



The background of the page is a photograph of a park. In the foreground, there is a lush green lawn. In the middle ground, a dark metal railing runs across the frame. Behind the railing, a person is standing, looking towards a body of water. The water is dark and reflects the surrounding trees. The background is filled with dense green foliage and trees, with sunlight filtering through the leaves.

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Letters of transmittal



OFFICE OF THE CHANCELLOR

25 March 2022

Minister for Training and Skills and Minister for Higher Education
2 Treasury Place
East Melbourne VIC 3002

Dear Minister

In accordance with the applicable requirements of regulations under the Financial Management Act 1994, the Directions, the Financial Reporting Directions and Australian Accounting Standards, I am pleased to submit for your information and presentation to Parliament the La Trobe University Annual Report for the year ending 31 December 2021.

Yours sincerely

A handwritten signature in black ink, appearing to read "John Brumby".

The Hon John Brumby AO
Chancellor

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Bendigo
Albury-Wodonga
Mildura
Shepparton

Messages

Message from the Chancellor



2021 has continued to present the University and the Council with many challenges as the higher education sector was hit exceptionally hard by the pandemic, particularly in Victoria. However, La Trobe University and its Council have much to be proud of this year. Through the recent transformation process many difficult decisions have had to be made, however we are now confident that the changes undertaken this year will ensure that La Trobe is a strong, relevant and sustainable institution into the future.

La Trobe graduates are among the most employable in the country, according to a recent

national survey. For the second year running, the University has been named in the world's top 250 universities, achieving its highest ever ranking. And, once again, La Trobe was ranked in the top four universities for its work to advance the UN's Sustainable Development Goals.

During such a challenging year the University's researchers have continued their success in attracting grants supporting their research in many areas and the University established five interdisciplinary research themes that respond to the major challenges of our times. La Trobe also secured \$33M in support for new research infrastructure and industry collaboration hubs with Victorian State Government investment in agriculture production and industry platforms, and digital innovation and bio innovation hubs.

The University's City of the Future took its next important step during 2021, seeking a Master Development Partner to help further realise this ambitious plan to transform Melbourne's north. And earlier in the year, the new state-of-the-art library at the Bendigo campus was opened, which incorporates the substantial and historic Sandhurst collection, active learning spaces, a digital learning lab, modern event spaces, and local Indigenous artwork.

In May 2021, Victorian Acting Premier James Merlino; Minister for Tourism, Sport and Major Events Martin Pakula, and Minister for Women Gabrielle Williams announced a substantial investment in a state-of-the-art facility at La Trobe University's Sports Park in Bundoora, a key component of the University City of the Future. This will be the training base for the Matildas ahead of the 2023 FIFA Women's World Cup.

We finished this year with a series of extremely successful (modified for COVID) graduation ceremonies celebrating the achievements of thousands of students under incredibly challenging circumstances over the past two years.

I would like to offer my thanks to my fellow Council members for all their work, advice and support this year, with a particular mention to Dr Phil Moors, Deputy Chancellor, who, after many years of expert and invaluable service on the University Council, came to the end of his term in December 2021. I also recognise the extraordinary efforts of all University staff, stakeholders, community members from all of our campuses, and our students throughout this year.

We move into 2022 with the belief that the University will build on the transformative change it has begun and learn from the challenges it has recently faced to create an institution that truly is one that makes a profound and positive impact on society.

The Hon John Brumby AO
Chancellor
La Trobe University

Message from the Vice-Chancellor



2021 was one of the most challenging years the La Trobe University community has ever faced. For a second consecutive year, the COVID-19 pandemic affected every area of our activity. Despite these very difficult circumstances, our exceptional staff demonstrated extraordinary commitment to our students, to supporting our communities, and to sustaining our research. While many activities were necessarily delivered online or in hybrid mode, in December we had the great pleasure of welcoming some of our students and their friends and families onto our Melbourne and Bendigo campuses for graduations.

In addition to delivering our teaching, research and outreach activity during the year, the University undertook a significant reform program in 2021 to manage the financial impact of the pandemic while ensuring that the University remains sustainable, valued, and relevant. The transformation program we completed in 2021 means we will safely navigate the remaining financial impacts of the pandemic and emerge as a more resilient, future-focused, and efficient institution.

It was gratifying to see the University's excellence recognised on the global stage in 2021, with La Trobe ranked 216 in the world by the Times Higher Education world university rankings, our highest ever position on this measure. The University also achieved its equal highest ranking of 301 in the Academic Ranking of World Universities and rose 36 places to 362 in the prestigious QS rankings. Our community can also be very proud that La Trobe was ranked fourth in the world for a second consecutive year in the Times Higher Education Impact Rankings that assess institutions for their contribution to the United Nations' sustainable development goals. This achievement is a fitting recognition of La Trobe's profound and positive impact on society.

La Trobe researchers performed very well in the funding rounds administered by the Australian Research Council and the National Health and Medical Research Council in 2021. Some of our leading academics were elected as Fellows of the Australian Academy of the Humanities; several scholars were named in the Web of Science 2020 Highly Cited Researchers list; and others were recognised as national leaders in their fields.

Our teaching staff did a brilliant job of providing students with the best possible learning experience during a challenging year, with several La Trobe teaching scholars receiving Citations for Outstanding Contributions to Student Learning in the Australian Awards for University Teaching. It was also pleasing to see strong enrolments in our expanding list of short courses, and the popularity of our new StudyFlex options that give students the choice of online or on-campus study.

Our public scholarship program had another strong year. The Ideas and Society Program and events presented by La Trobe Asia attracted very significant online audiences once again in 2021. It was also a successful year for the La Trobe University Press, our publishing partnership with Black. Inc., which published a number of influential works addressing issues facing our nation and the world. Importantly, the University also continued to make progress in its sustainability mission and in 2021 implemented a number of projects under the Net Zero program.

There were many other achievements and awards during the year, which are too numerous to list here – although all of them are even more remarkable given the circumstances we faced. It is an honour to work at a university where our people care so much for one another, our students, and the communities that surround our campuses. The following pages contain information about many highlights of a very challenging but nonetheless productive year.

Professor John Dewar AO
Vice-Chancellor
La Trobe University

La Trobe at a glance

Vision and aspiration

Since its foundation in 1964, La Trobe University has sought to be different. We were created to broaden participation in higher education among communities in Melbourne's north and regional Victoria.

We have joined this mission with that of pursuing world class research that makes a difference to some of the world's most pressing problems. We are one of Australia's most successful universities in pursuing these multiple missions. In short, La Trobe is a place where social inclusion and globally recognised excellence come together for the benefit of our students and our communities.

Our values

Our early reputation as a radical and challenging institution continues to influence the way we enrich the experience of our students and engage with our partners and communities. We were founded half a century ago to broaden participation in higher education in Melbourne's north and, later, in regional Victoria. We have succeeded for many thousands of students who would otherwise have been excluded from the opportunities provided by a University education.

