	36,162	80,257	36,162
Non-current assets held for sale	9	75	-	75	-
Other assets	10	2,115	2,440	2,115	2,440
<b>Total Current Assets</b>		<b>214,731</b>	<b>171,778</b>	<b>214,725</b>	<b>171,763</b>
<b>Non-Current Assets</b>					
Receivables	5	85,347	67,224	85,347	67,224
Other financial assets	8	558	558	519	519
Property, plant and equipment	11	261,383	222,485	261,383	222,485
Investment properties	12	66,070	65,180	66,070	65,180
Intangible Assets	13	4,523	6,215	4,523	6,215
<b>Total Non-Current Assets</b>		<b>417,881</b>	<b>361,662</b>	<b>417,842</b>	<b>361,623</b>
<b>TOTAL ASSETS</b>		<b>632,612</b>	<b>533,440</b>	<b>632,567</b>	<b>533,386</b>
<b>Current Liabilities</b>					
Payables	14	9,546	5,459	9,545	5,460
Borrowings	15	560	527	560	527
Provisions	16	23,459	21,293	23,459	21,293
Other liabilities	17	6,744	5,632	6,744	5,632
Provision for Income Tax	18	(2)	4	-	-
<b>Total Current Liabilities</b>		<b>40,307</b>	<b>32,915</b>	<b>40,308</b>	<b>32,912</b>
<b>Non-Current Liabilities</b>					
Borrowings	15	1,390	1,951	1,390	1,951
Provisions	16	88,340	69,954	88,340	69,954
<b>Total Non-Current Liabilities</b>		<b>89,730</b>	<b>71,905</b>	<b>89,730</b>	<b>71,905</b>
<b>TOTAL LIABILITIES</b>		<b>130,037</b>	<b>104,820</b>	<b>130,038</b>	<b>104,817</b>
<b>Net Assets</b>		<b>502,575</b>	<b>428,620</b>	<b>502,529</b>	<b>428,569</b>
<b>EQUITY</b>					
Accumulated Surplus	19	356,264	296,626	356,218	296,575
Reserves	19	146,311	131,994	146,311	131,994
<b>TOTAL EQUITY</b>		<b>502,575</b>	<b>428,620</b>	<b>502,529</b>	<b>428,569</b>

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

# Statement of Cash Flows for the year ended 31 December 2012

	Notes	Consolidated		University	
		2012	2011	2012	2011
		\$'000	\$'000	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>					
<b>Receipts</b>					
User fees and charges received		92,982	93,011	92,982	93,011
Investment Income received		15,416	13,025	15,416	13,025
Other receipts		1,370	1,664	1,370	1,614
GST recovered from ATO		11,361	10,559	11,361	10,559
<b>Cash flows from Government</b>					
State Governemnt Grants		30,525	39,935	30,525	39,935
State Government contributions - specific projects	2.7	2,434	1,363	2,434	1,363
Commonwealth Government / Grants		80,762	47,719	80,762	47,719
Commonwealth Government - specific projects	2.7	16,981	20,828	16,981	20,828
Higher Education Contribution Scheme:					
Student payments		2,340	2,328	2,340	2,328
HECS-HELP - Commonwealth payments		23,913	22,066	23,913	22,066
STUDENT AMENTTIES - HELP		637	-	637	-
FEE-HELP - Commonwealth payments		1,787	1,263	1,787	1,263
OS - HELP ( Net)		( 16)	-	( 16)	-
Superannuation Supplementation (Net)		( 311)	( 822)	( 311)	( 822)
<b>Payments</b>					
Payments to employees		( 102,739)	( 102,455)	( 102,739)	( 99,757)
Payments to suppliers ( Including GST)		( 57,891)	( 54,724)	( 57,881)	( 57,397)
Finance costs		( 148)	( 178)	( 148)	( 178)
Payments to private providers		( 38,381)	( 33,897)	( 38,381)	( 33,897)
Net decrease (increase) in student loans		( 143)	( 30)	( 143)	( 30)
<b>Net cash provided by/(used in) operating activities</b>	20	<u>80,879</u>	<u>61,655</u>	<u>80,889</u>	<u>61,630</u>
<b>Cash Flows from Investing Activities</b>					
Payments for property, plant & equipment		( 36,561)	( 15,881)	( 36,561)	( 15,881)
Proceeds from sale of property, plant and equipment	11	341	322	341	322
Payments for Intangible Assets		-	( 132)	-	( 132)
Sale/ ( Purchase ) of investments		( 44,097)	( 19,991)	( 44,097)	( 19,991)
Proceeds from sale of Investments					
<b>Net cash provided by (used in) investing activities</b>		<u>( 80,317)</u>	<u>( 35,682)</u>	<u>( 80,317)</u>	<u>( 35,682)</u>
<b>Cash Flows from Financing Activities</b>					
Repayment of interest bearing liabilities		( 527)	( 495)	( 527)	( 495)
<b>Net cash provided for (used in) financing activities</b>		<u>( 527)</u>	<u>( 495)</u>	<u>( 527)</u>	<u>( 495)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		35	25,478	45	25,453
Cash and cash equivalents at the beginning of the financial year		119,354	93,876	119,329	93,876
<b>Cash and cash equivalents at the end of the financial year</b>	4	<u>119,389</u>	<u>119,354</u>	<u>119,374</u>	<u>119,329</u>

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

# Statement of Changes in Equity for the year ended 31 December 2012

	Note	Reserves \$000's	2012 Retained Surplus \$000's	Total \$000's	Reserves \$000's	2011 Retained Surplus \$000's	Total \$000's
<b>CONSOLIDATED</b>							
<b>Total equity at the beginning of the financial year</b>		131,994	296,626	428,620	132,165	253,637	385,802
Net operating result after income tax for the year		-	59,638	59,638	-	42,818	42,818
Increase in Asset Revaluation Reserve		14,317	-	14,317	-	-	-
Transfer of Reserve		-	-	-	( 171)	171	-
<b>Total equity at the end of the financial year</b>	<b>19</b>	<b>146,311</b>	<b>356,264</b>	<b>502,575</b>	<b>131,994</b>	<b>296,626</b>	<b>428,620</b>
<b>UNIVERSITY</b>							
<b>Total equity at the beginning of the financial year</b>		131,994	296,575	428,569	132,165	253,591	385,756
Net operating result after income tax for the year		-	59,643	59,643	-	42,813	42,813
Increase in Asset Revaluation Reserve		14,317	-	14,317	-	-	-
Transfer of Reserve		-	-	-	( 171)	171	-
<b>Total equity at the end of the financial year</b>	<b>19</b>	<b>146,311</b>	<b>356,218</b>	<b>502,529</b>	<b>131,994</b>	<b>296,575</b>	<b>428,569</b>

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

# Notes to the Financial Statements

## Note 1 Statement of Significant Accounting Policies

This financial report includes the consolidated financial statements and notes of University of Ballarat and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of the University of Ballarat as an individual parent entity ('parent entity').

### 1.01 Basis of preparation

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the Financial Management Act 1994, the requirements of the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) and applicable Australian Accounting Standards and Interpretations (AASs), issued by the Australian Accounting Standards Board.

In complying with AASs, the entity has, where relevant, applied those paragraphs applicable to not-for-profit entities.

The financial statements were authorised for issue by the Council of the University of Ballarat, February 2013

#### Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by certain non-financial assets and liabilities. Cost is based on the fair values of the consideration given in exchange for assets.

#### Critical accounting estimates and judgements

The University evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the University.

#### Estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Judgements

In the application of AASs, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2012 and the comparative information presented for the year ended 31 December 2011.

The following is a summary of the material accounting policies adopted by the University in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

### 1.02 Scope and presentation of financial statements

In keeping with AASB 101 (September 2007) this complete set of financial statements includes the following changes:

- (a) the notion of:
- 'a complete set of financial statements' rather than using 'financial report';
  - 'changes in equity' rather than 'movements in equity'; and
  - 'transactions with owners in their capacity as owners' rather than 'transactions with owners as owners'.
- (b) references to equity holders as owners.

#### Comprehensive operating statement

The comprehensive operating statement includes items previously included in the statement of changes in equity.

#### Statement of Financial Position

Items of assets and liabilities in the statement of financial position are:

- ranked in liquidity order;
- aggregated into financial and non-financial assets;
- classified according to GFS terminology, but retain measurement and disclosure rules under existing accounting standards applicable to the University and;
- current versus non-current assets and liabilities are disclosed in the notes where relevant.

#### Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the year to the closing balance at the end of the year, showing separately movements due to amounts recognised in the comprehensive result and amounts recognised in equity related to transactions with owners in their capacity as owners.

#### Cash flow statement

The cash flow statement classifies flows by operating, investing and financing activities in accordance with AASB 107 Cash Flow Statements.

### 1.03 Reporting entity

The financial statements cover the University of Ballarat as an individual reporting entity. The University is a corporate entity, established pursuant to an act made by the State of Victoria under the University of Ballarat Act 1993.



Its principal address is:

University of Ballarat  
University Drive  
Mt Helen, Victoria, 3350

## 1.04 Basis of consolidation

The financial statements include all the activities of the University.

A list of controlled entities is contained in the financial statements (refer Note 28 Subsidiaries).

A controlled entity is any entity over which University of Ballarat has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the consolidated group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Minority interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the group, are shown separately within the Equity section of the consolidated Statement of Financial Position and in the consolidated Statement of Comprehensive Income.

Associated entities (associates)

The University holds no investment in associates.

Joint ventures

The University is not involved in joint ventures as set out in AASB 131.

## 1.05 Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the University and other parties, the transactions are only recognised when the agreement is irrevocable at or before balance date. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the reporting date and the date the statements are authorised for issue where the events relate to a condition which arose after the reporting date and which may have a material impact on the results of subsequent years.

## 1.06 Goods and Services Tax (GST)

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

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

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

Commitments and contingent assets or liabilities are presented on a gross basis.

## 1.07 Income items

Amounts disclosed as income are, where applicable, net of returns, allowances and duties and taxes. Revenue is recognised for each of the University's major activities as follows:

Government contributions

Government contributions are recognised as revenue in the period when the University gains control of the contributions. Control is recognised upon receipt or notification by relevant authorities of the right to receive a contribution for the current period.

Fee for service

Fee for service revenue is recognised by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered. Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as Revenue in Advance.

Student fees and charges

Student fees and charges revenue is recognised by reference to the percentage of services provided. Where student fees and charges revenue has been clearly received in respect of courses or programs to be delivered in the following year, any non-refundable portion of the fees is treated as revenue in the year of receipt and the balance as Revenue in Advance.

Revenue from sale of goods

Revenue from sale of goods is recognised by the University when:

- (a) the significant risks and rewards of ownership of the goods have transferred to the buyer;
- (b) the University retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be reliably measured;
- (d) it is probable that the economic benefits associated with the transaction will flow to the University and;
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Interest income

Interest income from cash, short-term deposits and investments is brought to account on a time proportional basis taking into account interest rates applicable to the financial assets.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported as part of income from other economic flows in the net result or as unrealised gains and losses taken direct to equity, forming part of the total change in net worth in the comprehensive result.

#### Other income

##### Dividend revenue

Dividend revenue is recognised when the right to receive payment is established.

##### Rental income

Rental income is recognised on a time proportional basis and is brought to account when the University's right to receive the rental is established.

Fair value of assets and services received free of charge or for nominal consideration

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

## 1.08 Expenses items

#### Employee benefits

Expenses for employee benefits are recognised when incurred, except for contributions in respect of defined benefit plans.

#### Depreciation and amortisation

##### Depreciation

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Depreciation methods and rates used for each class of depreciable assets are

Class of asset	Method	Rate/Rates
Property lease	Straight line	10.00%
Buildings	Straight line	2.00% to 33.33%
Leasehold improvements	Straight line	3.00% to 33.33%
Plant & equipment	Straight line	6.67% to 25.00%
Computer equipment	Straight line	6.67% to 33.33%
Motor vehicles	Straight line	10.00% to 33.33%
Library collections	Straight line	12.5% to 20.00%

The assets' residual values and useful lives are reviewed and adjusted if appropriate on an annual basis. There has been no change in the methodology and rates for 2012.

##### Amortisation

Intangible assets with finite lives are amortised on a straight line basis over the assets useful lives (3-7 years). Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Intangible assets with indefinite lives are not amortised. The useful life of intangible assets that are not being amortised are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. In addition, the University tests all intangible assets with indefinite lives for impairment by comparing its recoverable amount with its carrying amount:

- annually; or
- whenever there is an indication that the intangible asset may be impaired.

Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

##### Finance costs

Finance costs are recognised as expenses in the period in which they are incurred. Finance costs include interest on bank overdrafts and short term and long term borrowings, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and finance lease charges.

##### Grants and other transfers

Grants and other transfers to third parties are recognised as an expense in the reporting period in which they are paid or payable.

Other operating expenses

#### Supplies and services

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

### 1.09 Other economic flows included in net result

Other economic items measure the change in volume or value of assets or liabilities that do not result from transactions.

#### Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses from revaluations, impairments, and disposals of all physical and intangible assets.

#### Gain/(loss) arising from fair value changes of biological assets

Biological assets are measured at fair value, and the resultant gain/(loss) is reported as an other economic flow.

#### Disposal of non-financial assets

Any gain or loss on disposal of non-financial assets is recognised at the date control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at the time.

#### Impairment of assets

Goodwill and intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment (i.e. as to whether their carrying value exceeds their recoverable amount and so require write downs). All other assets are assessed annually for indications of impairment, except for:

- Inventories;
- Financial assets;
- Investment property that is measured at fair value;
- Certain biological assets related to agricultural activity; and
- Non-current assets held-for-sale;

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the 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 amount applicable to that class of asset.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash flows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

#### Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and

reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

#### Revaluations of financial instruments at fair value

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets, which is reported as part of income from transactions.

#### Impairment of financial assets

Financial assets have been assessed for impairment in accordance with Australian Accounting Standards. Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. The allowance for doubtful receivables and bad debts not written off by mutual consent are adjusted as 'other economic flows'.

#### Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows include the gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

### 1.10 Financial assets

#### Cash and deposits

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For the cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as interest bearing liabilities on the statement of financial position.

#### Receivables

Receivables consist predominantly of debtors in relation to goods and services, accrued investment income and GST input tax recoverable. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective rate of interest method, less any accumulated impairment. A provision for doubtful debts is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

#### Investments, loans and other financial assets

##### Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the University of Ballarat becomes a party to the contractual provisions of the instrument. Trade date accounting (the date on which the University commits to purchase or sell the asset) is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through the statement of comprehensive income. Transaction costs related to instruments classified as at fair value through the statement of comprehensive income are expensed immediately.

## Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the University of Ballarat no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in the statement of comprehensive income.