We continue to support access, diversity and inclusivity while undertaking world-class research that aims to address the global forces shaping our world and make a difference to some of the world's most pressing problems.

This approach is based on our **values** of:

- inclusiveness, diversity, equity and social justice
- pursuing excellence and sustainability in everything we do
- championing our local communities in Melbourne's north and regional Victoria
- being willing to innovate and disrupt the traditional way of doing things.

Quick facts

- Established in 1964
- First enrolments in 1967: 558
- Student load (EFTSL) in 2021 is 25,965.1
- Staff (full-time equivalent) in 2021 is 2,427.1
- Almost 230,000 alumni
- Campuses in Melbourne (Bundoora and CBD), Bendigo, Albury-Wodonga, Mildura, Shepparton and Sydney
- Colleges: Science, Health and Engineering (SHE) and Arts, Social Sciences and Commerce (ASSC).

Acknowledgement of Traditional Owners

La Trobe University proudly acknowledges the traditional custodians of the lands on which its campuses are located in Victoria.

We recognise that Indigenous Australians have an ongoing connection to the land and the University values their unique contribution both to the University and the wider Australian society.

Our mission ...

Advancing knowledge and learning to shape the future of our students and communities.

Our vision ...

To promote positive change and address the major issues of our time through being connected, inclusive and excellent.

Our cultural qualities

Our strategy development process has clearly articulated the importance of our people – our staff, students and partners – and our culture, which together make us



Connected

Connecting the students and communities we serve to the world outside



Innovative

Tackling the big issues of our time to transform the lives of our students and society



Accountable

Striving for excellence in everything we do, holding each other to account, and working to the highest standards



Care

We care about what we do and why we do it, because we believe in the power of education and research to transform lives and global society

Our core objectives



Our strategy

The COVID-19 pandemic has shaken the world, and its tremors have extended to Australia's higher education system, including La Trobe. We have responded comprehensively and positively, ensuring that our actions equip our university to surmount current difficulties and remain sustainable, valued and relevant as the world returns to normalcy. The current Strategic Plan sets out the University's vision and strategies for the coming ten years

Mission

We are a university known for making a positive difference in the lives of our students, partners and communities. We will become an even more valued and relevant university because of the way we respond to their needs at this time of great local and national challenge.

Strategy

Our aim is to emerge as a more resilient, future-focused and necessarily more efficient institution that will thrive in a post-COVID world by being more sharply focused on the needs of our community, and by playing to our strengths in teaching and research.

Strategies & Tactics

Students

Our student body is highly diverse. We will provide a supportive and engaging student experience that allows them to thrive, learn, question their own ways of thinking, and develop the confidence necessary to challenge and improve their world.

Teaching

We will provide a future-relevant, contemporary educational offer that provides greater flexibility for students and extends our online offering to meet market demand. We will produce some of the most employable graduates in the country – people with the skills and capabilities necessary for long-term career success anywhere in the world.

Research

We will undertake high-quality research emerging from our areas of strength and to bring together discovery, applied and translational research capability across the University to address important global problems on the biggest interdisciplinary issues of our time. We will expand the impact of our research and engage more effectively in partnerships with industry, government, community and not-for-profit organisations.

Regions

We are Victoria's only true state-wide university and regional campuses continue to be central to La Trobe's identity, mission and purpose. We will provide regional communities with pathways and qualifications to meet student demand and workforce need. We are also deeply committed to our communities in Melbourne's north.

Partner of Choice

We will be known as a pre-eminent university for innovation and industry collaboration, our ability to apply and translate our knowledge to useful outcomes, and our enthusiasm for partners to co-locate with us on our campuses.

International

We aim to be an internationalised university in everything we do and will create authentic and mutually-beneficial global partnerships that create opportunities for researchers and our students.

Enablers

Our People

We will continue to embed La Trobe culture as our most enduring and valued asset supported by workforce strategy and retaining our status as an Employer of Choice

Improving Efficiency & Productivity

We will continue to simplify process to improve efficiency underpinned by our service model and on-going digital transformation.

University City of the Future

2021 saw significant progress toward our vision for the University City of the Future. The search for a Master Development Partner commenced and, together with the appointment of a new University Master Planner, this will support our work to reimagine the role a university can play in supporting the communities that surround its campuses.

The search for a Master Development Partner to drive delivery of the University City of the Future vision was launched in April. There was significant interest from leading development companies to partner with La Trobe, and a master development partner for the University City development is expected to be announced in mid-2022.

University Master Planner Arup was appointed in June and hit the ground running, providing expert urban design advice on a range of projects across the Melbourne (Bundoora) and regional campuses. A formal review of the Melbourne Campus Master Plan commenced, which will see a refreshed master plan developed in collaboration with the master development partner to realise the University City vision.

Investments of \$101 million by the Victorian Government and \$15 million by the Federal Government have supported us to secure planning permits and commence development on the State Rugby Union Centre, State Football (soccer) Centre, and a new national base for the Australian women's football team at La Trobe. We will establish the home of the Matilda's at our La Trobe University Sports Park in Bundoora.

La Trobe was awarded \$31.1 million from the Victorian Higher Education State Investment Fund (VHESIF) to support delivery of six new major projects across the Melbourne and

regional campuses. Projects span Bio and Digital Innovation, Agriculture and Telehealth – with great potential to contribute significantly towards shaping our future.

A new 360m² IGA Supermarket was opened at the Melbourne campus in May – bringing a much-needed service to campus. Attracting national retail brands, alongside supporting independent operators, will remain a focus of our retail strategy, as we work toward improving the campus experience, amenity, and service offerings.

A key sustainability milestone was achieved with the rollout of renewable energy generation (Solar PV) across all campuses. The system delivers up to 50% of all electricity consumed during peak periods, establishing a solid foundation for achieving our commitment as a Net Zero City of the Future.

Various pathway upgrades completed in 2021 have not only improved safety, lighting, and accessibility on campus, but have markedly improved campus amenity and walkability for all users. In collaboration with DELWP, construction of 2 km of shared cycling and pedestrian pathway commenced, which will link the La Trobe Sports Park to the Polaris retail precinct, connecting the campus to our local communities.

Local Environmental Impact

Our commitment to embedding environmental sustainability and enhancing the Nangak Tamboree wildlife precinct continues.

2021 saw over 123,000 local indigenous plants grown and sold by our Nangak Tamboree Wildlife Sanctuary, along with 1,580 animal nesting boxes also constructed to provide habitat to native wildlife. La Trobe supplied over 70,000 plants to the Darebin City Council Rewilding program – a significant contribution toward improving local biodiversity and habitat for the north.

New collaborations with Melbourne Water, Darebin Creek Management Committee, and Wurundjeri Woi-wurrung Heritage Aboriginal Corporation, have focused on restoring 10 hectares of land along Darebin Creek and will include planting 165,000 new indigenous plants along the creek corridor. A natural filtration process to improve water quality entering the Creek will see the removal of 110 kg of Nitrogen, 19 kg of Phosphorus and 13,000 kg of suspended solids per year.



Outstanding student experience

High quality learning and teaching

In 2021, La Trobe achieved strong subject quality assessments due to the exceptional efforts and dedication of learning and teaching staff. Overall student satisfaction rates remained stable despite a disruptive year for many students, and nearly all Schools achieved a four out of five average satisfaction rating or higher. In addition, Quality Indicators for Learning and Teaching data released in early 2021 indicated that, despite a sector-wide impact on student experience during COVID-19, overall student satisfaction and perception of teaching quality had improved in relation to other Australian universities.

La Trobe continued its support for learning and teaching staff to teach effectively online in 2021, as well as enhance face-to-face teaching where permitted. The EdTech support service and tailored professional development sessions and events provided teaching and academic staff with information, advice and practical techniques to achieve improved teaching practice, provide an outstanding student experience, and respond to the complex needs of our students in a changing educational environment.

Altogether, there were 72 webinars on various topics ranging from curriculum design, effective assessment and feedback, and online teaching fundamentals; seven practice seminars showcasing exemplar teaching practices across the Schools; eight communities of practice sessions; and four custom sessions addressing needs of the Schools. In total, 653 staff attended at least one of these 91 events.

Two Subject Week events were conducted in 2021 with high levels of interest from La Trobe staff who engaged with student panels, shared knowledge with colleagues, and explored new technologies. The February event attracted 537 participants and the June event attracted 670 participants.

La Trobe is continuing to offer the Graduate Certificate in Higher Education Curriculum, Teaching and Learning course to its learning and teaching staff for professional development in teaching. 41 La Trobe staff completed the course in 2021 with full funding from the University. As at 1 December 2021, 71 staff were admitted into the course.

Transforming the educational offering

2021 saw significant growth in StudyFlex, providing students with the opportunity to move between online and on-campus subjects throughout their course, and shape their degree to accommodate their location, work schedule

and family commitments. By the end of 2021, 123 subjects had a StudyFlex offering, and over 4,500 students had enrolled in a StudyFlex instance. Work during 2021 resulted in 304 subjects with a StudyFlex offering in 2022.

La Trobe made significant progress on the implementation of a new course architecture in 2021. The La Trobe Course Architecture provides the structural foundation for all of our courses, delivering navigable, straightforward progression, standard exit and entry points, opportunities to move between courses, and options for specialisation and interdisciplinary studies, including work-based and overseas study. By the end of 2021, 133 courses (84%) had been fully aligned to the new course architecture, with the project considered substantially complete due to the majority of remaining courses undergoing revisions in line with re-accreditation or third-party timelines.

La Trobe's short course offering continued to grow in 2021, with enrolments more than tripling and an expanded suite of short courses being offered including popular offerings in education and health. Particular highlights include the Science of Language and Reading short course, which expanded to offer further 'Intermediate' and 'Secondary School Perspective' Science of Language and Reading short courses after strong interest in 2020. The Science of Language and Reading suite attracted more than 3,000 enrolments in 2021.

La Trobe also continued to develop our online course portfolio in partnership with Wiley. In 2021, there were over 500 commencing students across online courses in mental health, mental health nursing, public health and health administration.

Recognising our outstanding teachers

In December 2021, La Trobe recognised seven individuals and teams for the quality and impact of their educational practice through the annual Vice-Chancellor's Education Awards. Dr Robert Ross from the School of Computing, Engineering and Mathematical Sciences was awarded the 2021 Vice-Chancellor's Educational Impact Award for pioneering innovation using educational escape rooms to engage and motivate students within STEM disciplines.

At the national level, three La Trobe academics were awarded Australian Awards for University Teaching (AAUT) Citations for Outstanding Contributions to Student Learning. Dr Amanda Shaker was recognised in the Early Career category for the creation of engaging and supportive classroom environments that inspire learning of statistics curriculum among cohorts diverse in size, need and background; Professor Darren Henry was recognised in the Law, Economics, Business and Related Studies category for enhancing student learning, engagement

and work readiness through the integration of authentic, experiential simulation activities into the finance curriculum; and Dr Monica Peddle received a Citation in the Biological Sciences, Health and Related Studies category for pioneering excellence in creating and sustaining an effective, innovative web-based resource to develop nontechnical skills in undergraduate health professionals to maintain patient safety.

La Trobe also significantly expanded the Higher Education Academy (HEA) fellowship program in 2021, with 28 La Trobe staff attaining these prestigious fellowships. This included 10 Senior Fellowships, 15 Fellowships, and three Associate Fellowships. La Trobe is continuing to provide mentoring and feedback support to its staff to gain fellowships in recognition of their teaching excellence.

Fostering a respectful, safe and inclusive learning community

La Trobe University aspires to provide an outstanding student and staff experience that is conducive to scholarly activity. Underpinning this experience is a safe, inclusive and respectful environment. We aim to create a safe, secure and inclusive learning environment where everyone's rights, responsibilities and expectations are clearly understood, wherever learning takes place.

This year, the University continued to implement its Mental Health and Wellbeing Plan, as well as continuing work to meet the aspirations of our Student Equity and Diversity Plan. Significant additional investment in our Student Health and Wellbeing Team has enabled an expansion of our specialist counselling program and wellbeing supports, and the development of a suite of additional preventative initiatives to support mental health and respectful behaviours. Additional front-facing counselling and wellbeing capacity has been embedded in the team, enabling over 7,000 students to be supported by the service in 2021.

Our reconfigured AccessAbility service experienced a 10% increase in engagement from students, with additional capability embedded within the team to support students with disabilities to self-access a suite of services to support their learning. The University also hosted its inaugural AccessAbility and Inclusion Awards to strengthen our culture of supporting learners with a diverse range of needs. In all, 23 academics from across the institution were acknowledged and celebrated for their commitment to supporting our students.

Supporting students through COVID-19

For the fourth year in a row, La Trobe has seen an improvement in student satisfaction with support services, and in 2021 we saw the largest improvement of any university in Victoria. As the COVID-19 pandemic entered its second year, the University continued to provide students with hybrid support, enabling students to access the full range of support offered by La Trobe at a time and place of their choosing. Face-to-face support remained available to students when circumstances allowed on-campus learning.

The Learning Hub and our on-demand Studiosity service continued to see high demand from students, enabling real time learner support to complement formal academic study. Over 1,600 students engaged with our network of Peer Learning Advisors, and a further 5,000 students engaged with the Learning Hub's broader suite of support. As in 2020, the service saw a 10-fold increase in engagement with services compared to the previous year.

2021 saw the University further expand our Academic Advising program and it is now one of the strongest programs in the sector. Following the University Transformation, the program now supports all cohorts across the University, providing developmental advising and support to students throughout the lifecycle of their degree. Almost 18,000 students engaged with their advisors during 2021, including accessing dedicated support that is provided to every commencing student as they embark on their studies.