Financial instruments are classified and measured as set out below.

### Classification and subsequent measurement

- (i) Financial assets at fair value through profit or loss  
Financial assets are classified at fair value through the statement of comprehensive income when they are held for trading purposes, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in the statement of comprehensive income in the period in which they arise.  
Fair value is determined in the manner described in Note 29 Financial Instruments.
- (ii) Loans and receivables  
Trade receivables, loans and other receivables are recorded at amortised cost, using the effective interest method, less impairment.  
The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.
- (iii) Held-to-maturity investments  
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the University's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method less impairment losses.
- (iv) Available-for-sale financial assets  
Other investments held by the University are classified as being available-for-sale and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in equity until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in profit or loss for the period.

Fair value is determined in the manner described in Note 29 Financial Instruments.

## 1.11

## Leases

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases. At balance date the University holds no finance leases.

### University as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

### University as lessee

Operating lease payments including any contingent rentals, are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

## 1.12

## Non-Financial Assets

### Inventories

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

Non-current physical assets classified as held for sale, including disposal group assets

Non-current physical assets (and disposal group) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation.

Non-current physical assets and disposal groups, related liabilities and financial assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within twelve months from the date of classification.

### Property, plant and equipment

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

### Property

Freehold land and buildings are shown initially at cost, then subsequently at their fair value.

Crown land is measured at fair value with regard to its highest and best use after due consideration is made for any legal or constructive restrictions imposed on the land, public announcements or commitments made in relation to the intended use of the land. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply.

### Plant and equipment

Plant and equipment are measured at fair value less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the University to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have



been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the University includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

#### Library collections

Library collections are measured at fair value less accumulated depreciation.

#### Restrictive nature of cultural and heritage assets, Crown land and infrastructures

During the reporting period, the University held cultural assets, heritage assets, Crown land and infrastructures.

Such assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. The nature of these assets means that there are certain limitations and restrictions imposed on their use and/or disposal.

#### Revaluations of non-current physical assets

Non-current physical assets measured at fair value are revalued in accordance with FRDs issued by the Minister for Finance. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Revaluation increases are credited directly to equity in the revaluation reserve, except to the extent that an increase reverses a revaluation decrease in respect of that class of property, plant and equipment, previously recognised as an expense (other economic flows) in the net result, the increase is recognised as income (other economic flows) in determining the net result.

Revaluation decreases are recognised immediately as expenses (other economic flows) in the net result, except to the extent that a credit balance exists in the revaluation reserve in respect of the same class of property, plant and equipment, they are debited to the revaluation reserve.

Revaluation increases and revaluation decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes.

When revalued assets are sold, it is the University's policy to transfer the amounts included in other reserves in respect of these assets to accumulated funds.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

#### Non-current physical assets constructed by the University

The fair value of non-current assets constructed by the University includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

#### Biological assets

##### Bloodstock

Bloodstock is measured at fair value less estimated point of sale costs.

##### Investment properties

Investment properties represent properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet 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 originally assessed performance of the asset will flow to the University.

Subsequent to initial recognition at cost, investment properties are re-valued to fair value with changes in the fair value recognised as income or expenses in the period in which they arise. The properties are not depreciated.

Rental income from the leasing of investment properties is recognised in the comprehensive operating statement on a straight-line basis, over the lease term.

#### Intangibles

Intangible assets represent identifiable non-monetary assets without physical substance. Intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the University.

#### Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) the intention to complete the intangible asset and use or sell it;
- (c) the ability to use or sell the asset;
- (d) how the intangible asset will generate probable future economic benefits;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

Intangible assets are measured at cost less accumulated amortisation and impairment, and are amortised on a straight-line basis over their useful lives as follows:

Capitalised software development cost 3–7 years  
(2011 3–7 Years)

## 1.13 Liabilities

### Payables

Payables consist predominantly of creditors and other sundry liabilities. Payables are initially recognised at fair value, then subsequently carried at amortised cost and represent liabilities for goods and services provided to the University prior to the end of the financial year that are unpaid, and arise when the University becomes obliged to make future payments in respect of the purchase of these goods and services.

### Interest bearing liabilities

Interest bearing liabilities are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the statement of comprehensive income over the period of the borrowing using the effective interest rate method.

### Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

### Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is a material increase in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantee contracts has been assessed using the probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year's period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

### Provisions

Provisions are recognised when the University has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a

provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

### Employee benefits

The calculation of employee benefits includes all relevant on-costs and are calculated as follows at reporting date.

#### (i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

#### (ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability – unconditional LSL representing 7 years service or greater is disclosed as a current liability even though the University does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value – component that is not expected to be settled within 12 months
- nominal value – component that is expected to be settled within 12 months

Non current liability – conditional LSL representing less than 7 years service is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as an expense (other economic flow).

The University of Ballarat has used the wage inflation and discount rates as published by the Department of Treasury and Finance, Victoria.

#### (iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The University recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value.

#### Employee benefits on-costs

Employee benefits on-costs ( payroll tax, workers compensation, superannuation, annual leave and long service leave accrued while on LSL taken in service) are included in the provision for employee benefits.

#### Performance Payments

The University does not have in place performance payments for Executive Officers.

#### Retirement benefit obligations

##### (i) Defined contribution plan

Contributions to defined contribution plans are expensed when they become payable.

##### (ii) Defined benefit plans

The amount charged to the statement of comprehensive income in respect of superannuation represents the contributions made by the University to the superannuation plan in respect of current services of current University staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The University does not recognise any deferred liability in respect of the plans because the University has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as and when they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its finance report.

#### Onerous contracts

An onerous contract is considered to exist where the University has a contract under which the unavoidable cost of meeting the contractual obligations exceed the economic benefits estimated to be received. Present obligations arising under onerous contracts are recognised as a provision to the extent that the present obligation exceeds the economic benefits estimated to be received. At balance date no onerous contracts apply.

### 1.14 Commitments

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Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value and inclusive of the GST payable.

### 1.15 Contingent assets and liabilities

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Contingent assets and liabilities are not recognised in the statement of financial position, but are disclosed by way of a note (refer note 23) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of the GST receivable or payable respectively.

As at 31 December 2012 the following standards and interpretations (applicable to the University) had been issued but were not mandatory for financial year ending 31 December 2012. The University has not, and does not intend to, adopt these standards early.

Amending Pronouncements and Errata	Standards Affected	Outline of Amendment	Application date of standard	Impact on financial statements
AASB 9 Financial Instruments.	AASB 139 Financial Instruments: Recognition and Measurement	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	Reporting periods beginning on 1 January 2015.	The extent of the impact on the university's financial statements has not been determined
AASB 1053 Application of Tiers of Australian Accounting Standards.		This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.	Reporting periods beginning on 1 July 2013.	The Victorian Government is currently considering the impacts of reduced disclosure requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented in the Victorian public sector.
AASB 2009 11 Amendments to Australian Accounting Standards arising from AASB 9	AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12	This standard gives effect to consequential changes arising from the issuance of AASB 9.	Reporting periods beginning on 1 January 2013.	Detail of impact is still being assessed.
AASB 2010 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.		These amendments introduce reduced disclosure requirements for application by certain types of entities	Reporting periods beginning on 1 July 2013.	The amendments do not affect financial measurement or recognition and are not expected to have any impact on financial result or position.
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 and 1038 and Interpretations 2, 5, 10, 12, 19 and 127	This relates to the introduction of AASB 9 Financial instruments.	Reporting periods beginning on 1 January 2013.	Detail of impact is still being assessed.
AASB 2011 2 Amendments to Australian Accounting Standards arising from the Trans Tasman Convergence Project – Reduced Disclosure Requirements	AASB 101 and AASB 1054	The objective of this amendment is to include some additional disclosure from the Trans Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements (RDRs).	Reporting periods beginning on 1 January 2013.	The Victorian Government is currently considering the impacts of RDRs and has not decided if they will be implemented in the Victorian public sector.
AASB 2011 3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	AASB 1049	This amends AASB 1049 to clarify the definition of the ABS GFS Manual, and to facilitate the adoption of changes to the ABS GFS Manual and related disclosures. This amendment provides clarification to users on the version of the GFS Manual to be used and what to disclose if the latest GFS Manual is not used.	Reporting periods beginning on 1 July 2012.	There will be no impact on performance measurement.

## Note 2: Revenue from continuing activities

	Notes	Consolidated		University		
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	
2.1	Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes					
<b>(a) Commonwealth Grants Scheme and Other Grants</b>						
	Commonwealth Grants Scheme	30.1	50,491	43,068	50,491	43,068
	Indigenous Support Fund	30.1	158	158	158	158
	Disability Support Programme	30.1	69	51	69	51
	Transitional Cost Program	30.1	12	(41)	12	(41)
	HE Participation Program	30.1	997	876	997	876
	HE Partnership Base Funding	30.1	136	356	136	356
	HE Partnership Project Funding	30.1	529	-	529	-
	HE Structural Adjustment Fund Program	30.1	20,770	-	20,770	-
	<b>Total Commonwealth Grants Scheme and Other Grants</b>		<b>73,162</b>	<b>44,468</b>	<b>73,162</b>	<b>44,468</b>
<b>(b) Higher Education Loan Programmes</b>						
	HECS-HELP	30.2	23,913	22,045	23,913	22,045
	FEE-HELP	30.2	1,787	1,263	1,787	1,263
	STUDENT AMENTTIES - HELP	30.2	637	-	637	-
	VET FEE - HELP	30.2	700	500	700	500
	<b>Total Higher Education Loan Programmes</b>		<b>27,037</b>	<b>23,808</b>	<b>27,037</b>	<b>23,808</b>
<b>(c) Scholarships</b>						
	Australian Postgraduate Awards	30.3	743	631	743	631
	International Postgraduate Research Scholarships	30.3	64	62	64	62
	Commonwealth Education Costs Scholarships	30.3	29	89	29	89
	Commonwealth Accommodation Scholarships	30.3	-	243	-	243
	Indigenous Access Scholarships	30.3	46	12	46	12
	National Priority Scholarships	30.3	-	21	-	21
	National Accommodation Scholarships	30.3	93	179	93	179
	<b>Total Scholarships</b>		<b>975</b>	<b>1,237</b>	<b>975</b>	<b>1,237</b>
<b>(d) DIISRTE - Research</b>						
	Research Training Scheme	30.5	1,877	1,887	1,877	1,887
	Research Infrastructure Block Grants	30.5	124	182	124	182
	Joint Research Engagement Program	30.5	903	882	903	882
	SRE Base & Threshold 1	30.5	188	205	188	205
	<b>Total DIISRTE - Research</b>		<b>3,092</b>	<b>3,156</b>	<b>3,092</b>	<b>3,156</b>
<b>(e) Australian Research Council</b>						
	Discovery Projects	30.6	174	173	174	173
	Linkages Projects	30.6	376	359	376	359
	<b>Total Australian Research Council</b>		<b>550</b>	<b>532</b>	<b>550</b>	<b>532</b>
<b>(f) Other Australian Government financial assistance</b>						
<b>Higher Education</b>						
<b>Non Capital</b>						
	National Health & Medical Research Council		106	170	106	170
	Other Commonwealth Grants		2,893	698	2,893	698
<b>Capital</b>						
	Science Building		7,621	20,828	7,621	20,828
<b>TAFE</b>						
<b>Capital</b>						
	MTTC/ UB Tec Building		9,360	-	9,360	-
	<b>Total Other Australian Government financial assistance</b>		<b>19,980</b>	<b>21,696</b>	<b>19,980</b>	<b>21,696</b>
	<b>Total Australian Government financial assistance</b>		<b>124,796</b>	<b>94,897</b>	<b>124,796</b>	<b>94,897</b>



Note 2: Revenue from continuing activities, continued...

	Notes	Consolidated		University	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 2.1 Reconciliation Accrual basis</b>					
Commonwealth Government grants	30.1	73,162	44,468	73,162	44,468
HECS-HELP - Commonwealth payments	30.2	23,913	22,045	23,913	22,045
FEE-HELP - Commonwealth payments	30.2	1,787	1,263	1,787	1,263
VET Fee Help	30.2	700	500	700	500
STUDENT AMENTTIES - HELP	30.2	637	-	637	-
Learning Scholarships	30.3	975	1,237	975	1,237
DIISRTE Research	30.5	3,092	3,156	3,092	3,156
Australian Research Council	30.6	550	532	550	532
Other Commonwealth Government		19,980	21,696	19,980	21,696
<b>Total Australian Government financial assistance</b>		<b>124,796</b>	<b>94,897</b>	<b>124,796</b>	<b>94,897</b>
<b>Note 2.1 Reconciliation Cash Basis</b>					
Commonwealth Government grants	30.1	72,777	41,304	72,777	41,304
HECS-HELP - Commonwealth payments	30.2	23,913	22,066	23,913	22,066
FEE-HELP - Commonwealth payments	30.2	1,787	1,263	1,787	1,263
STUDENT AMENTTIES - HELP	30.2	637	-	637	-
VET Fee Help	30.2	-	-	-	-
Learning Scholarships	30.3	1,344	1,890	1,344	1,890
DIISRTE Research	30.5	3,092	3,156	3,092	3,156
ARC grants - Discovery	30.6	174	173	174	173
ARC grants - Linkage	30.6	376	359	376	359
Other Commonwealth Government		19,980	21,696	19,980	21,665
Australian Government Grants Received - Cash Basis		124,080	91,907	124,080	91,876
Superannuation Supplementation	30.7	4,777	3,703	4,777	3,703
OS-HELP - Commonwealth payments	30.7	(1)	6	(1)	6
<b>Total Australian Government Funding Received - Cash Basis</b>		<b>128,856</b>	<b>95,616</b>	<b>128,856</b>	<b>95,585</b>
<b>2.2 State and Local Government Financial Assistance</b>					
<b>TAFE</b>					
<b>Non Capital</b>					
TAFE recurrent and competitive grants		22,942	30,494	22,942	30,494
Other state grants		6,289	5,939	6,289	5,939
<b>Capital</b>					
State capital grants		2,434	1,363	2,434	1,363
<b>Total State and Local Government assistance</b>		<b>31,665</b>	<b>37,796</b>	<b>31,665</b>	<b>37,796</b>
<b>2.3 Fees and Charges</b>					
<b>Course fees and charges</b>					
Continuing Education		146	223	146	222
Fee paying overseas students		57,959	53,316	57,959	53,317
Fee paying overseas students ( Offshore)		2,144	1,471	2,144	1,471
Fee paying domestic postgraduate students		4,118	1,094	4,118	1,094
Fee paying domestic non-award students		181	187	181	187
Other student fees		1,642	3,496	1,642	3,497
Fee for service - Government		967	683	967	682
Fee for service - non Government		3,067	6,376	3,067	6,376
Fee for service - International operations		368	462	368	462
		<b>70,592</b>	<b>67,308</b>	<b>70,592</b>	<b>67,308</b>
<b>Other fees and charges</b>					
Rental Residences		5,068	4,907	5,068	4,907
Rental Other		796	570	796	570
Catering and bar		2,769	2,595	2,769	2,594
Sports facilities		462	465	462	465
Parking fees		113	98	113	98
Student Services Fees from students		494	-	494	-
Other		4,900	2,695	4,900	2,695
		<b>14,602</b>	<b>11,330</b>	<b>14,602</b>	<b>11,329</b>
		<b>85,194</b>	<b>78,638</b>	<b>85,194</b>	<b>78,637</b>

Note 2: Revenue from continuing activities, continued...