Over \$20 million in financial support has been disbursed to students over the course of the COVID-19 pandemic. Following the success of our COVID Financial Assistance Program in 2020, La Trobe continued to disburse record amounts of financial support to students in need. The adoption of the University's new Scholarships Strategy saw La Trobe aspire to support every commencing Indigenous student by 2024, with up to 40% of our Indigenous cohort expected to receive financial support in 2022. Support for international students in financial distress was a key focus for 2021, with targeted funding made available to support the continued academic success of international students.

This broad range of support enabled the University to improve student retention despite the challenges posed by COVID-19. The University's provisional retention rate for the 2020-2021 year is calculated to be 83.1%, a +3.2% increase on our 2019-2020 outcomes. Whilst these measures are subject to change until final validation against data published by the Department of Education, Skills and Employment, the

initial results demonstrate the ongoing improvements in student outcomes following the introduction of the 2018 Student Success and Retention Plan. This result is a testament to the considerable efforts of our academic staff, professional support staff and students themselves.

Indigenous Strategy and Education

The University's Transformation Program has enabled an additional 20% investment in our Indigenous Strategy and Education Division, including embedding specialist student advisors in the team for the first time. This new capability is designed to support Indigenous students to become confident self-learners who are able to access the full-range of culturally appropriate support available to them throughout their academic journey.

La Trobe commenced consultation of the development of our forthcoming Indigenous Strategy in 2021, with Indigenous colleagues, students and stakeholders invited to contribute to the development of key themes and outcomes. To support the development of this strategy, the University commenced the recruitment process for our Pro Vice-Chancellor (Indigenous), alongside the appointment of additional leadership capacity in the form of an Academic Director (Indigenous Research) and Academic Director (Indigenous Education). These professorial roles will continue to support whole of institution efforts to decolonise the curriculum and foster a community of emerging Indigenous scholars.

2021 presented a challenging set of circumstances for our Indigenous students for a second consecutive year. Our Indigenous student cohort continued to feel the loss of connection that on-campus studies provide, a loss that was felt deeply. Indicative results for Indigenous student retention saw a return to 2019 outcomes, reversing the gains seen in 2020. The University recognises that further effort is required to ensure parity between our Aboriginal and Torres Strait Islander students and all other students at the University.

Celebrating our outstanding students

We continue to admire the outstanding achievements of our students. The La Trobe Excellence Academy went from strength to strength in 2021, providing life-changing support and enrichment opportunities that expand study and employment outcomes for students. Over 3,000 students now engage with this sector-leading program.

In 2021, Excellence Academy students had the opportunity to strengthen their skills, challenge their thinking, inspire and nurture their passions, network with peers and

industry, and extend themselves with a broad range of activities and events. This included tailored careers and wellbeing workshops, and opportunities to tell their story and participate in roundtable discussions with the Vice-Chancellor and to participate as panellists in sessions with the University's senior leadership group. Excellence Academy students receive acknowledgement of their achievements in the Academy as well as access to a strong alumni network that continues beyond their studies at La Trobe.

Julian Ceddia, Angus Robertson, Emma Gillingham, Nicole Griffiths, Marita Fitzgerald, Aiden Nibali were each awarded the David Myers Medal – this award recognised La Trobe's most outstanding graduates from each College.

Hannah Gandy was selected as the Victorian Government John Monash Scholar in 2021. Hannah graduated from La Trobe with a Bachelor of Laws/Bachelor of Arts and was awarded this prestigious scholarship to support her studies in Law and Social Justice at University College London in 2022. Hannah has worked for the School Partnerships Program at La Trobe University, introducing disadvantaged young persons to tertiary education. She has also volunteered for Legal Action for Afghanistan and has worked as a researcher at the Fair Work Commission.

Student employability

Employability continues to be a key focus for La Trobe and we perform above the national average for full-time employment rates (measured by the 2021 Graduate Outcomes Survey National Report). Of all universities, La Trobe had the 5th largest year-on-year increase for undergraduates in full-time employment in 2021, placing the university 3rd in Victoria.

In 2021, La Trobe maintained its 1st ranking in Victoria for postgraduate coursework in full-time employment, as well as ranking 1st in labour force participation for the same cohort. La Trobe had the greatest year-on-year increase of all Victorian universities for postgraduate coursework labour force participation.

La Trobe continues to see strong outcomes from our Employer Satisfaction Survey (ESS) results, placing 2nd in Victoria for Overall Satisfaction amongst employers of university graduates. Employers also rated La Trobe graduates 1st in Victoria on the Adaptive Skills measure.

2021 saw over 400 students achieve their silver Career Ready Advantage award, with almost 9,000 students participating in the program. Career Ready Advantage is the foundation of the University's strategy to embed employability into our curriculum and ensure students develop the skills that will enable them to thrive in the world of work.

Research excellence

Through 2021 La Trobe University continued its pursuit of excellence in research that shapes the world and has outcomes and impact that benefit our communities, locally and globally. We continued to conduct this research where it was safe to do so despite the financial, logistical and other practical challenges, often developing innovative new ways of conducting research with human participants, international collaborations, or within the home environment, and adapting to rapidly changing circumstances.

Outstanding achievements in research

1. The overall impact and contribution of our research was demonstrated by our ranking fourth in the world for a second consecutive year in the Times Higher Education Impact rankings for overall contribution to the United Nations Sustainable Development Goals. This included ranking in the top five universities in the world for four of the seventeen Goals: first in the world for contribution to sustaining Life on Land; second in the world for Gender Equality; second in the world for Decent Work and Economic Growth, and fifth in the world for Good Health and Wellbeing. We also increased our performance on all three major university rankings, cementing our positions in the top 250 in the Times Higher Education ranking, and the top 400 in the QS and Shanghai Rankings.
2. We strengthened the range and reach of our research partnerships, establishing the new Baker Department of Cardiovascular Research, Translation and Implementation within La Trobe University's School of Agricultural, Biological and Environmental Sciences. The partnership seeks to make a global impact on the prevention and treatment of cardiovascular disease, diabetes and related conditions. It joins our long-standing collaboration with the Olivia Newton John Cancer Research Institute via La Trobe University's School of Cancer Medicine, through which researchers secured three highly competitive National Health and Medical Cancer Ideas grants, an NHMRC investigator grant, and a host of other competitive grants and funding in 2021.
3. La Trobe University researchers were awarded \$9M in Australian Research Council grants and fellowships supporting research in history, computer science, mathematics, agriculture, anthropology, environmental science, chemistry and physics. La Trobe was also awarded \$15M by the NHMRC and Medical Research Future Fund combined, supporting research across biomedicine, health sciences, clinical sciences, nursing, midwifery, psychology, neuroscience and public health. La Trobe also secured \$33M in support for new research infrastructure and industry collaboration hubs with Victorian State Government investment in agriculture production and industry platforms, and digital innovation and bio innovation hubs.
4. La Trobe University researchers Professor Brian Abbey and Dr Eugeniu Balaur demonstrated their new nanotechnology smart microscope slides used to detect cancer. By modifying the surface of conventional microscope slides at the nanoscale to create striking colour contrasts between biological structures and cells far more effectively than conventional microscope slide staining. The technology has far reaching potential applications in detecting disease and many other microscopy applications and is being developed commercially.
5. La Trobe researchers ensured their research findings will make the biggest possible impact in terms of community benefit by ensuring research can be effectively translated into practice. In 2021 this included working with research collaborators to develop toolkits to improve the safety of women and girls on public transport, resource and training packages to better support a neurodiverse workforce, and work to limit the incidence of injury in women's community football.
6. Our researchers were again recognised as among the top researchers in Australia for their dedication, talent and impact in their fields in the Research magazine published by the Australian, with Professor Cheryl Dissanayake, Professor Jennie Pryce, Professor Richard Simpson and Associate Professor Anthony Lyons each identified as leading their fields in Australia. We were also recognised for ensuring an outstanding experience for graduate research students, with Professor Kay Crossley and Dr Jeanette Fyffe winning two of the three Australian Council of Graduate Research Excellence in Graduate Research Education awards for Excellence in Graduate Research Supervision and Excellence in Graduate Research Leadership respectively. The outstanding career, achievements and service of Vice Chancellor's Fellow and 2017 Prime Minister's Prize for Science winner, Distinguished Professor Jenny Graves reached even greater recognition with the award of Companion of the Order (AC) in this year's Australia Day Honours list for her eminent service to science, particularly through leadership and research in evolutionary genetics, to international and national professional societies, for science education schools and as a mentor and role model for women.

What we are doing in research

In addition to meeting the challenges of ensuring continuity in the conduct of research through the changing conditions of the year, 2021 saw La Trobe University moving to the implementation of its Research 2030 strategy unveiled the year prior. La Trobe established five interdisciplinary research themes that respond to the major challenges of our times to achieve: sustainable food and agriculture; resilient environments & communities; healthy people, families and communities; understanding and preventing disease, and; social change and equity. Professors James Whelan, Patrick Humbert, Katie Holmes, Richard Grey and Nicholas Bond appointed as theme leads, the official launch of the themes and the initiation of new collaborations and support for researchers in their efforts to address these challenges.

Our efforts to support larger and more complex research programs and enhance the graduate research experience continue. In 2021, we continued to expand our highly successful industry PhD and Masters by research pathways programs to enhance the graduate research experience and ensure our graduate researchers are equipped with strong research skills and industry knowledge. To ensure we can respond to a changing world and new opportunities, La Trobe University is digitally transforming the services that manage and support research. In 2021 we completed implementation of an innovative new research information management portal in partnership with Salesforce and IBM. The new Prime portal ensures we are able to efficiently support the increasing scale and complexity of research at La Trobe and optimise its visibility and impact.

We continue our goal to extend the depth and breadth of our global research partnerships, despite the closure of international borders. We are growing the number of joint PhD candidates with Sheffield Hallam University, predominantly in the areas of health and sport; we established the IIT Kanpur - La Trobe University Research Academy, and commenced recruitment of the first cohort of joint PhDs; implemented a seed funding scheme to explore collaborative opportunities in cancer research with Tel Aviv University, and; established a partnership with University of Haifa and a collaborative program in health and wellbeing that secured \$180K in start-up funding through VESKI/Global Vic.

Our work in 2021 has established the foundations of a resilient, future-focused institution focused on meeting the needs of our local and global communities through developing our excellence in research in our key areas of research strength.



An unrivalled partner of choice

Summary

La Trobe continued to build upon the goal of becoming the Strategic Partner of Choice throughout 2021, with new and extended industry programs engaging partners across the full scope of our industry ecosystem. This broadening of partnerships illustrates the importance of practical efforts to connect industry across the University, and the beneficial outcomes that can be derived across infrastructure, digital, education, workforce development and research activities.

Government grants received over the last 12 months have greatly assisted in the development and delivery of industry-focused programs, facilities and research partnerships. This has enabled La Trobe to deliver programs to support industry from multi-stream programs such as The Partnership for New Cyber Security Professionals, Skills and Employment and the regionally-focused Regional Advanced Manufacturing Hub (RAM Hub). Research grants including the COVID-19 Rapid Response co-sponsored by industry helped to support businesses in adopting new operating models.

The Research and Innovation Precinct is meeting its development milestones, with investment from the Victorian State Government and the planned construction of the Digital and Bio Innovation Hubs providing a much-needed boost to campus infrastructure and expanded offerings for partners. The new Hubs, which are designed in consultation with industry, will provide facilities and infrastructure to support industry to trial, prototype and develop new technologies. The Digital Innovation Hub will provide business access to advanced facilities in AI and IoT, software development, data analytics and networking through the co-location of two leading digital labs in the facility, the 'Optus 5G Lab' and 'Cisco Innovation Central Melbourne'. The Bio Innovation Hub will provide start-ups and early-stage biotechnology companies with access to laboratories and equipment to support their research and development programs as they commercialise potential new biotech products.

We continue to support entrepreneurs and small businesses by offering programs including Digital Harvest, which is focused on agricultural businesses, and the COVID-19 Industry Response program. Online programs and workshops have been designed to upskill business owners in important areas of digital skills and business management that are translatable to their industry. Our capacity to deliver high-level programs is enabled with key partners such as Investible, imec.start, T-Hub, Innovation Factory, and Fishburners, which demonstrates that we are able to deliver a strong and practical business program with our extensive network and entrepreneurial outreach.

Our programs are developed and delivered with a focus on regional Victorian businesses and aligned with our commitment to make a difference in our regional communities. In 2021, we also successfully attracted investment from the Federal Government to establish the La Trobe University Regional Advanced Manufacturing hub to support regionally based businesses to develop and adopt digital technologies and processes. The hub will be based in Bendigo and, if successful within the first 12 months, will be expanded across the entire regional campus network including Shepparton, Mildura and Albury-Wodonga.

Achievements

Optus and Cisco partnership creating a Resilient Digital University

Our continued collaboration with industry partners Cisco and Optus Enterprise will see La Trobe transform into a Resilient Digital University through multiple strategic initiatives. The transformation includes:

- Upgrading underlying technology infrastructure with next-generation network transformation.
- Development of the Living Lab as part of La Trobe's University City of the Future. The Living Lab uses the campus as a living test and experimentation lab, enabled by Cisco's technology. The Living Lab will help us to understand the role of technology as it relates to sustainability and supply chains.
- The Digital Innovation Hub, which is part of the Research and Innovation Precinct, will connect technology partners Cisco and Optus with businesses to improve their processes, products and services through the use of digital technologies and the development of digital workforce skills.

Cyber Security Skills Program

La Trobe University was awarded \$2.35 million in funding by the Commonwealth Government under the Australian Government's Cyber Security Skills Partnership Innovation Fund to partner with industry to lift Australia's cyber security capability.