	Consolidated		University	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Notes</b>				
<b>2.4 Consultancy and Contract Research</b>				
Consultancy	1,750	1,655	1,750	1,655
Contract research	3,671	7,821	3,671	7,821
	<u>5,421</u>	<u>9,476</u>	<u>5,421</u>	<u>9,476</u>
<b>2.5 Investment Revenue</b>				
Dividends	9	133	9	133
Interest received	9,337	8,035	9,337	8,035
Rental from Investment Properties	5,687	5,567	5,687	5,567
Total Investment Revenue	<u>15,033</u>	<u>13,735</u>	<u>15,033</u>	<u>13,735</u>
Change in fair value of financial assets through profit & loss	(3)	(9)	(3)	(9)
Net Investment Revenue	<u>15,030</u>	<u>13,726</u>	<u>15,030</u>	<u>13,726</u>
<b>2.6 Other Revenue</b>				
Donations and bequests	127	259	127	260
Scholarships and prizes	26	102	26	102
Other	1,201	1,300	1,201	1,250
	<u>1,354</u>	<u>1,661</u>	<u>1,354</u>	<u>1,612</u>
<b>2.7 Government Contributions - Specific Projects</b>				
Figures in notes 2.1 and 2.2 relating to Government contributions - capital are included in the cash flow statement as follows:				
<b>Higher Education</b>				
DEEWR Capital Funding - Science & Engineering Building	7,621	20,828	7,621	20,828
<b>Total Higher Education</b>	<u>7,621</u>	<u>20,828</u>	<u>7,621</u>	<u>20,828</u>
<b>TAFE</b>				
State capital grants	2,434	1,363	2,434	1,363
DEEWR- Manufacturing Technology & Training Centre	9,360	-	9,360	-
<b>Total TAFE</b>	<u>11,794</u>	<u>1,363</u>	<u>11,794</u>	<u>1,363</u>
<b>Total Grants for Specific Projects</b>	<u>19,415</u>	<u>22,191</u>	<u>19,415</u>	<u>22,191</u>

### Note 3: Expenses from Continuing Activities

	Consolidated		University	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Notes</b>				
<b>3.1 Employee Expenses</b>				
<b>Academic</b>				
Salaries	50,134	46,522	50,134	46,523
Contributions to superannuation and pension schemes				
Emerging cost	-	-	-	-
Funded	6,233	5,886	6,233	5,886
Payroll tax	2,658	2,479	2,658	2,479
Work Cover	433	495	433	495
Movement in provisions:				
Annual leave	263	93	263	93
Long service leave	706	1,202	706	1,202
Other employee entitlements	( 10)	( 92)	( 10)	( 92)
<b>Total academic</b>	<b>60,417</b>	<b>56,585</b>	<b>60,417</b>	<b>56,586</b>
<b>Non Academic</b>				
Salaries	37,775	36,590	37,775	36,590
Contributions to superannuation and pension schemes				
Emerging cost	-	2	-	2
Funded	5,495	4,925	5,495	4,925
Payroll tax	2,161	1,894	2,161	1,894
Work Cover	368	382	368	382
Movement in provisions:				
Annual leave	207	79	207	79
Long service leave	1,119	761	1,119	761
Other employee entitlements	169	( 82)	169	( 82)
<b>Total non-academic</b>	<b>47,294</b>	<b>44,551</b>	<b>47,294</b>	<b>44,551</b>
<b>Total employee expenses</b>	<b>107,711</b>	<b>101,136</b>	<b>107,711</b>	<b>101,137</b>
Deferred employee expenses for superannuation	18,099	186	18,099	186
	<b>125,810</b>	<b>101,322</b>	<b>125,810</b>	<b>101,323</b>
<b>3.2 Depreciation and Amortisation</b>				
Buildings	6,272	7,146	6,272	7,146
Buildings Leasehold	138	79	138	79
Plant & Equipment	3,347	3,272	3,347	3,272
Motor Vehicles	334	265	334	265
Library Collection	784	915	784	915
Depreciation Property, Plant and Equipment	10,875	11,677	10,875	11,677
Amortisation of Intangible Assets	1,588	1,610	1,588	1,610
Total depreciation & amortisation	12,463	13,287	12,463	13,287
<b>3.3 Repairs and Maintenance</b>				
Buildings and grounds - maintenance and repairs	4,565	4,198	4,565	4,198
Plant, Equipment - maintenance and repairs	503	533	503	533
Total repairs and maintenance	5,068	4,731	5,068	4,731
<b>3.4 Bad and Doubtful Debts</b>				
Bad debts written off:				
Students	553	455	553	455
Other	82	27	82	27
	635	482	635	482
Provision for doubtful debts expense:				
Students	-	510	-	510
Other	( 700)	222	( 700)	222
	( 700)	732	( 700)	732
Net movement in doubtful debt provision	( 65)	1,214	( 65)	1,214
<b>3.5 Income Tax</b>				
Income tax expense	( 2)	4	-	-
	( 2)	4	-	-

### Note 3: Expenses from Continuing Activities, continued...

	Notes	Consolidated		University	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
3.6	Other Expenses				
	Scholarships, grants and prizes	3,785	3,734	3,785	3,734
	Telecommunications	745	919	745	919
	Equipment (below capitalisation threshold)	4,316	3,513	4,316	3,513
	Independent Contractors	3,275	2,698	3,275	2,698
	Advertising, marketing and promotional expenses	1,169	1,301	1,169	1,301
	Audit fees, bank charges, legal costs, insurance and taxes	1,733	1,558	1,733	1,558
	Travel, staff development and entitlements	3,025	2,744	3,027	2,744
	Cost of sale of goods including ancillary trading	1,421	1,413	1,421	1,413
	Subscriptions, library materials & licence fees	3,055	3,712	3,055	3,712
	Operating lease & rental expenses	361	227	361	227
	Contract and other services	9,893	8,571	9,887	8,560
	Printing and photocopying	2,332	1,585	2,332	1,585
	Utilities	2,548	2,500	2,548	2,500
	Motor vehicle running costs	402	329	402	329
	Recruitment costs	527	114	527	114
	Work experience scheme	583	621	583	621
	Other expenses	4,087	5,294	4,084	5,264
	Total other expenses	43,257	40,833	43,250	40,792

### Note 4: Cash and Cash Equivalents

Cash at bank and on hand	4,703	2,505	4,688	2,480
Deposits at call	27,666	13,099	27,666	13,099
Short term fixed interest bearing bills, bonds/term deposits	83,100	100,500	83,100	100,500
Short term fixed interest bearing bills, bonds/term deposits with TCV	3,920	3,250	3,920	3,250
Total cash and cash equivalent assets	119,389	119,354	119,374	119,329

The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statement .

Cash at bank and on hand:

These are non interest bearing except for bank accounts which receive standard bank interest rates.

The effective interest rate on short term deposits at call was 3.11% & 6.0% (2011, 4.96% & 5.30%).

These deposits have an average maturity of 37 days. (2011, 29 days)

### Note 5: Receivables

#### Current

Debtors	4,187	5,474	4,196	5,484
Provision for impaired receivables	( 1,414)	( 2,114)	( 1,414)	( 2,114)
Revenue receivable	3,683	4,176	3,683	4,176
GST receivable from ATO	859	791	859	791
Student loans	657	514	657	514
	7,972	8,841	7,981	8,851
Deferred government contributions for superannuation	4,715	4,739	4,715	4,739
	12,687	13,580	12,696	13,590

#### Non-current

Deferred government contributions for superannuation	85,347	67,224	85,347	67,224
Total Receivables	98,034	80,804	98,043	80,814

#### Movement in Impaired Receivables

3.4

Balance at 1 January	( 2,114)	( 1,382)	( 2,114)	( 1,382)
less amounts written off as bad debts during the year	635	482	635	482
plus provision for the year	65	( 1,214)	65	( 1,214)
Balance at 31 December	( 1,414)	( 2,114)	( 1,414)	( 2,114)

## Note 5: Receivables, continued...

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

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

	Consolidated		University	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Notes</b>				
<b>Impaired receivables</b>				
As of December 2012, trade receivables of \$0.384m (2011, \$0.427m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:				
3 to 6 months	132	279	132	279
Over 6 months	252	148	252	148
	<u>384</u>	<u>427</u>	<u>384</u>	<u>427</u>

## Note 6: Inventories

### Current

Business activities supplies	205	231	205	231
	<u>205</u>	<u>231</u>	<u>205</u>	<u>231</u>

## Note 7: Biological Assets

### Current

Sheep	3	11	3	11
Number of animals - Sheep	45	178	45	178

Reconciliation of the carrying amounts for each class of biological asset between the beginning of the year and end of the current financial year.

### Sheep:

Carrying amount at start of year	11	11	11	11
Increases due to:				
plus natural increases - births	-	6		6
Decreases attributable to:				
Changes in fair Value	1	3	1	3
Sales	(9)	(9)	(9)	(9)
Carrying amount at end of year.	<u>3</u>	<u>11</u>	<u>3</u>	<u>11</u>

## Note 8: Other Financial Assets

### Current

#### Available for sale financial assets

Shares - listed, at fair value	22	18	22	18
Other investments - at fair value	235	244	235	244

#### Held to maturity

Term Deposits	80,000	30,900	80,000	30,900
Floating rate note ( WAVES)	-	5,000	-	5,000

<b>Total current other financial assets</b>	<u>80,257</u>	<u>36,162</u>	<u>80,257</u>	<u>36,162</u>
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#### Available for sale financial assets

Shares - Unlisted, at cost	558	558	519	519
<b>Total available for sale financial assets</b>	<u>558</u>	<u>558</u>	<u>519</u>	<u>519</u>

#### Total non-current financial assets

	<u>558</u>	<u>558</u>	<u>519</u>	<u>519</u>
Market value of investments listed on stock exchange	257	262	257	262

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

The effective interest rate on short term deposits was 4.31% & 4.65% (2011, 5.05% & 6.26%).

These deposits have an average maturity of 179 days. (2011, 112 days)

### Impairment and risk exposure

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets



Notes	Consolidated		University	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000

### Note 9: Non Current Assets Held for Sale

Land held for resale	75	-	75	-
	<u>75</u>	<u>-</u>	<u>75</u>	<u>-</u>

### Note 10: Other Assets

#### Current

Prepayments	2,115	2,440	2,115	2,440
	<u>2,115</u>	<u>2,440</u>	<u>2,115</u>	<u>2,440</u>

### Note 11: Non Current: Property, Plant and Equipment

<b>LAND</b>				
At independent valuation 2012	41,915	34,008	41,915	34,008
At fair value	-	803	-	803
	<u>41,915</u>	<u>34,811</u>	<u>41,915</u>	<u>34,811</u>
<b>BUILDINGS</b>				
At independent valuation 2012	146,653	159,946	146,653	159,946
At fair value	-	9,583	-	9,583
Accumulated depreciation	-	(26,481)	-	(26,481)
Provision for impairment	-	(346)	-	(346)
	<u>146,653</u>	<u>142,702</u>	<u>146,653</u>	<u>142,702</u>
<b>CONSTRUCTION IN PROGRESS</b>				
Construction in progress	48,366	17,694	48,366	17,694
<b>LEASE of LAND</b>				
At Valuation	545	290	545	290
Accumulated amortisation	-	-	-	-
	<u>545</u>	<u>290</u>	<u>545</u>	<u>290</u>
<b>LEASEHOLD IMPROVEMENTS</b>				
At fair value	2,165	3,374	2,165	3,374
Accumulated amortisation	-	(459)	-	(459)
	<u>2,165</u>	<u>2,915</u>	<u>2,165</u>	<u>2,915</u>
<b>EQUIPMENT AND FURNITURE</b>				
At fair value	37,857	47,207	37,857	47,207
Accumulated depreciation	(23,213)	(29,673)	(23,213)	(29,673)
	<u>14,644</u>	<u>17,534</u>	<u>14,644</u>	<u>17,534</u>
<b>MOTOR VEHICLES</b>				
At fair value	3,141	3,141	3,141	3,141
Accumulated depreciation	(1,061)	(1,087)	(1,061)	(1,087)
	<u>2,080</u>	<u>2,054</u>	<u>2,080</u>	<u>2,054</u>
<b>LIBRARY HOLDINGS</b>				
At fair value	11,880	14,736	11,880	14,736
Accumulated depreciation	(8,142)	(11,527)	(8,142)	(11,527)
	<u>3,738</u>	<u>3,209</u>	<u>3,738</u>	<u>3,209</u>
<b>ART COLLECTION</b>				
At independent valuation 2010	1,277	1,276	1,277	1,276
	<u>1,277</u>	<u>1,276</u>	<u>1,277</u>	<u>1,276</u>
<b>Net Book amount</b>	<u>261,383</u>	<u>222,485</u>	<u>261,383</u>	<u>222,485</u>

## Note 11: Non Current: Property, Plant and Equipment, continued...

### MOVEMENTS IN CARRYING AMOUNTS

	Balance at beginning of year	Additions	Disposals	Depreciation expense	Impairment / adjustment & transfers	Revaluation	Carrying amount at end of year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2012</b>							
<b>Consolidated &amp; University</b>							
Land	34,811	-	-	-	(75)	7,179	41,915
Buildings	142,702	-	-	(6,272)	2,727	7,496	146,653
Construction in progress	17,694	34,083	-	-	(3,411)	-	48,366
Leasehold improvements	2,915	-	-	(138)	1	(613)	2,165
Lease of Land	290	-	-	-	-	255	545
Equipment and furniture	17,534	472	-	(3,347)	(15)	-	14,644
Motor vehicles	2,054	778	(432)	(334)	14	-	2,080
Library holdings	3,209	1,227	-	(784)	86	-	3,738
Artworks	1,276	1	-	-	-	-	1,277
	<u>222,485</u>	<u>36,561</u>	<u>(432)</u>	<u>(10,875)</u>	<u>(673)</u>	<u>14,317</u>	<u>261,383</u>

	Balance at beginning of year	Additions	Disposals	Depreciation expense	Impairment / adjustment & transfers	Carrying amount at end of year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2011</b>						
<b>Consolidated &amp; University</b>						
Land	34,540	271	-	-	-	34,811
Buildings	149,246	512	-	(7,146)	90	142,702
Construction in progress	7,388	11,560	-	-	(1,254)	17,694
Leasehold improvements	3,053	-	-	(137)	(1)	2,915
Lease of Land	232	-	-	58	-	290
Equipment and furniture	17,411	2,207	-	(3,272)	1,188	17,534
Motor vehicles	2,081	580	(342)	(265)	-	2,054
Library holdings	3,396	751	-	(915)	(23)	3,209
Artworks	1,277	-	-	-	(1)	1,276
	<u>218,624</u>	<u>15,881</u>	<u>(342)</u>	<u>(11,677)</u>	<u>(1)</u>	<u>222,485</u>

### Valuation

The valuation of land and buildings is fair market value based on existing use. The 2012 valuations were carried out at all campuses by The Leader Property Group, acting on behalf of the Office of the Valuer General, Victoria, as at 31 December 2012.