Collaborating with industry partners Cisco, Quantum Victoria, Wiley, Practera, GHD, War on Wasted Talent and Optus, the program 'The partnership for new cyber security professionals, skills and employment' will deliver activity across three key streams: engaging high school students with tailored cybersecurity programs to improve understanding and education in digital literacy; developing Wiley microcredentials with Wiley to help people retrain and upskill to cyber careers; and providing hands-on experience through work-based learning to over 210 students to develop cyber capacity in exposed industries including SMEs, fintech and critical infrastructure, including in regional Australia.



Goal

To become recognised as the 'Unrivalled Partner of Choice'.

Regional Advanced Manufacturing Hub

The Regional Advanced Manufacturing Hub that will initially be based in Bendigo will use an internationally recognised system of applied innovation that has been refined for application in regional Victoria, with support from Germany's Fraunhofer Institute for Experimental Software Engineering.

As part of the initiative, La Trobe will also commission local economic consultant REMPLAN to conduct research into existing and emerging advanced manufacturing employment clusters in the region, and partner with The Australian National University (ANU) to deliver a regional innovation and leadership program.

Optus Partnership renewal

Our new five-year agreement with Optus will see over \$6.8 million collectively invested to develop a 5G Ideation Lab within La Trobe University's Digital Innovation Hub and will accelerate the digitisation of healthcare by creating new opportunities to transform the delivery models being placed on Australia's healthcare system. The partnership extension will also see the appointment of an Academic Research Chair in Digital Health, and the continued support of the Optus talent pipeline through a program of Optus Scholarship initiatives in the areas of cybersecurity, data analytics and Artificial Intelligence.

Telerehabilitation: COVID-19 Rapid Response grant

Funded as a COVID-19 Rapid Response grant from our industry partners Medibank and Optus, a study of online and telehealth rehabilitation program for cancer patients was conducted. Patients and healthcare workers were surveyed about their experiences after the eight-week program, which included one-on-one health coaching via telehealth, online group exercise and education, an information portal, and prescriptions to exercise at home. The study found 88% of patients were satisfied with the online format, with 82% reporting an improvement in their health and wellbeing.

COVID-19 Industry Response Program

The COVID-19 Industry Response Program joint initiative with Investible was delivered again in 2021 to help businesses adapt and innovate in the face of unprecedented change.

The free 12-week online program was designed to support established retailers, manufacturers and small businesses across all major industries. Participants attended virtual expert workshops, had personalised mentoring, and completed online learning modules. They were able to gain valuable skills and knowledge in key growth areas including digital strategy, customer acquisition and retention, financial modelling, customer experience, ethical supply chains, high-performance teams, investor relations and more.

Over 1,200 businesses attended workshops in 2021.

Digital Harvest Program

La Trobe University received \$1.5 million as part of the Victorian Government's E-Commerce and New Marketplace Transition Package to support the agricultural sector to transition to new markets and new ways of doing business through improved e-commerce skills and strategies.

The grant funded the Digital Harvest Program, a free 12-week online program delivered in partnership with Investible, Outcome.Life and La Trobe Business School. Participants learnt key digital business skills including digital strategy for agribusiness, Google Platforms plugins and tools, analytics and data, SEO and SEM, digital content development and storytelling, email marketing, and social media marketing.

139 registrations across a range of industries were accepted including Agriculture, AgTech, Artisan, Dairy, Home Producer, Online Distributor, Small Producer and manufacturing sectors, with over 14 workshops delivered.

Research and Innovation Precinct expansion: Digital and Bio Innovation Hubs – infrastructure to support industry

Two new hubs will be established in 2022, bringing new infrastructure to the Research and Innovation Precinct to support La Trobe's industry partnerships. With \$17 million in funding from the Victorian Higher Education State Investment Fund (VHESIF), the Digital Innovation Hub and the Bio Innovation Hub at La Trobe's Bundoora campus aim to accelerate research and development by start-ups and Victorian businesses through connecting them with La Trobe researchers, students and infrastructure.

The Digital Innovation Hub will provide business access to advanced facilities in AI and IoT, software development, data analytics and networking through the co-location of two leading digital labs in the facility, the 'Optus 5G Lab' and 'Cisco Innovation Central Melbourne'.

The Bio Innovation Hub will provide wet lab space, and equipment for biotechnology and agri-technology companies to support commercialisation opportunities. Businesses in the Bio Innovation Hub will develop a range of products from potential drugs such as those improving treatment of fibrotic diseases to cutting edge diagnostics and medicinal agriculture products. The Bio Hub will support the commercialisation of breakthrough research in Victoria by businesses, which is currently limited by a lack of access to these specialist facilities.

Responsibilities of senior officers

La Trobe University Council

The role of the Council, as per the *La Trobe University Act 2009*, is to:

- Appoint and monitor the performance of the Vice-Chancellor
- Approve the mission and strategic direction, annual budget and business plan
- Oversee and review management and performance
- Establish policy consistent with legal requirements and community expectations
- Monitor accountability, risk and academic activity
- Approve significant University commercial activities.

Council Committees

The University Council may by resolution constitute and appoint such committees as it thinks fit and may by resolution delegate all or any of its powers, authorities, duties and functions (other than this power of delegation and the power to make Statutes) to any such committee. Each of these committees reports to the full Council after every meeting.

As such the following Council committees were in operation during 2021:

- Recovery and Re-Set Committee
- Academic Board
- Corporate Governance Audit and Risk Committee
- Finance and Resources Committee
- Human Resources Planning Committee
- Infrastructure and Estates Planning Committee
- Foundation Committee
- Nominations and Remuneration Committee
- Digital Transformation Committee



Chancellor

Key responsibilities and accountabilities:

- Providing leadership to the Council in carrying out its responsibilities and functions under the *La Trobe University Act 2009*
- Fulfilling the ceremonial, statutory and administrative functions of the role, including presiding at graduations
- Promoting the University's strategic objectives and activities with external stakeholders
- Establishing workplans and agendas for meetings in collaboration with the Vice-Chancellor to enable Council to effectively discharge its duties
- Chairing University Council meetings
- Serving as Council's central point of official communication with the Vice Chancellor and senior management team
- In consultation with the Vice-Chancellor setting the Vice-Chancellor's goals and completing performance evaluation and review.

Vice-Chancellor

The Vice Chancellor is responsible for leading and managing the University's academic, operational and external affairs, shaping, articulating and implementing the University's strategic objectives in research, education and contribution to public policy development.