The 2010 valuation of the Art collection was carried out by Deutscher Menzies, Fine Art Auctioneers and Valuers as at 31 December 2010. The Valuation was carried out on the basis of replacement value.

### Property owned by the Crown

The University is carrying property in its accounts where the title to the property is in the name of the Minister for Education and Training. As at 31 December 2012, the value of land and buildings at written down value in the University's books attributed to the Crown amounts to \$44.65 m.

	2012 \$'000	2011 \$'000
<b>Profit and/or loss on Sale of Non Current Assets</b>		
Proceeds on sale of property, plant & equipment	341	322
Less written down value	432	348
Net Profit/(Loss) on disposal	<u>(91)</u>	<u>(26)</u>

Notes	Consolidated		University	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000

## Note 12: Investment Properties

<b>At Fair value opening balance at 1 January</b>	65,180	65,577	65,180	65,577
Revaluation increment / (decrement)	890	( 397)	890	( 397)
Closing Balance at 31 December	<u>66,070</u>	<u>65,180</u>	<u>66,070</u>	<u>65,180</u>

### Amounts recognised in profit and loss for investment properties

Rental Income	5,687	5,567	5,687	5,567
Movement in fair value of investment properties	890	( 397)	890	( 397)
Total Income	<u>6,577</u>	<u>5,170</u>	<u>6,577</u>	<u>5,170</u>
Direct Operating Expenses	( 995)	( 922)	( 995)	( 922)
Total Recognised in profit and loss	<u>5,582</u>	<u>4,248</u>	<u>5,582</u>	<u>4,248</u>

### LEASED ASSETS

As at the reporting date the following properties were recognised as investment properties

IBM Gear Avenue	16,560	16,180	16,560	16,180
New IBM	8,420	8,480	8,420	8,480
Greenhill Enterprise Centre	6,270	6,260	6,270	6,260
State Revenue Office	8,270	8,210	8,270	8,210
Global Innovation Centre	3,710	3,830	3,710	3,830
Rural Ambulance Victoria	6,920	6,710	6,920	6,710
Advanced Display Technology	1,580	1,560	1,580	1,560
Emergency Services Telecommunication Authority	8,060	7,670	8,060	7,670
Vacant Land	6,280	6,280	6,280	6,280
Carrying amount of investment properties	<u>66,070</u>	<u>65,180</u>	<u>66,070</u>	<u>65,180</u>

### Operating Lease Receivables

Amounts due				
- one year or less	6,516	5,798	6,516	5,798
- two to five years	20,509	20,626	20,509	20,626
- over five years	4,665	3,978	4,665	3,978
	<u>31,690</u>	<u>30,402</u>	<u>31,690</u>	<u>30,402</u>

The valuation of investment properties is fair market value based on the amount for which the asset could be exchanged between knowledgeable willing parties in an arms length transaction. The 2012 valuations were carried out at The Technology Park on the Mt Helen campus by Leader Property Practice, acting on behalf of the Office of the Valuer General, Victoria, as at 31 December 2012.

## Note 13: Intangible Assets

### CONSOLIDATED

	Assets	Work in Progress	Total Net value
<b>Year ended 31 December 2011</b>			
Opening net book amount 1 January 2011	7,639	54	7,693
Additions	82	50	132
Amortisation charge	( 1,610)	-	( 1,610)
<b>Closing net book amount 31 December 2011</b>	<u>6,111</u>	<u>104</u>	<u>6,215</u>

### CONSOLIDATED

	Assets	Work in Progress	Total Net value
<b>Year ended December 2012</b>			
Opening net book amount 1 December 2012	6,111	104	6,215
Written off	-	( 104)	( 104)
Amortisation charge	( 1,588)	-	( 1,588)
<b>Closing net book amount December 2012</b>	<u>4,523</u>	<u>-</u>	<u>4,523</u>

	Consolidated		University	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 14: Payables</b>				
<b>Current</b>				
Creditors and non salary accruals	8,815	5,305	8,814	5,306
Accrued salaries, wages and costs	732	154	732	154
OS-Help Liability to Australian Government	(1)	-	(1)	-
	<u>9,546</u>	<u>5,459</u>	<u>9,545</u>	<u>5,460</u>

Notes

#### Foreign currency risk

The carrying amounts of the group and parent entity's trade and other payables are denominated in Australian dollars.

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 29.4 Financial Instruments - Summarised Sensitivity Analysis.

#### Note 15: Borrowings

##### CURRENT

##### Unsecured

Bills payable - National Australia Bank

	560	527	560	527
	<u>560</u>	<u>527</u>	<u>560</u>	<u>527</u>

##### NON CURRENT

##### Unsecured

Bills payable - National Australia Bank

	1,390	1,951	1,390	1,951
	<u>1,390</u>	<u>1,951</u>	<u>1,390</u>	<u>1,951</u>

#### Financing Arrangements

##### Credit standby arrangements

Total facilities

Bank overdrafts

Other - credit card facilities

150	150	150	150
3,000	3,000	3,000	3,000

Used at reporting date

Bank overdrafts

Other - credit card facilities

-	-	-	-
276	234	276	234

Unused at reporting date

Bank overdrafts

Other - credit card facilities

150	150	150	150
2,724	2,766	2,724	2,766

#### Note 16: Provisions

##### Current provisions expected to be settled within 12 months

Annual leave

Long service leave

Deferred benefits for superannuation

Other employee benefits

6,910	6,441	6,910	6,441
11,618	10,056	11,618	10,056
4,715	4,739	4,715	4,739
216	57	216	57
<u>23,459</u>	<u>21,293</u>	<u>23,459</u>	<u>21,293</u>

##### Non-current

Long service leave

Deferred benefits for superannuation

2,993	2,730	2,993	2,730
85,347	67,224	85,347	67,224
<u>88,340</u>	<u>69,954</u>	<u>88,340</u>	<u>69,954</u>
<u>111,799</u>	<u>91,247</u>	<u>111,799</u>	<u>91,247</u>

## Note 16: Provisions, continued...

Notes	Consolidated		University	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Classification of employee benefits as current or non-current</b>				
<b>Current</b>				
minimum of 7 years continuous service :				
Short term employee benefits that fall within 12 months after the end of the period, measured at nominal value.	15,530	13,839	15 530	13,839
Current annual leave provision expected to be settled after more than 12 months, measured at present value.	2,998	2,658	2 998	2,658
	<u>18,528</u>	<u>16,497</u>	<u>18,528</u>	<u>16,497</u>
<b>Non-current</b>				
Long service leave representing less than 7 years of continuous service measured at present value.	<u>2,993</u>	<u>2,730</u>	<u>2,993</u>	<u>2,730</u>
<b>Movement in provisions: Consolidated and University</b>				
<b>Annual leave:</b>				
Carrying amount at start of year	6,441	6,269	6,441	6,269
Additional provisions recognised/ (amounts used)	469	172	469	172
Carrying amount at end of year	<u>6,910</u>	<u>6,441</u>	<u>6,910</u>	<u>6,441</u>
<b>Long service leave:</b>				
Carrying amount at start of year	12,786	10,825	12,786	10,825
Additional provisions recognised/ (amounts used)	1,825	1,961	1,825	1,961
Carrying amount at end of year	<u>14,611</u>	<u>12,786</u>	<u>14,611</u>	<u>12,786</u>
<b>Other employee benefits:</b>				
Carrying amount at start of year	57	231	57	231
Additional provisions recognised/ (amounts used)	159	( 174)	159	( 174)
Carrying amount at end of year	<u>216</u>	<u>57</u>	<u>216</u>	<u>57</u>
<b>Deferred benefits for superannuation</b>				
Carrying amount at start of year	71,963	71,777	71,963	71,777
Movement in actuarial valuation	18,099	186	18,099	186
Carrying amount at end of year	<u>90,062</u>	<u>71,963</u>	<u>90,062</u>	<u>71,963</u>
Total Entitlements	<u>111,799</u>	<u>91,247</u>	<u>111,799</u>	<u>91,247</u>
<b>Note 17: Other Liabilities</b>				
Funds received in advance	<u>6,744</u>	<u>5,632</u>	<u>6,744</u>	<u>5,632</u>
	<u>6,744</u>	<u>5,632</u>	<u>6,744</u>	<u>5,632</u>
<b>Note 18: Current Tax Liabilities</b>				
Income Tax	( 2)	4	-	-
	<u>( 2)</u>	<u>4</u>	<u>-</u>	<u>-</u>



Notes	Consolidated		University	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000

## Note 19: Equity and Movements in Equity

### Composition of Reserves

Asset Revaluation Reserve	146,311	131,994	146,311	131,994
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### Total Reserves

	146,311	131,994	146,311	131,994
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### Asset Revaluation Reserve

Land	38,062	30,627	38,062	30,627
Buildings	107,275	100,393	107,275	100,393
Works of art	974	974	974	974
	146,311	131,994	146,311	131,994

### Movement in Carrying Amounts

#### Consolidated

#### Asset Revaluation Reserve

	Balance at beginning of year	Revaluation Increment	Carrying amount at end of year
Land	30,627	7,435	38,062
Buildings	100,393	6,882	107,275
Works of art	974	-	974
	131,994	14,317	146,311

#### University

#### Asset Revaluation Reserve

	Balance at beginning of year	Revaluation Increment	Carrying amount at end of year
Land	30,627	7,435	38,062
Buildings	100,393	6,882	107,275
Works of art	974	-	974
	131,994	14,317	146,311

Consolidated		University	
2012	2011	2012	2011
\$'000	\$'000	\$'000	\$'000

### Movement in Accumulated Surplus

Balance 1 January	296,626	253,637	296,575	253,591
Net operating surplus for the reporting period	59,638	42,818	59,643	42,813
Transfer of reserve	-	171	-	171
<b>Balance 31 December</b>	<b>356,264</b>	<b>296,626</b>	<b>356,218</b>	<b>296,575</b>

### Reconciliation to Statement of Changes in Equity:

Asset Revaluation Reserve	146,311	131,994	146,311	131,994
Accumulated Surplus	356,264	296,626	356,218	296,575
<b>Total Equity at the end of the financial year</b>	<b>502,575</b>	<b>428,620</b>	<b>502,529</b>	<b>428,569</b>

	Consolidated		University	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Notes</b>				
<b>Note 20: Cash Flow Information</b>				
<b>a) Reconciliation of operating result to net cash provided by/(used in) operating activities</b>				
<b>Net operating result for the year</b>	59,638	42,818	59,643	42,813
<b>Non-cash flows in operating result</b>				
Depreciation and amortisation of non-current assets	12,463	13,287	12,463	13,287
Movement in doubtful debts provision	( 700)	732	( 700)	732
Other non Cash Items				
Expense of previously capitalised assets	621	-	621	-
(Gain)/ loss on revaluation of Investment Properties	( 890)	397	( 890)	397
Net (profit)/loss on sale of non-current assets	91	25	91	25
Net gain/(loss) on investments	( 3)	9	( 3)	9
<b>Decrease/(increase) in:</b>				
<b>Current assets</b>				
Decrease / ( Increase) in Trade Receivables	1,712	4,031	1,713	4,026
Decrease / ( Increase) in Inventories	26	89	26	89
Decrease / ( Increase) in Biological assets	8	-	8	-
Decrease / (increase) in Other assets	182	301	182	301
<b>Non-Current Assets</b>				
Decrease / (Increase) in Receivables	-	46	-	46
<b>Current Liabilities</b>				
Increase/ (Decrease) in Payables	4,087	( 4,481)	4,085	( 4,479)
Increase/ (Decrease) in Employee entitlements	2,453	1,959	2,453	1,959
Increase / ( Decrease) in Other liabilities	1,197	2,453	1,197	2,425
Increase / ( Decrease) in Provision for income tax	( 6)	( 11)	-	-
<b>Net cash provided by operating activities</b>	<b>80,879</b>	<b>61,655</b>	<b>80,889</b>	<b>61,630</b>

**b) Non-cash financing and investing activities**

There is no acquisition of plant and equipment by means of finance leases.

**c) Credit standby arrangements with banks** 15

**Note 21: Leases**

		<b>Notes</b>			
<b>LEASE COMMITMENTS</b>					
<b>Operating Lease Commitment</b>					
Payments due					
	- one year or less	667	544	667	544
	- one to five years	986	968	986	968
	- over five years	12	22	12	22
		<b>1,665</b>	<b>1,534</b>	<b>1,665</b>	<b>1,534</b>
<b>LEASED ASSETS</b>					
As at the reporting date the University leased out the following assets:					
Albert Coates Building ( part)		128	-	128	-
Camp Street		1,692	205	1,692	205
Horsham Cafeteria		158	-	158	-
ESTA Building		8,060	7,670	8,060	7,670
Global Innovation Centre		3,710	3,830	3,710	3,830
Greenhill Enterprise Centre		6,270	6,260	6,270	6,260
Advanced Display Technology Building		1,580	1,560	1,580	1,560
IBM Centre		16,560	16,180	16,560	16,180
IBM Internet Laboratory Building		8,420	8,480	8,420	8,480
IBM Regional Software Centre		3,123	3,909	3,123	3,909
Rural Ambulance Victoria Building		6,920	6,710	6,920	6,710
State Library of Victoria (Land only)		126	124	126	124
State Revenue Office Building		8,270	8,210	8,270	8,210
Student Residences		35,424	24,161	35,424	24,161
Carrying amount of leased assets		<b>100,441</b>	<b>87,299</b>	<b>100,441</b>	<b>87,299</b>
<b>Operating Lease Receivables</b>					
Amounts due					
	- one year or less	12,252	11,350	12,252	11,350
	- one to five years	47,516	47,932	47,516	47,932
	- over five years	11,034	10,684	11,034	10,684
		<b>70,802</b>	<b>69,966</b>	<b>70,802</b>	<b>69,966</b>

Consolidated		University	
2012	2011	2012	2011
\$'000	\$'000	\$'000	\$'000

Notes

## Note 22: Commitments for Expenditure

### Capital Commitments

As at the reporting date the University had the

following outstanding Capital Commitments:

Building projects	21,501	60,825	21,501	60,825
Information technology development	-	354	-	354
	<u>21,501</u>	<u>61,179</u>	<u>21,501</u>	<u>61,179</u>

Outstanding Capital Commitments are payable as follows

Payments Due:

- not later than one year	21,501	19,060	21,501	19,060
- beyond one year	-	42,119	-	42,119
	<u>21,501</u>	<u>61,179</u>	<u>21,501</u>	<u>61,179</u>

## Note 23: Contingent Liabilities

Details and estimates of maximum amounts of contingent liabilities, classified in accordance with the party from whom the liability could arise and for which no provisions are included in the accounts, are as follows:

In respect of Other Persons

HIH Insurance related liability claims - In 2011 the University potentially had five active public liability claims relating to incidents occurring prior to 31 December 2000. The University's liability insurance program had been placed with HIH Insurance up to this date. The University has been advised that all claims are eligible for assistance under the HIH Claims have been closed.

	-	191	-	191
	<u>-</u>	<u>191</u>	<u>-</u>	<u>191</u>

**Contingent Assets:** There are no contingent assets.

## Note 24: Superannuation

The University contributes to both defined benefit and defined contribution plans. Contributions are included as part of employee benefits in the Operating Statement. The name and details of the major superannuation funds and contributions made by the University are as follows:

### Government Superannuation Office

SERB Scheme	14	10	14	10
Revised Scheme	114	161	114	161
New Scheme	174	194	174	195

### Victorian Superannuation Fund

Vic Super Scheme	1,337	1,523	1,337	1,523
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### Other Superannuation Schemes

Unisuper - Superannuation Scheme for Australian Universities	8,235	7,115	8,235	7,115
Unisuper - Tertiary Education Superannuation Scheme	1,591	1,517	1,591	1,517
Other Superannuation Schemes	264	292	264	292

### Total Contributions to all Funds

	<u>11,729</u>	<u>10,812</u>	<u>11,729</u>	<u>10,813</u>
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### Outstanding contributions

	<u>576</u>	<u>463</u>	<u>576</u>	<u>463</u>
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As at the reporting date there were no loans to the University from any fund.

## Note 24: Superannuation, continued...

### Contribution Details

The University made contributions for employees who contribute to the funds, as follows:

	2012	2011
<b>Government Superannuation Office</b>		
Revised Scheme (TAFE)	17.30%	17.30%
New Scheme	7.30% to 10.20%	7.30% to 10.20%
State Employees Retirement Benefits Fund	nil contributors	nil contributors
<b>Victorian Superannuation Fund</b>		
Vic Super Scheme - Academic Staff	9.00%	9.00%
Vic Super Scheme - Non Academic Staff	11.00%	11.00%
<b>Other Superannuation Schemes</b>		
Unisuper - Superannuation Scheme for Australian Universities	14.00%	14.00%
Unisuper - Award Plus Plan #	3.00%	3.00%
# Superannuation guarantee levy	9.00%	9.00%

### Government Superannuation Office (GSO)

For the year ended December 2012 Emergency Services Superannuation Board, which includes the GSO, provided the following information in relation to the University of Ballarat's AASB 119 liability as at 30 June 2012

	30 June 2012	30 June 2011
	\$ million	\$ million
Assets	15.407	16.249
Accrued benefit liability	91.960	77.677
Net liability before contributions tax	76.553	61.428
Tax liability on future contributions	13.509	10.535
Net liability	90.062	71.963

The following figures were used to disclose liabilities and movements in liabilities for the dates nominated

Date	Estimated liability \$ million	Movement \$ million
31/12/2011	71.963	0.186
31/12/2012	90.062	18.099

### UniSuper Defined Benefit Ltd.

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

### Financial Position

As at 30 June 2012 the assets of the DBD in aggregate were estimated to be \$2010.8 million in deficiency of vested benefits. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.

As at 30 June 2012 the assets of the DBD in aggregate were estimated to be \$906.8 million in excess of accrued benefits. The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary, Russell Employee Benefits, using the actuarial demographic assumptions outlined in their report dated 15 November 2012 on the actuarial investigation of the DBD as at 30 June 2012. The financial assumptions used were:

	Vested Benefits Per Annum	Accrued Benefits Per Annum
Gross of tax investment return - DBD pensions	5.85%	7.50%
Gross of tax investment return - commercial rate indexed pensions	3.40%	3.40%
Net of tax investment return - non pensioner members	5.25%	6.70%
Consumer Price Index	2.75%	2.75%
Inflationary salary increases short term (1 year)	5.00%	5.00%
Inflationary salary increases long term	3.75%	3.75%

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

The Defined Benefit Division as at 30 June 2012 is therefore in an "unsatisfactory financial position" as defined by SIS Regulation 9.04. An "unsatisfactory financial position" for a defined benefit fund is defined as when 'the value of the assets of the Fund is inadequate to cover the value of the liabilities of the Fund in respect of benefits vested in the members of the Fund'. The Actuary and the Trustee have followed the procedure required by Section 130 of the SIS Act when funds are found to be in an unsatisfactory financial position.

Clause 34 was initiated following both the 31 December 2008 and 30 June 2011 actuarial investigation and it has again been initiated following the 30 June 2012 actuarial investigation.

The actuary currently believes, in respect of the long-term financial condition of the Fund, that assets as at 30 June 2011, together with current contribution rates, are not expected to be sufficient to provide for the current benefit levels for both existing members and anticipated new members if experience follows the "best estimate" assumptions or the more conservative "funding" assumptions.

Notes	Consolidated		University	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 25: Auditors' Remuneration</b>				
Victorian Auditor General's Office				
Audit and review of the Financial Statements	85	80	85	80
Other audit fees				
Internal Audit	169	167	169	167
Other audit services	14	13	14	13
	<u>268</u>	<u>260</u>	<u>268</u>	<u>260</u>

## Note 26: Key Management Personnel Disclosures

### RESPONSIBLE PERSONS

#### Responsible persons related disclosures

In accordance with the directions of the Minister for Finance under the Financial Management Act 1994, the following disclosures are made for the responsible Ministers and responsible Members of Council.

#### (i) Minister

The relevant Minister is the Hon. Peter Hall, MLC, Minister for Higher Education and Skills. 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 is completed by each member of Parliament.

#### (ii) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of University of Ballarat during the year.

The Hon. Peter Hall, MLC Minister for Higher Education and Skills 1/1 - 31/12/2012

#### Council members during 2012 were:

Emeritus Professor Robert Henry Tufrey Smith AM (Chancellor to 30/6/2012)	1/1 - 30/6/2012
Dr Paul John Harry Hemming (Chancellor from 1/7/2012)	1/1 - 31/12/2012
Professor David Arthur Battersby (Vice Chancellor)	1/1 - 31/12/2012
Ms Karen Suzanne Douglas	1/1 - 31/12/2012
Dr Meredith Doig	1/1 - 31/12/2012
Mr George Fong	1/7 - 31/12/2012
Ms Monica Heim	1/1 - 31/12/2012
Mrs Dianne Maree Hobday	1/1 - 31/12/2012
Mrs Tracey Leanne Holmes	1/1 - 30/6/2012
Ms Kay Macaulay	1/1 - 30/6/2012
Mr John Martin McQuilten MLC (Retired)	1/1 - 31/12/2012
Mr Michael Ryan	1/7 - 31/12/2012
Ms Jodie Sizer	1/1 - 30/6/2012
Mr Greg Simmons	1/1 - 31/12/2012
Mr Warwick Spargo	1/1 - 31/12/2012
Ms Deborah Spring	1/7 - 31/12/2012
Mr Emilio Viegas	1/1 - 31/12/2012
Professor Todd Walker	1/1 - 31/12/2012
Mr Peter Russell Wilson	1/1 - 31/12/2012
Ministerial Appointee	Vacant

#### (iii) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of University of Ballarat during the financial year:

Professor Terry Lloyd	(Senior Deputy Vice Chancellor to 6th July 2012)
Ms Rowena Coutts	(Senior Deputy Vice Chancellor)
Professor Andy Smith	(Deputy Vice Chancellor, Schools and Programs)
Professor Frank Stagnetti	(Deputy Vice Chancellor, Research)
Professor Todd Walker	(Deputy Vice Chancellor, Learning & Quality)
Mr Darren Holland	(Deputy Vice Chancellor, Student Support and Services)

All of the above persons were also key management persons during the year ended 31 December 2012



## Note 26: Key Management Personnel Disclosures, continued...

### Remuneration of responsible persons

The numbers of responsible persons, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of responsible persons is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits. The total annualised employee equivalent provides a measure of full-time equivalent responsible persons over the reporting period.

A resignation in the past year has had a significant impact on total remuneration figures due to the inclusion of annual leave, long-service leave and retrenchment payments.

Income Band	Consolidated Total Remuneration		Consolidated Base Remuneration	
	2012	2011	2012	2011
Less than \$10,000	8	6	8	6
\$10,000 to \$19,999	3	3	3	3
\$20,000 to \$29,999	2	-	2	-
\$30,000 to \$39,999	1	-	1	-
\$40,000 to \$49,999	-	1	-	1
\$80,000 to \$89,999	-	-	1	1
\$90,000 to \$99,999	-	1	-	-
\$100,000 to \$109,999	1	-	-	-
\$120,000 to \$129,999	-	-	-	1
\$130,000 to \$139,999	-	-	1	-
\$140,000 to \$149,999	-	1	-	-
\$150,000 to \$159,999	1	-	-	-
\$170,000 to \$179,999	-	-	1	-
\$190,000 to \$199,999	-	-	-	2
\$210,000 to \$219,999	-	-	1	-
\$220,000 to \$229,999	-	1	-	-
\$230,000 to \$239,999	-	1	1	2
\$250,000 to \$259,999	-	-	1	-
\$260,000 to \$269,999	1	-	1	1
\$270,000 to \$279,999	-	1	-	-
\$280,000 to \$289,999	1	-	-	1
\$290,000 to \$299,999	-	1	-	-
\$300,000 to \$309,999	1	-	-	-
\$310,000 to \$319,999	-	-	1	-
\$320,000 to \$329,999	1	-	-	-
\$330,000 to \$339,999	-	2	-	-
\$380,000 to \$389,999	1	-	-	-
\$450,000 to \$459,999	-	-	-	1
\$500,000 to \$509,999	1	-	1	-
\$600,000 to \$609,999	-	1	-	-
\$630,000 to \$639,999	1	-	-	-
Total number of responsible persons	23	19	23	19
Total annualised employee equivalent	19	19	19	19
Total Amount	3,130	2,693	2,354	2,190

## Note 26: Key Management Personnel Disclosures, continued...

### Remuneration of executive officers

The numbers of executive officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits. The total annualised employee equivalent provides a measure of full-time equivalent executive officers over the reporting period.

Resignations and retirements in the past year have had a significant impact on total remuneration figures due to the inclusion of annual leave, long-service leave and retrenchment payments.

Income Band	Consolidated			
	Total Remuneration		Base Remuneration	
	2012	2011	2012	2011
\$70,000 to \$79,999	-	-	1	-
\$80,000 to \$89,999	-	-	1	1
\$100,000 to \$109,999	-	-	2	3
\$110,000 to \$119,999	-	4	1	3
\$120,000 to \$129,999	1	1	2	1
\$130,000 to \$139,999	1	2	6	5
\$140,000 to \$149,999	3	2	5	3
\$150,000 to \$159,999	4	4	3	3
\$160,000 to \$169,999	5	2	1	3
\$170,000 to \$179,999	3	3	2	4
\$180,000 to \$189,999	3	1	1	-
\$190,000 to \$199,999	1	1	3	1
\$200,000 to \$209,999	-	5	-	-
\$210,000 to \$219,999	2	1	-	-
\$220,000 to \$229,999	1	1	-	-
\$230,000 to \$239,999	3	-	-	-
\$260,000 to \$269,999	1	-	-	-
Total number of executive officers	28	27	28	27
Total annualised employee equivalent	27	27	27	27
Total Amount	5,031	4,457	3,999	3,788

Income Band	University			
	Total Remuneration		Base Remuneration	
	2012	2011	2012	2011
\$70,000 to \$79,999	-	-	1	-
\$80,000 to \$89,999	-	-	1	1
\$100,000 to \$109,999	-	-	2	3
\$110,000 to \$119,999	-	4	1	3
\$120,000 to \$129,999	1	1	2	1
\$130,000 to \$139,999	1	2	6	5
\$140,000 to \$149,999	3	2	5	3
\$150,000 to \$159,999	4	4	3	3
\$160,000 to \$169,999	5	2	1	3
\$170,000 to \$179,999	3	3	2	4
\$180,000 to \$189,999	3	1	1	-
\$190,000 to \$199,999	1	1	3	1
\$200,000 to \$209,999	-	5	-	-
\$210,000 to \$219,999	2	1	-	-
\$220,000 to \$229,999	1	1	-	-
\$230,000 to \$239,999	3	-	-	-
\$260,000 to \$269,999	1	-	-	-
Total number of executive officers	28	27	28	27
Total annualised employee equivalent	27	27	27	27
Total Amount	5,031	4,457	3,999	3,788

### Other transactions

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

## Note 26: Key Management Personnel Disclosures, continued...

### Related parties

#### Transactions with related parties

The University of Ballarat entered into the following transactions and has current receivable amounts which are insignificant in amount, with responsible persons and responsible persons related parties in their domestic dealings and within normal customer or employee relationships on terms and conditions no more favourable than those available in similar arm's length dealings:

Professor D Battersby is a member of the Board of Directors of the Committee for Ballarat and is a member of the Board of Directors of Education Australia Limited and IDP. These organisations have relationships with the University of Ballarat.

## Note 27: Disaggregation Information

Industry	Revenue		Results		Assets	
	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Higher Education	230,769	187,595	55,118	42,229	505,058	407,707
TAFE	54,020	51,063	4,525	584	127,509	125,677
	<b>284,789</b>	<b>238,658</b>	<b>59,643</b>	<b>42,813</b>	<b>632,567</b>	<b>533,384</b>

Geographic	Revenue		Results		Assets	
	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	282,313	237,016	57,786	42,047	632,567	533,384
Asia	2,476	1,642	1,857	766	-	-
	<b>284,789</b>	<b>238,658</b>	<b>59,643</b>	<b>42,813</b>	<b>632,567</b>	<b>533,384</b>

## Note 28: Subsidiaries

The Ballarat University Act 1993, Section 37 permits the University to form limited liability companies.