Vice-President (Strategy and Development)¹

- University City of the Future
- Infrastructure and Operations
- Marketing and Recruitment
- Planning and Governance
- Information Services

Chief Operating Officer ²

- University Transformation
- Finance and Procurement
- Human Resources
- College General Managers
- La Trobe Sport
- Service Innovation
- Infrastructure and Operations
- Planning and Governance
- Information Services
- Service Innovation

Deputy Vice-Chancellor (Education)

- Education Services (formerly Learning and Teaching) with overall responsibility for academic development in learning and teaching, educational technology support and coordination, course management systems oversight and coordination of strategic learning and teaching programs
- La Trobe Library
- Quality and Standards
- Clever Learning Program

Deputy Vice-Chancellor (Students)

- Student Success, including support for student transition, engagement and employability
- Student Administration
- Indigenous Strategy and Education
- Centre for Higher Education Equity and Diversity Research

Deputy Vice-Chancellor (Research and Industry Engagement)

- Research Office
- Industry Engagement
- Research Capability
- La Trobe Asia
- Graduate Research School
- Public Scholarship

Deputy Vice-Chancellor (Global and Regional)³

- La Trobe International
- Albury/Wodonga, Bendigo, Mildura and Shepparton campuses
- Community Engagement
- Regional Research
- Marketing and Recruitment

Chief Transformation Officer ⁴

- Finance and Procurement
- Human Resources
- College General Managers
- La Trobe Sport
- Service Innovation

Head of Office

- Operational, Strategy and Policy Support to the Vice-Chancellor
- Alumni and Advancement
- La Trobe Art Institute

Provost, College of Science, Health and Engineering (SHE)⁵

- School of Allied Health, Human Services and Sport
- School of Engineering and Mathematical Sciences
- School of Life Sciences
- School of Molecular Science
- School of Nursing and Midwifery
- School of Psychology and Public Health
- School of Applied Systems Biology
- School of Cancer Medicine
- La Trobe Rural Health School
- SHE Research Centres

Provost, College of Arts, Social Sciences and Commerce (ASSC)⁵

- La Trobe Business School
- School of Education
- School of Humanities and Social Sciences
- La Trobe Law School
- ASSC Research Centres

Notes

¹ The Vice-President (Strategy and Development) portfolio was disestablished on 25 February 2021.

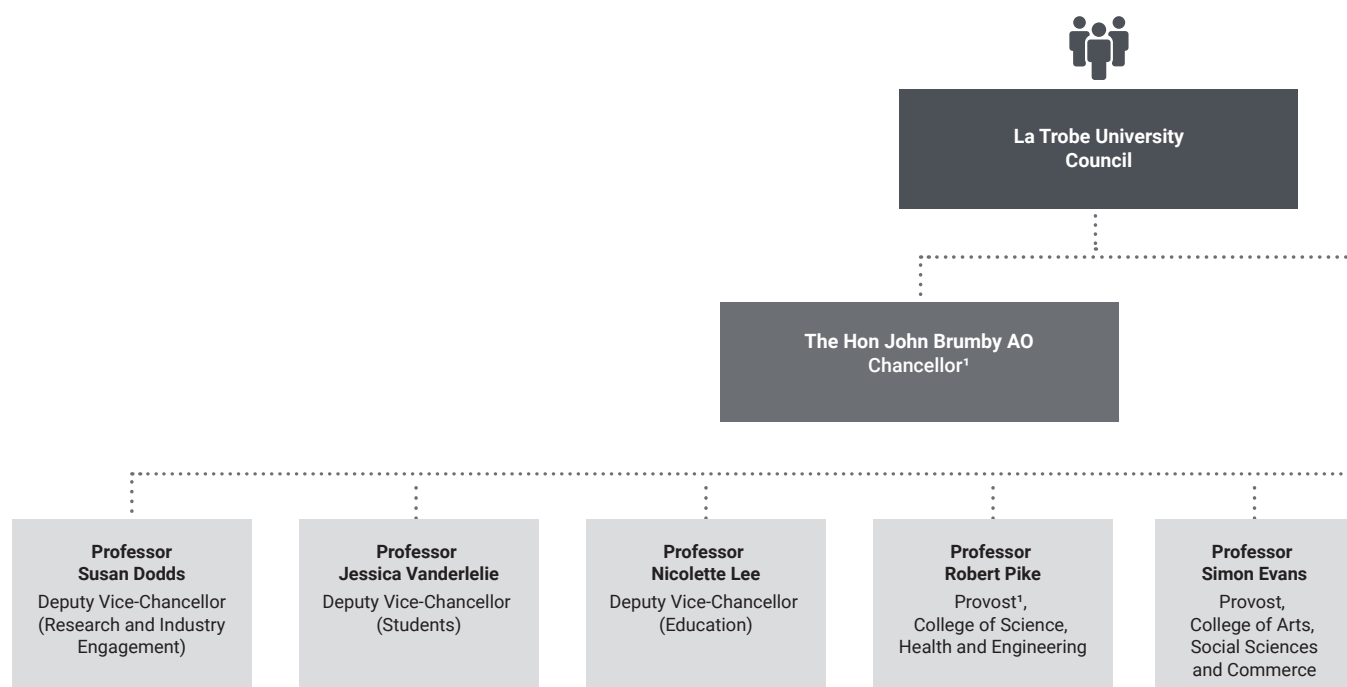
² Responsibility for University Transformation, Infrastructure and Operations, Planning and Governance, and Information Services was moved to the Office of the new role of Chief Operating Officer in March 2021.

³ The Pro Vice-Chancellor (Regional) role was abolished at the end of 2020. The Deputy Vice-Chancellor (International) role was amended to Deputy Vice-Chancellor (Graduate and Global Research) at the start of 2021 and responsibility for Marketing and Recruitment was added.

⁴ The Transformation Officer portfolio was merged into the new role of Chief Operating Officer in March 2021.

Organisational chart

Senior Officers 2021



University Council membership

The Hon John Brumby AO

Ex Officio (Chancellor)

Chair University Council, Digital Transformation and Recovery and Re-set Committee, Member of all Council sub committees

Professor John Dewar AO

Ex Officio (Vice-Chancellor)

Member of all Council sub committees

Professor Christine Bigby

Ex officio (Chair, Academic Board)

Member of Finance and Resources Committee, Infrastructure and Estates Planning Committee, Recovery and Re-Set Committee, and Digital Transformation Committee

Mr Peter McDonald

Council appointment

Chair Finance and Resources Committee, Member of Recovery and Re-Set Committee

Mr Adam Furphy

Council appointment

Member of Foundation Committee, Human Resources Planning Committee, and Digital Transformation Committee

Ms Christine Christian AO

Council appointment

Chair Corporate Governance Audit and Risk Committee

Dr Philip Moors AO

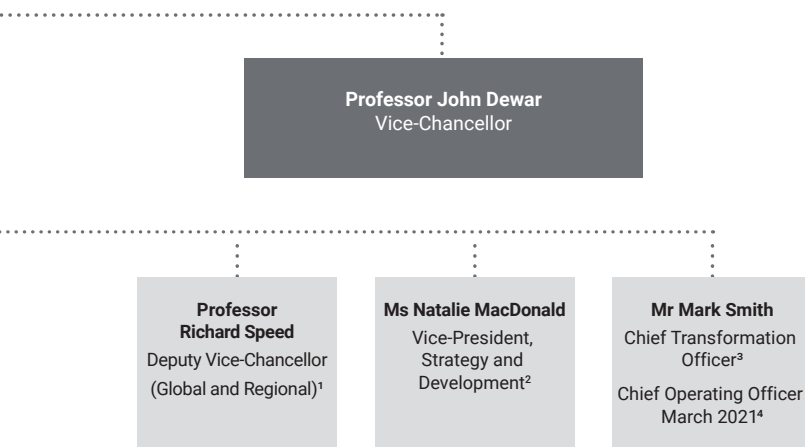
**Council appointment,
Deputy Chancellor**