The consolidated financial statements of the University incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1.04.

Entity	Country of incorp.	Ownership interest	Ownership interest
		2012	2011
Inskill Pty Ltd	Australia	100%	100%
The School of Mines and Industries Ballarat Ltd	Australia	100%	100%
Datascreen Pty Ltd ( a subsidiary of Inskill )	Australia	82.6%	82.6%
UB Housing Pty Ltd	Australia	100%	100%

The financial statements of the subsidiaries have been audited by the Auditor-General of Victoria.

### Income Statement

Entity	Total Revenue		Total Expenditure		Net Profit/(Loss) after Tax Expense	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Inskill Pty Ltd	-	50	4	41	(4)	9
The School of Mines and Industries Ballarat Ltd	-	-	-	-	-	-
Datascreen Pty Ltd ( a subsidiary of Inskill )	-	-	-	-	-	-
UB Housing Pty Ltd	-	-	-	-	-	-
	-	50	4	41	(4)	9

### Balance Sheet

#### (a) Assets

Entity	Current Assets		Non-Current Assets		Total Assets	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Inskill Pty Ltd	15	25	39	38	54	63
The School of Mines and Industries Ballarat Ltd	-	-	-	-	-	-
Datascreen Pty Ltd ( a subsidiary of Inskill )	1	1	-	-	1	1
UB Housing Pty Ltd	-	-	-	-	-	-
	16	26	39	38	55	64

#### (b) Liabilities

Entity	Current Liabilities		Non-Current Liabilities		Total Liabilities	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Inskill Pty Ltd	-	5	-	-	-	5
The School of Mines and Industries Ballarat Ltd	-	-	-	-	-	-
Datascreen Pty Ltd ( a subsidiary of Inskill )	-	-	-	-	-	-
UB Housing Pty Ltd	-	-	-	-	-	-
	-	5	-	-	-	5

#### (c) Equity and Borrowings

Entity	External Borrowings		Internal Borrowings		Equity	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Inskill Pty Ltd	-	-	-	1	54	57
The School of Mines and Industries Ballarat Ltd	-	-	-	-	-	-
Datascreen Pty Ltd ( a subsidiary of Inskill )	-	-	-	-	1	1
UB Housing Pty Ltd	-	-	-	-	-	-
	-	-	-	1	55	58

## Note 29: Financial Instruments

### 29.1 Terms, Conditions and Accounting Policies

The University's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at reporting date, are as follows:

Recognised Financial Instruments	Notes	Accounting Policies	Terms and Conditions
<b>Financial Assets</b>			
Cash and cash equivalents Cash at bank	4	Cash at Bank is carried at the nominal amount.	Interest on Cash at Bank is at 1.28% (2011, 3.01%) with surplus Cash invested as funds permit at varying interest rates between 3.11% & 6.0%. (2011 4.96% & 5.30%)
Cash and cash equivalents Deposits at call	4	Deposits at call are carried at their principal amounts. Interest revenue is recognised in the operating statement when it is earned.	Deposits at call are available at 24 hour call at effective interest rates of 2.97% & 4.40% (2011, 6.30% to 4.98%)
Cash and cash equivalents Term deposits	4	Term Deposits are carried at their principal amounts . Interest revenue is recognised in the operating statement when it is earned	Term deposits have an average maturity of 37 days and effective interest rates of 3.11% & 6.0%. (2011, 4.96% & 5.30%)
Receivables Debtors	5	Trade receivables are carried at amortised cost less any provision for doubtful debts. An allowance for doubtful debts is maintained to recognise that collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms
Receivables Other debtors	5	No Other Debtors were carried during the 2012 year.	N/A
Other Financial Assets Short Term Deposits	4	Deposits at call are carried at their principal amounts. Interest revenue is recognised in the operating statement when it is earned.	Term deposits have an average maturity of 179 days and effective interest rates of 4.31% & 4.65%
Other Financial Assets Unlisted Shares	8	Unlisted shares are carried at fair value, with provision for diminution. Dividends, when declared by the investee, will be recognised in the operating statement.	N/A
Other Financial Assets Listed Shares	8	Listed Shares are carried at fair value. Dividends declared by the investee, are recognised in the operating statement at the time they are earned.	Market value of listed shares is \$21,850 (2011, \$18,158)
Other Financial Assets Income Securities	8	Income securities are carried at fair value. Distributions declared by the investee, are recognised in the operating statement at the time they are earned.	Market value of income securities shares is \$234,950 (2011, \$244,057)
Other Financial Assets Held to maturity investments	8	Held to maturity investments are carried at cost. The University intends to hold this investment to maturity, has the financial resources to do so and is under no legal or other constraint that would prevent holding to maturity.	Floating rate notes (WAVES) issued by the ANZ Bank matured during 2012.
<b>Financial Liabilities</b>			
Payables Creditors and Accruals	13	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the University.	Trade liabilities are settled as required
Payables Non-interest bearing liabilities	13	N/A	N/A
Payables Unlisted Shares	15	Deferred superannuation benefits are recognised for amounts to be paid in the future for employee entitlements as per actuarial advice from the Government Superannuation Office.	N/A
Interest Bearing Liabilities Bank Overdraft	14	Bank overdrafts are carried at amortised cost Bank interest is charged as an expense as it accrues.  The amount of the standby credit arrangement is \$150,000	Interest is charged at the bank's ruling overdraft rate. Bank overdraft amount - Nil, (2011 - Nil).  The amount of unused credit is \$150,000
Interest Bearing Liabilities Bills Payable	14	Bank loans are carried at amortised cost. Interest is charged as an expense as it accrues.  National Australia Bank - Commercial Bill Fixed Rate	N/A  The commercial bill facility is repayable in equal instalments over 5 years, to be paid out by 29 March 2016. Interest rate is 6.40%.



## Note 29: Financial Instruments, continued

### 29.2 Financial Instrument Composition and Maturity Analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

FINANCIAL INSTRUMENTS	Weighted average effective rate	Floating interest rate	Within 1 year	1 - 5 years	More than 5 years	Non interest bearing	Total carrying amount per balance sheet
Consolidated - 2012		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>FINANCIAL ASSETS</b>							
• Cash and cash equivalents - Cash at Bank	1.28%	4,703	-	-	-	-	4,703
• Cash and cash equivalents - Deposits at Call	3.69%	27,666	-	-	-	-	27,666
• Receivables-Debtors	-	-	-	-	-	2,773	2,773
• Receivables-Other Debtors	-	-	-	-	-	95,261	95,261
• Other Financial Assets:							
Short Term Deposits	4.56%	-	87,020	-	-	-	87,020
• Other Financial Assets:							
Unlisted Shares	-	-	-	-	-	558	558
• Other Financial Assets:							
Listed Shares	-	-	-	-	-	22	22
• Other Financial Assets:							
Term Deposits	-	80,000	-	-	-	-	80,000
Income Securities	-	235	-	-	-	-	235
<b>Total Financial Assets</b>		112,604	87,020	-	-	98,614	298,238
<b>FINANCIAL LIABILITIES</b>							
• Payables:							
Creditors & Accruals	-	-	-	-	-	9,546	9,546
• Payables:							
Unfunded superannuation	-	-	-	-	-	90,062	90,062
• Interest Bearing Liabilities:							
Bills Payable	6.40%	-	560	1,390	-	-	1,950
<b>Total Financial Liabilities</b>		-	560	1,390	-	99,608	101,558

FINANCIAL INSTRUMENTS	Weighted average effective rate	Floating interest rate	Within 1 year	1 - 5 years	More than 5 years	Non interest bearing	Total carrying amount per balance sheet
Consolidated - 2011		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>FINANCIAL ASSETS</b>							
• Cash and cash equivalents - Cash at Bank	3.01%	2,505	-	-	-	-	2,505
• Cash and cash equivalents - Deposits at Call	4.47%	13,099	-	-	-	-	13,099
• Receivables-Debtors	-	-	-	-	-	7,588	7,588
• Receivables-Other Debtors	-	-	-	-	-	73,216	73,216
• Other Financial Assets:							
Short Term Deposits	5.63%	-	100,500	-	-	-	100,500
• Other Financial Assets:							
Unlisted Shares	-	-	-	-	-	558	558
• Other Financial Assets:							
Listed Shares	-	-	-	-	-	18	18
• Other Financial Assets:							
Floating rate notes	-	-	-	-	-	-	-
Term Deposits	5.66%	30,900	-	-	-	-	30,900
Held to maturity floating rate Note ( WAVES)	-	5,000	-	-	-	-	5,000
Income Securities	-	244	-	-	-	5,000	5,244
<b>Total Financial Assets</b>		51,748	100,500	-	-	86,380	238,628
<b>FINANCIAL LIABILITIES</b>							
• Payables:							
Creditors & Accruals	-	-	-	-	-	5,459	5,459
• Payables:							
Unfunded superannuation	-	-	-	-	-	71,963	71,963
• Interest Bearing Liabilities:							
Bills Payable	6.40%	-	527	1,951	-	-	2,478
<b>Total Financial Liabilities</b>		-	527	1,951	-	77,422	79,900

## Note 29: Financial Instruments, continued

### 29.3 Financial Risk Management

#### i) Financial risk management objectives

The University's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University'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 University by adhering to principles, interest rate risk, credit risk, the use of financial derivatives and non derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by management on a continuous basis. The University does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, ageing analysis for credit risk and data analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the University's finance division under policies approved by the University Council. The Council provides written principles for overall risk management, as well as policies covering specific areas, interest rate risk, credit risk, and investment of excess liquidity.

#### ii) Financial risk exposures and management

The University's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payables.

The main risks the University can be exposed to through its financial instruments are market risk, price risk, funding risk, interest rate risk, credit risk and liquidity risk.

##### Market Risk

The University in its daily operations is exposed to a number of market risks. Market risks relate to the risk that market rates and prices will change and that this will have an adverse effect on the operating result and/or net worth of the University e.g. an adverse movement in interest rates.

The Council ensures that all market risk exposure is consistent with the University's business strategy and within the risk tolerance of the University. Regular risk reports are presented to the Council.

There has been no significant change in the University's exposure, or its objectives, policies and processes for managing market risk from the previous reporting period.

##### Foreign Currency Risk

The University is not exposed to foreign currency risk.

##### Price Risk

The University is exposed to price risk in respect of fee for service, various business operations and contract services which are subject to open market competition.

There has been no significant change in the University's exposure, or its objectives, policies and processes for managing price risk or the methods used to measure this risk from the previous reporting period.

##### Interest rate risk

Interest rate risk arises from the potential for a change in interest rates to change the expected net interest earnings in the current reporting period and in future years. Similarly, interest rate risk also arises from the potential for a change in interest rates to cause a fluctuation in the fair value of the financial instruments.

The objective is to manage the rate risk to achieve stable and sustainable net earnings in the long term. This is managed predominately through a mixture of short term and longer term investments according to the University's Investment policy.

Downward movements in interest rates during 2012 have had an impact on the University's year end result. It is estimated that the decrease in interest rates from 2.97% & 4.40% have decreased earnings by \$1.858m for 2012.

The University's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date are set out in the financial instrument composition and maturity analysis table.

##### Funding Risk

Funding risk is the risk of over reliance on a funding source to the extent that a change in that funding source could impact on the operating result for the current year and future years.

The University manages funding risk by continuing to diversify and increase funding from commercial activities both domestically and off shore.

There has been no significant change in the University's exposure, or its objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period.

##### Concentrations of Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amounts of collateral held as security at December 2012.

Credit risk is managed on a group basis and reviewed regularly by the Finance Committee. It arises from exposures to customers as well as through certain financial instruments and deposits with financial institutions.

Management monitors credit risk by actively assessing the rating quality and liquidity of counter parties.

Only banking institutions with an A rating are utilised.

All potential customers are rated for credit worthiness taking into account their size, market position and financial standing.

Customers that do not meet the group's strict credit policies may only purchase in cash or using recognised credit cards.

## Note 29: Financial Instruments, continued

The University does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the University.

The trade receivables balance at 31 December 2012 and 31 December 2011 do not include any counter parties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

The University minimises credit risk in relation to student loans receivable in the following ways:

Specific loan conditions have been established which are applicable to all loans.

The loan terms and conditions are evidenced in a contract signed by both parties.

The maximum loan available is \$2,000.

A schedule of repayments is agreed with the student at the time of making application

There has been no significant change in the University's exposure, or its objectives, policies and processes for managing credit risk or the methods used to measure this risk from the previous reporting period.

### Liquidity risk

Credit risk is managed on a group basis and reviewed regularly by the Finance Committee. It arises from exposures to customers as well as through certain financial instruments and deposits with financial institutions.

The University has a standby facility of \$150,000 to provide short term cash.

There has been no significant change in the University's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

## 29.4 Financial Instruments - Summarised Sensitivity Analysis

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

31 December 2012	Carrying amount \$'000	Interest rate risk			
		-0.5%		1.0%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial assets</b>					
• Cash and cash equivalents - Cash at Bank	4,703	( 24)	( 24)	47	47
• Cash and cash equivalents - Deposits at Call	27,666	( 138)	( 138)	277	277
• Other Financial Assets:					
Short Term Deposits	83,100	( 416)	( 416)	831	831
• Other Financial Assets:					
Income Securities	235	( 1)	( 1)	2	2
Long term fixed interest bearing bills, bonds/term deposits	-	-	-	-	-
<b>Financial liabilities</b>					
• Interest Bearing Liabilities:					
Bills Payable	1,390	( 7)	( 7)	14	14
<b>Total increase/(decrease)</b>		( 586)	( 586)	1,171	1,171

31 December 2011	Carrying amount \$'000	Interest rate risk			
		-0.5%		1.0%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial assets</b>					
• Cash and cash equivalents - Cash at Bank	2,505	( 13)	( 13)	25	25
• Cash and cash equivalents - Deposits at Call	13,099	( 65)	( 65)	131	131
• Other Financial Assets:					
Short Term Deposits	100,500	( 503)	( 503)	1,005	1,005
• Other Financial Assets:					
Floating rate notes	5,000	( 25)	( 25)	50	50
Income Securities	244	( 1)	( 1)	2	2
Financial liabilities	-	-	-	-	-
• Interest Bearing Liabilities:					
Bills Payable	1,951	( 10)	( 10)	20	20
<b>Total Increase/( decrease)</b>		( 617)	( 617)	1,233	1,233

## Note 29: Financial Instruments, continued

### 29.5 Fair Value Estimation

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

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The University is not active in interest rate swaps or forward exchange contracts.

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

Due to the short term nature of current receivables, their carrying value is assumed to approximate their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due. For other assets and other liabilities the fair value approximates their carrying value. Where the carrying amount of financial assets exceeds fair values there has been no write down as the University intends to hold these assets to maturity.

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

	2012		2011	
	Carrying amount	Net fair value	Carrying amount	Net fair value
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Cash and cash equivalents	119 389	119 389	119 354	119 354
Receivables	98 034	98 034	80 805	80 805
Other financial assets				
Available for sale financial assets				
Shares - listed at cost	22	22	18	18
Other investments - at cost	235	235	244	244
Held to maturity floating rate note ( WAVES) at cost	-	-	5 000	4 779
Shares - unlisted at cost	558	558	557	557
<b>Total financial assets</b>	<b>218 238</b>	<b>218 238</b>	<b>205 978</b>	<b>205 757</b>
<b>Financial liabilities</b>				
Payables	9 546	9 546	5 459	5 459
Borrowings				
Bank bills secured	1 950	1 950	2 478	2 478
<b>Total financial liabilities</b>	<b>11 496</b>	<b>11 496</b>	<b>7 937</b>	<b>7 937</b>

Fair values are materially in line with carrying values. The Held to Maturity investment ( 2011) had been valued by the ANZ Banking Corporation as at December 2011, a discount rate of 3.285% was applied.

## Note 29: Financial Instruments, continued

### 29.5 Fair Value Estimation, continued...

Fair value measurements recognised in the balance sheet are categorised into the following levels:

<b>Total financial assets</b>	<b>31/12/2012</b>	<b>Level 1</b>	<b>Level 3</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>			
Other financial assets			
Available for sale financial assets			
Shares - listed at cost	22	22	-
Other investments - at cost	235	-	235
Shares - unlisted at cost	558	-	558
<b>Total financial assets</b>	<b>815</b>	<b>22</b>	<b>793</b>

	<b>31/12/2011</b>	<b>Level 1</b>	<b>Level 3</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>			
Other financial assets			
Available for sale financial assets			
Shares - listed at cost	18	18	-
Other investments - at cost	244	-	244
Shares - unlisted at cost	557	-	557
Held to maturity floating rate notes	4,779	4,779	-
<b>Total financial assets</b>	<b>5,598</b>	<b>4,797</b>	<b>801</b>

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the balance sheet date (Level 1). The quoted market price used for financial assets held by the University is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (Level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (Level 3) such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

#### Reconciliation of Financial Assets categorised as Level 3

	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Level 3 Financial Assets</b>		
Unlisted equity securities		
Opening balance	801	842
Disposal	-	-
Additions	(8)	(41)
Closing balance	<b>793</b>	<b>801</b>



## Note 30: Acquittal of Commonwealth Government Financial Assistance

### 30.1 DEEWR - CGS and Other DEEWR Grants

	Commonwealth Grants Scheme		Indigenous Support Fund		Learning & Teaching Performance		Capital Development Pool	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	49,952	43,607	158	158	-	-	-	-
Net accrual adjustments	539	( 539)	-	-	-	-	-	-
<b>Revenue for the reporting period</b>	<b>50,491</b>	<b>43,068</b>	<b>158</b>	<b>158</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus/(deficit) from the previous year	-	-	-	-	-	657	1,405	1,405
<b>Total revenue including accrued revenue</b>	<b>50,491</b>	<b>43,068</b>	<b>158</b>	<b>158</b>	<b>-</b>	<b>657</b>	<b>1,405</b>	<b>1,405</b>
Less expenses including accrued expenses	( 50,491)	( 43,068)	( 158)	( 158)	-	( 657)	-	-
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,405</b>	<b>1,405</b>

	HE Partnership Project Funding		HE Structural Adjustment Fund Program		HE Participation Program		HE Partnership Base Funding	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	529	-	20,770	-	1,151	876	136	356
Net accrual adjustments	-	-	-	-	( 154)	-	-	-
<b>Revenue for the reporting period</b>	<b>529</b>	<b>-</b>	<b>20,770</b>	<b>-</b>	<b>997</b>	<b>876</b>	<b>136</b>	<b>356</b>
Surplus/(deficit) from the previous year	-	-	-	-	573	-	114	111
<b>Total revenue including accrued revenue</b>	<b>529</b>	<b>-</b>	<b>20,770</b>	<b>-</b>	<b>1,570</b>	<b>876</b>	<b>250</b>	<b>467</b>
Less expenses including accrued expenses	( 479)	-	( 3,108)	-	( 1,570)	( 303)	( 250)	( 353)
<b>Surplus / (deficit) for reporting period</b>	<b>50</b>	<b>-</b>	<b>17,662</b>	<b>-</b>	<b>-</b>	<b>573</b>	<b>-</b>	<b>114</b>

	Disability Support Programme		Transitional Cost Program		Diversity & Structural Adjustment Fund		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	69	51	12	( 41)	-	-	72,777	45,007
Net accrual adjustments	-	-	-	-	-	-	385	( 539)
<b>Revenue for the reporting period</b>	<b>69</b>	<b>51</b>	<b>12</b>	<b>( 41)</b>	<b>-</b>	<b>-</b>	<b>73,162</b>	<b>44,468</b>
Surplus/(deficit) from the previous year	-	-	-	-	102	501	2,194	2,674
<b>Total revenue including accrued revenue</b>	<b>69</b>	<b>51</b>	<b>12</b>	<b>( 41)</b>	<b>102</b>	<b>501</b>	<b>75,356</b>	<b>47,142</b>
Surplus/(deficit) from the previous year	( 69)	( 51)	( 12)	41	( 50)	( 399)	( 56,187)	( 44,948)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52</b>	<b>102</b>	<b>19,169</b>	<b>2,194</b>

## Note 30: Acquittal of Commonwealth Government Financial Assistance, continued

### 30.2 Higher Education Loan Program

	<b>HECS - HELP (Australian Government payments only)</b>		<b>FEE - HELP</b>		<b>VET FEE - HELP</b>		<b>STUD AMEN - HELP</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period in respect of current year	23,174	22,066	1,435	1,232	-	-	637	-	25,246	23,298
Cash received in respect of previous years	739	1,174	352	31	-	-	-	-	1,091	1,205
Net accrual adjustments	-	(1,195)	-	-	700	500	-	-	700	(695)
<b>Cash Available for period</b>	<b>23,913</b>	<b>22,045</b>	<b>1,787</b>	<b>1,263</b>	<b>700</b>	<b>500</b>	<b>637</b>	<b>-</b>	<b>27,037</b>	<b>23,808</b>
Revenue earned	(24,485)	(22,045)	(2,123)	(1,263)	(700)	(500)	(730)	-	(28,038)	(23,808)
<b>Cash Payable/ (Receivable) at end of year</b>	<b>(572)</b>	<b>-</b>	<b>(336)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(93)</b>	<b>-</b>	<b>(1,001)</b>	<b>-</b>

#### NOTE 30.3 Learning Scholarships

	<b>Australian Postgraduate Awards</b>		<b>International Postgraduate Research Scholarships</b>		<b>Commonwealth Education Cost Scholarships</b>		<b>Commonwealth Accommodation Scholarships</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	743	631	64	62	24	74	-	883
Net accrual adjustments	-	-	-	-	5	15	-	(640)
<b>Revenue for the reporting period</b>	<b>743</b>	<b>631</b>	<b>64</b>	<b>62</b>	<b>29</b>	<b>89</b>	<b>-</b>	<b>243</b>
Surplus/(deficit) from the previous year	199	114	(17)	(6)	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>942</b>	<b>745</b>	<b>47</b>	<b>56</b>	<b>29</b>	<b>89</b>	<b>-</b>	<b>243</b>
Less expenses including accrued expenses	(687)	(546)	(75)	(73)	(29)	(89)	-	(243)
<b>Surplus / (deficit) for reporting period</b>	<b>255</b>	<b>199</b>	<b>(28)</b>	<b>(17)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Includes program deficit from prior year

	<b>National Priority Scholarships</b>		<b>National Accommodation Scholarships</b>		<b>Indigenous Access</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	458	21	33	176	22	43	1,344	1,890
Net accrual adjustments	(458)	-	60	3	24	(31)	(369)	(653)
<b>Revenue for the reporting period</b>	<b>-</b>	<b>21</b>	<b>93</b>	<b>179</b>	<b>46</b>	<b>12</b>	<b>975</b>	<b>1,237</b>
Surplus/(deficit) from the previous year	-	-	-	-	-	-	182	108
<b>Total revenue including accrued revenue</b>	<b>-</b>	<b>21</b>	<b>93</b>	<b>179</b>	<b>46</b>	<b>12</b>	<b>1,157</b>	<b>1,345</b>
Less expenses including accrued expenses	-	(21)	(93)	(179)	(46)	(12)	(930)	(1,163)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>227</b>	<b>182</b>

\* Includes program deficit from prior year

### 30.4 Voluntary Student Unionism and Better Universities Renewal Funding

	<b>VSU Transition Fund</b>		<b>Better Universities Renewal Funding</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	-	-	-	-
Net accrual adjustments	-	-	-	-	-	-
<b>Revenue for the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus/(deficit) from the previous year	2,915	3,000	-	2,684	2,915	5,684
<b>Total revenue including accrued revenue</b>	<b>2,915</b>	<b>3,000</b>	<b>-</b>	<b>2,684</b>	<b>2,915</b>	<b>5,684</b>
Less expenses including accrued expenses	(2,349)	(85)	-	(2,684)	(2,349)	(2,769)
<b>Surplus / (deficit) for reporting period</b>	<b>566</b>	<b>2,915</b>	<b>-</b>	<b>-</b>	<b>566</b>	<b>2,915</b>

## Note 30: Acquittal of Commonwealth Government Financial Assistance, continued

30.5 DIISRTE Research	Research Training Scheme		Research Infrastructure Block Grants		Joint Research Engagement Program	
	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,877	1,887	124	182	903	882
Net accrual adjustments	-	-	-	-	-	-
<b>Revenue for the reporting period</b>	<b>1,877</b>	<b>1,887</b>	<b>124</b>	<b>182</b>	<b>903</b>	<b>882</b>
Surplus/(deficit) from the previous year	-	-	49	109	-	-
<b>Total revenue including accrued revenue</b>	<b>1,877</b>	<b>1,887</b>	<b>173</b>	<b>291</b>	<b>903</b>	<b>882</b>
Less expenses including accrued expenses	(1,877)	(1,887)	(118)	(242)	(779)	(882)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>49</b>	<b>124</b>	<b>-</b>

	Commercialisation Training Scheme		SRE Base & Threshold 1		Total	
	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	188	205	3,092	3,156
Net accrual adjustments	-	-	-	-	-	-
<b>Revenue for the reporting period</b>	<b>-</b>	<b>-</b>	<b>188</b>	<b>205</b>	<b>3,092</b>	<b>3,156</b>
Surplus/(deficit) from the previous year	-	47	-	-	49	109
<b>Total revenue including brought forward from prior year</b>	<b>-</b>	<b>47</b>	<b>188</b>	<b>205</b>	<b>3,141</b>	<b>3,265</b>
Less expenses including accrued expenses	-	(47)	(184)	(205)	(2,958)	(3,216)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>183</b>	<b>49</b>

30.6 Australian Research Council Grants	Discovery Projects		Linkages Projects		Total	
	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	174	173	376	359	550	532
Net accrual adjustments	-	-	-	-	-	-
<b>Revenue for the reporting period</b>	<b>174</b>	<b>173</b>	<b>376</b>	<b>359</b>	<b>550</b>	<b>532</b>
Surplus/(deficit) from the previous year	84	-	260	172	344	172
<b>Total revenue including accrued revenue</b>	<b>258</b>	<b>173</b>	<b>636</b>	<b>531</b>	<b>894</b>	<b>704</b>
Less expenses including accrued expenses	(144)	(89)	(470)	(271)	(614)	(360)
<b>Surplus / (deficit) for reporting period</b>	<b>114</b>	<b>84</b>	<b>166</b>	<b>260</b>	<b>280</b>	<b>344</b>

30.7 Other Australian Government Grants received	Superannuation		OS - HELP		Total	
	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	4,777	3,703	(1)	6	4,776	3,709
Net accrual adjustments	455	822	-	-	455	822
<b>Revenue for the reporting period</b>	<b>5,232</b>	<b>4,525</b>	<b>(1)</b>	<b>6</b>	<b>5,231</b>	<b>4,531</b>
Surplus/(deficit) from the previous year	-	-	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>5,232</b>	<b>4,525</b>	<b>(1)</b>	<b>6</b>	<b>5,231</b>	<b>4,531</b>
Less expenses including accrued expenses	(5,088)	(4,525)	(15)	(6)	(5,103)	(4,531)
<b>Surplus / (deficit) for reporting period</b>	<b>144</b>	<b>-</b>	<b>(16)</b>	<b>-</b>	<b>128</b>	<b>-</b>

## Note 31: Higher Education, TAFE Results

### 31.1 Statement of Comprehensive Income : Higher Education & TAFE

#### OPERATING RESULTS: HIGHER EDUCATION AND TAFE

Operating revenues and operating expenses for Higher Education and TAFE Divisions of the University are shown in the following tables. The figures refer only to the University - consolidated totals are not included. Discrete sets of accounts are maintained for the two divisions for the recording of their separate revenues and expenses. Some central administrative expenses are proportioned between them on bases agreed at the time of establishing budgets. Depreciation is distributed in accordance with relative asset values.

	Higher Education		TAFE	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Revenue from continuing operations				
Australian Government financial assistance				
Australian Government grants	88,399	71,061	9,360	28
HECS-HELP - Australian Government payments	26,337	22,045	-	-
FEE-HELP	-	1,263	-	-
VET FEE HELP	-	-	700	500
STUDENT ANENITIES - HELP	-	-	-	-
State Government financial assistance	125	-	31,540	37,796
HECS-HELP - Student payments	2,340	2,328	-	-
Course fees and charges	62,925	57,043	7,667	10,265
Other fees and charges	11,774	10,040	2,828	1,289
Consultancy and contract research	4,931	9,241	490	235
Investment revenue	13,743	12,922	1,287	804
Other revenue	1,234	1,466	120	146
Profit on disposal of assets	( 119)	-	28	-
Total revenue from continuing operations	<u>211,689</u>	<u>187,409</u>	<u>54,020</u>	<u>51,063</u>
Revaluation increment on investment properties	890	-	-	-
Deferred Government superannuation contributions	18,099	186	-	-
Total revenue and income from continuing operations	<u>230,678</u>	<u>187,595</u>	<u>54,020</u>	<u>51,063</u>
Expenses from continuing operations				
Employee benefits	73,589	66,821	34,122	34,316
Depreciation and amortisation	8,456	9,119	4,007	4,168
Repairs and maintenance	3,702	3,513	1,366	1,218
Bad and doubtful debts	( 167)	1,238	102	( 24)
Other expenses	33,357	30,080	9,893	10,712
Losses on disposal of assets	-	( 54)	-	80
Finance costs	148	178	-	-
Private providers	38,376	33,888	5	9
Total expenses from continuing operations	<u>157,461</u>	<u>144,783</u>	<u>49,495</u>	<u>50,479</u>
Revaluation decrement on investment properties	-	397	-	-
Actuarial gain(loss) of superannuation defined benefit plans	18,099	186	-	-
Total Expenses	<u>175,560</u>	<u>145,366</u>	<u>49,495</u>	<u>50,479</u>
Operating result before income tax for the year	<u>55,118</u>	<u>42,229</u>	<u>4,525</u>	<u>584</u>

Note 31: Higher Education, TAFE Results, continued...

31.2 Balance Sheet: Higher Education & TAFE  
Statement of Financial Position as at 31 December 2012

	Higher Education		TAFE	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Cash and cash equivalents	97,690	102,253	21,684	17,076
Receivables	10,691	9,048	2,005	4,542
Inventories	162	125	43	106
Biological assets	-	-	3	11
Other financial assets	80,257	36,162	-	-
Assets held for resale	75	-	-	-
Other assets	1,809	2,206	306	234
<b>Total Current Assets</b>	<b>190,684</b>	<b>149,794</b>	<b>24,041</b>	<b>21,969</b>
<b>Non-Current Assets</b>				
Receivables	85,347	67,224	-	-
Other financial assets	519	519	-	-
Property, plant and equipment	158,554	119,591	102,829	102,894
Investment Properties	66,070	65,180	-	-
Intangible Assets	3,884	5,407	639	808
<b>Total Non-Current Assets</b>	<b>314,374</b>	<b>257,921</b>	<b>103,468</b>	<b>103,702</b>
<b>TOTAL ASSETS</b>	<b>505,058</b>	<b>407,715</b>	<b>127,509</b>	<b>125,671</b>
<b>Current Liabilities</b>				
Payables	7,676	4,996	1,869	464
Borrowings	560	527	-	-
Provisions	18,472	16,185	4,987	5,108
Other liabilities	6,744	5,632	-	-
<b>Total Current Liabilities</b>	<b>33,452</b>	<b>27,340</b>	<b>6,856</b>	<b>5,572</b>
<b>Non-Current Liabilities</b>				
Borrowings	1,390	1,951	-	-
Provisions	87,474	69,140	866	814
<b>Total Non-Current Liabilities</b>	<b>88,864</b>	<b>71,091</b>	<b>866</b>	<b>814</b>
<b>TOTAL LIABILITIES</b>	<b>122,316</b>	<b>98,431</b>	<b>7,722</b>	<b>6,386</b>
<b>NET ASSETS</b>	<b>382,742</b>	<b>309,284</b>	<b>119,787</b>	<b>119,285</b>
<b>EQUITY</b>				
Accumulated Surplus	265,591	210,474	90,627	86,101
Reserves	117,151	98,810	29,160	33,184
<b>TOTAL EQUITY</b>	<b>382,742</b>	<b>309,284</b>	<b>119,787</b>	<b>119,285</b>



Note 31: Higher Education, TAFE Results, continued...

31.3 Statement of Cash Flows for the year ended 31 December 2012

	Higher Education		TAFE	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
User fees and charges received	80,475	80,453	12,507	12,558
Investment Income received	13,977	12,378	1,439	647
Other receipts	1,250	1,468	120	146
GST recovered from ATO	9,089	8,447	2,272	2,112
<b>Cash flows from Government</b>				
State Government Grants	125	-	30,400	37,288
State Government contributions - specific projects	-	1,363	2,434	-
Commonwealth Government / Grants	80,762	49,024	-	-
Government contributions - specific projects	7,621	22,191	9,360	-
Higher Education Contribution Scheme:	-	0	-	-
Student payments	2,340	2,328	-	-
HELP SCHEMES	23,913	22,045	-	-
STUDENT AMENTTIES - HELP	637	0	-	-
FEE-HELP - Commonwealth payments	1,787	1,263	-	-
VET FEE - HELP	-	-	-	-
OS - HELP ( Net)	( 16)	0	-	-
Superannuation Supplementation	( 311)	( 822)	-	-
<b>Payments</b>				
Payments to employees	( 69,413)	( 64,584)	( 33,326)	( 35,173)
Payments to suppliers ( Including GST)	( 45,608)	( 43,383)	( 12,273)	( 14,014)
Finance costs	( 148)	( 178)	-	-
Payments to private providers	( 38,376)	( 33,888)	( 5)	( 9)
Net decrease (increase) in student loans	49	( 42)	( 192)	12
<b>Net cash provided by/(used in) operating activities</b>	<b>68,153</b>	<b>58,063</b>	<b>12,736</b>	<b>3,567</b>
<b>Cash Flows from Investing Activities</b>				
Payments for property, plant & equipment	( 27,503)	( 11,270)	( 9,058)	( 4,611)
Proceeds from sale of property, plant and equipment	( 589)	214	930	108
Payments for Intangible Assets	-	( 132)	-	-
Proceeds/(purchase) of investments	( 44,097)	( 21,093)	-	1,102
<b>Net cash provided by (used in) investing activities</b>	<b>( 72,189)</b>	<b>( 32,281)</b>	<b>( 8,128)</b>	<b>( 3,401)</b>
<b>Cash Flows from Financing Activities</b>				
Repayment of interest bearing liabilities	( 527)	( 495)	-	-
<b>Net cash provided for (used in) financing activities</b>	<b>( 527)</b>	<b>( 495)</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>( 4,563)</b>	<b>25,287</b>	<b>4,608</b>	<b>166</b>
Cash and cash equivalents at the beginning of the financial year	102,253	76,966	17,076	16,910
<b>Cash and cash equivalents at the end of the financial year</b>	<b>97,690</b>	<b>102,253</b>	<b>21,684</b>	<b>17,076</b>

Note 31: Higher Education, TAFE Results, continued...

31.4 Statement of Changes in Equity for the year ended 31 December 2012

	<b>TAFE</b>					
	<b>2012</b>			<b>2011</b>		
	<b>Reserves</b>	<b>Retained Surplus</b>	<b>Total</b>	<b>Reserves</b>	<b>Retained Surplus</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Total equity at the beginning of the financial year</b>	33,184	86,101	119,285	33,184	85,517	118,701
Net operating result after income tax for the year	-	4,526	4,526	-	584	584
Movement in Revaluation Reserve	( 4,024)	-	( 4,024)	-	-	-
<b>Total equity at the end of the financial year</b>	<b>29,160</b>	<b>90,627</b>	<b>119,787</b>	<b>33,184</b>	<b>86,101</b>	<b>119,285</b>

	<b>Higher Education</b>					
	<b>2012</b>			<b>2011</b>		
	<b>Reserves</b>	<b>Retained Surplus</b>	<b>Total</b>	<b>Reserves</b>	<b>Retained Surplus</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Total equity at the beginning of the financial year</b>	98,810	210,474	309,284	98,981	168,074	267,055
Net operating result after income tax for the year	-	55,117	55,117	-	42,229	42,229
Movement in Revaluation Reserve	18,341	-	18,341	-	-	-
Transfer of reserves	-	-	-	( 171)	171	-
<b>Total equity at the end of the financial year</b>	<b>117,151</b>	<b>265,591</b>	<b>382,742</b>	<b>98,810</b>	<b>210,474</b>	<b>309,284</b>

## Note 32: Ex Gratia Payments

	Consolidated		University	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
The University has made no ex-gratia payments	-	-	-	-

## Note 33: Events Occuring after Reporting Date

Other than mentioned herein, at the date of this report there is no matter or circumstance that has arisen since 31 December 2012 which has or may significantly affect:

- (a) The operation of the economic entity;
- (b) The results of those operations; or
- (c) The state of affairs of the economic entity in the financial years subsequent to 31 December 2012

## INDEPENDENT AUDITOR'S REPORT

### To the Council, University of Ballarat

#### *The Financial Report*

The accompanying financial report for the year ended 31 December 2012 of the University of Ballarat which comprises statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, notes comprising a summary of significant accounting policies and other explanatory information, and the Chancellor, Vice-Chancellor and Chief Finance Officers' declaration has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising the University of Ballarat and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 28 to the financial statements.

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

The Council Members of University of Ballarat are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards and the financial reporting requirements of the *Financial Management Act 1994* and for such internal control as the Council Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 of Ballarat and the consolidated entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Council Members, as well as evaluating the overall presentation of the financial report.

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

## Independent Auditor's Report (continued)

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.


### *Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of University of Ballarat and the economic entity as at 30 June 2012 and of their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

### *Matters Relating to the Electronic Publication of the Audited Financial Report*

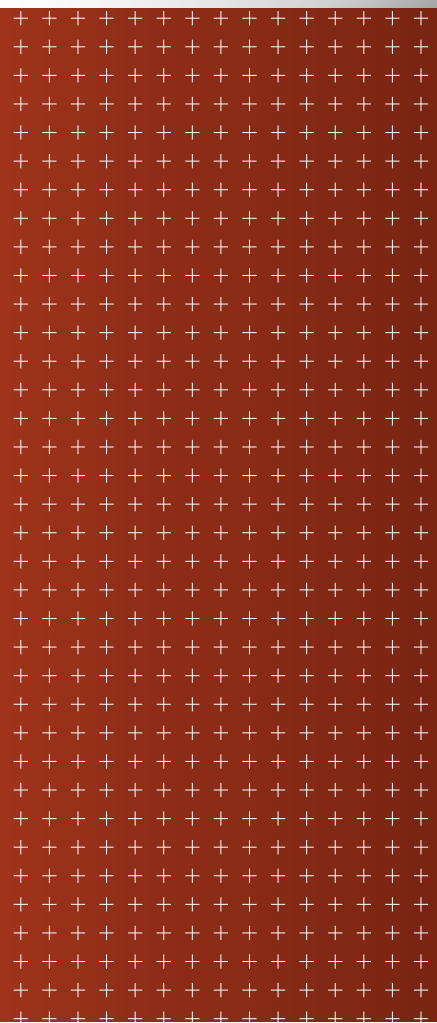
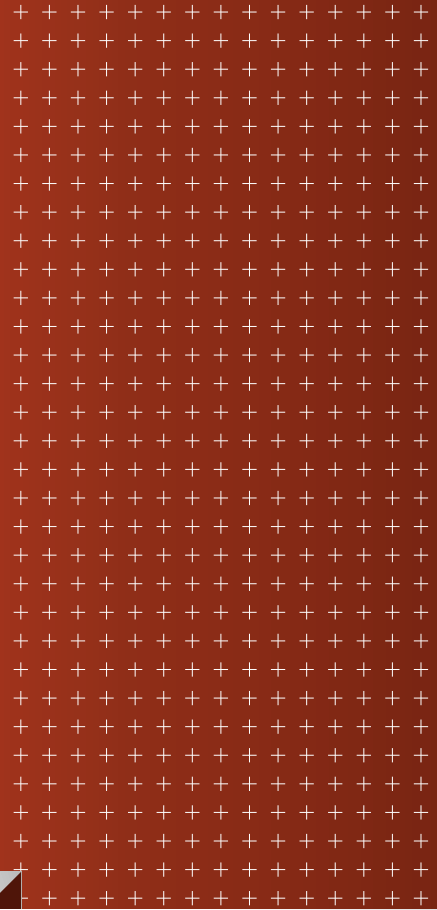
This auditor's report relates to the financial report of the University of Ballarat for the year ended 30 June 2012 included both in the University of Ballarat's annual report and on the website. The Council Members of the University of Ballarat are responsible for the integrity of the University of Ballarat's website. I have not been engaged to report on the integrity of the University of Ballarat's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

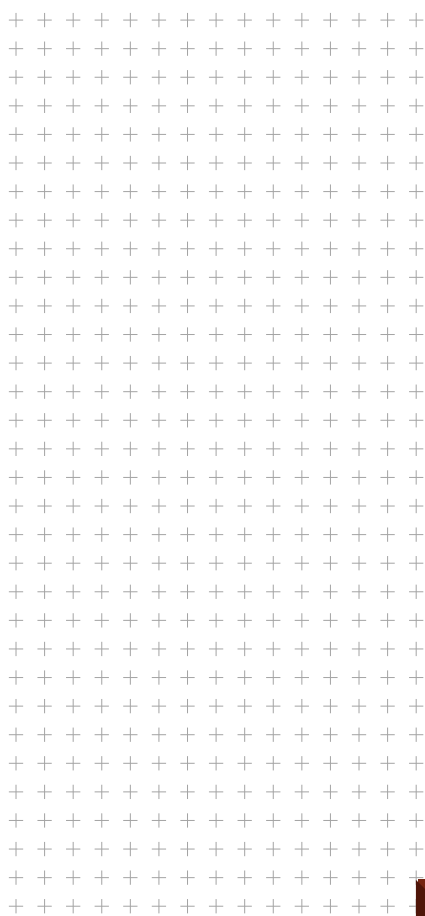
MELBOURNE  
22 February 2013

  
Dr Peter Frost  
Acting Auditor-General

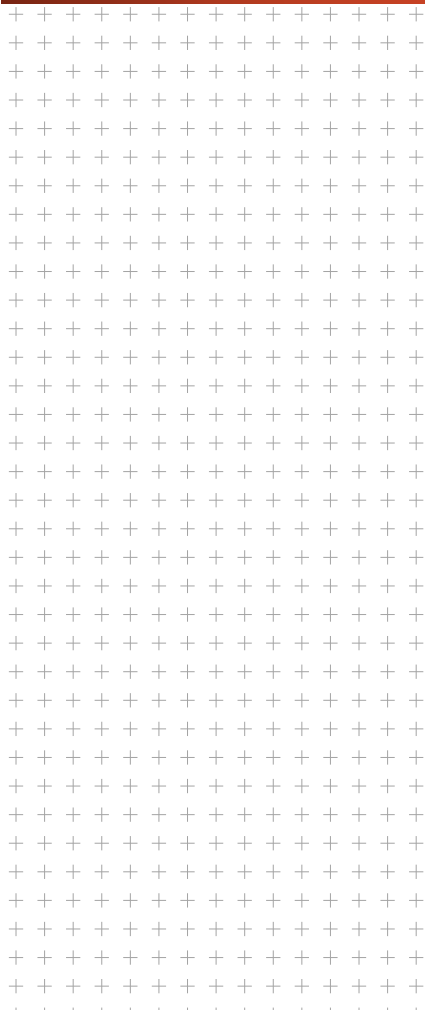








# annual report 2012



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