Chair Infrastructure and Estates Planning Committee, Member of Nominations and Remuneration Committee, and Recovery and Re-Set Committee

Professor Edwina Cornish AO

Council appointment

Chair Human Resources Planning Committee, Member of Recovery and Re-Set Committee



Notes

- 1 The Vice-President (Strategy and Development) portfolio was disestablished on 25 February 2021.
- 2 Responsibility for University Transformation, Infrastructure and Operations, Planning and Governance, and Information Services was moved to the Office of the new role of Chief Operating Officer in March 2021.
- 3 The Pro Vice-Chancellor (Regional) role was abolished at the end of 2020. The Deputy Vice-Chancellor (International) role was amended to Deputy Vice-Chancellor (Graduate and Global Research) at the start of 2021 and responsibility for Marketing and Recruitment was added.
- 4 The Transformation Officer portfolio was merged into the new role of Chief Operating Officer in March 2021.

Ms Margaret Burdeu

Ministerial appointment

Member of Corporate Governance Audit and Risk Committee, Infrastructure and Estates Planning Committee, and Digital Transformation Committee

Ms Julie Fahey

Governor in Council appointment

Member of Finance and Resources Committee, Corporate Governance Audit and Risk Committee, and Digital Transformation Committee

Ms Deborah Radford

Governor in council appointment,

Chair Foundation Committee, Member of Finance and Resources Committee, Nominations and Remuneration Committee, and Digital Transformation Committee

Ms Yvonne von Hartel

(term ended in October 2021)

Governor in Council appointment

Member of Infrastructure and Estates Planning Committee, and Nominations and Remuneration Committee

Ms Meredith Sussex

(term began in October 2021)

Governor in Council appointment

Member of Infrastructure and Estates Planning Committee, and Nominations and Remuneration Committee

Mr Michael Gay AM

Governor in Council appointment

Member of Human Resources Planning Committee, and Infrastructure and Estates Planning Committee

Ms Olivia Gao

Elected student member

Dr Miriam Bankovsky

Elected staff member

Member of Corporate Governance Audit and Risk Committee

Operating framework

Governance and accountability

La Trobe University was established under the Victorian La Trobe University Act 1964 and was Victoria's third University when it was officially opened by the Premier of Victoria on the 8 March 1967.

The University continues to operate under the La Trobe University Act 2009 (the Act) which was assented to on 1 December 2009 and came into operation on 1 July 2010.

Section 6 of the Act provides that the University is a body politic and corporate with perpetual succession and that it is capable of doing all acts and suffering all things that a body corporate can do and suffer at law. This includes suing and being sued and acquiring, holding and dealing with real and personal property for the purposes of the Act.

The University is committed to quality and accountability in its operations, ensuring that there are appropriate processes in place to maintain and improve the quality of its research, teaching and learning, and how it engages with the communities it serves.

Relevant minister

The responsible Minister in the Victorian Government during 2021 was The Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education

Objectives, functions, powers and duties

Objectives

The objectives of the University set out in section 5 of the Act are:

- (a) to provide and maintain a teaching and learning environment of excellent quality offering higher education at an international standard
- (b) to provide vocational education and training, further education and other forms of education determined by the University to support and complement the provision of higher education by the University
- (c) to undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and to apply those matters to the advancement of knowledge and to the benefit of the well-being of the Victorian, Australian and international communities
- (d) to equip graduates of the University to excel in their chosen careers and to contribute to the life of the community
- (e) to serve the Victorian, Australian and international communities and the public interest by:
 - i) enriching cultural and community life
 - ii) elevating public awareness of educational, scientific and artistic developments
 - iii) promoting critical and free enquiry, informed intellectual discourse and public debate within the University and in the wider society

- (f) to use its expertise and resources to involve Aboriginal and Torres Strait Islander people of Australia in its teaching and learning, research and advancement of knowledge activities and thereby contribute to:
 - i) realising Aboriginal and Torres Strait Islander aspirations
 - ii) the safeguarding of the ancient and rich Aboriginal and Torres Strait Islander cultural heritage
- (g) to provide programs and services in a way that reflects principles of equity and social justice
- (h) to confer degrees and grant other awards
- (i) to utilise or exploit its expertise and resources, whether commercially or otherwise.

Powers and duties

The Act provides the broad framework for the governance and organisation of the University:

- (a) Section 8 prescribes the Council as the principal governing body of the University
- (b) Sections 9 and 10 set out the key powers and functions of the Council, including the power to confer any degree or grant any diploma or other award to a student of the University
- (c) Section 15 sets out the responsibilities of Council members
- (d) Section 18 provides that the Council may, by instrument, delegate its powers or functions under the Act to any member or committee of the Council, a member of the staff of the University, the Academic Board or any other entity prescribed in a University Statute
- (e) Section 20 provides for the establishment of the Academic Board
- (f) Section 26 provides for the appointment of the Vice-Chancellor by the Council
- (g) Section 28 gives the Council power to make Statutes and Regulations for or with respect to all matters governing the University
- (h) Sections 35 and 38 regulate the acquisition and disposal of property, including land, by the University
- (i) Sections 44 to 47 deal with the application and auditing of funds of the University
- (j) Sections 48 to 51 regulate the formation and auditing of joint ventures and companies
- (k) Sections 52 to 60 deal with the development and application of Ministerial Guidelines for University commercial activities.

La Trobe's Code of Conduct

Code of Conduct

La Trobe University strives to integrate its values into teaching, research and business practices. The purpose of the Code of Conduct (the "Code") is to provide members of the University with an understanding of the standards required of them in their dealings with their colleagues and the La Trobe University ('the University') community.

The Code is a statement of the commitment to upholding the ethical, professional and legal standards we use as the basis for our day to day and long term decisions and actions that support our vision, values, objectives and strategy.

Members of the University community are each individually accountable for their actions and are collectively accountable for upholding these standards of behaviour and for compliance with all applicable laws and policies.

The Code applies to all staff and associates performing work on behalf of the University such as contractors, agency staff, conjoints, volunteers, honoraries, Council members, visiting appointments, students representing the University and other personnel. It covers all circumstances when performing work, duties or functions of the University, both during and outside work hours and includes work related functions, travel, conferences and any circumstance when an individual is representing the University.

Freedom of Speech and Academic Freedom

For more than 50 years La Trobe has been an institution which has embraced free speech and enabled a robust diversity of views. It has enshrined rights to freedom of speech and academic freedom in its Collective Agreement, policy statements and in the La Trobe University Act 2009 which requires that the University serve the public interest by "promoting critical and free enquiry, informed intellectual discourse and public debate" and that Council members have "an appreciation of the values of a university relating to teaching, research, independence and academic freedom."

In late 2018, the Minister of Education appointed Justice French to undertake an independent review of policies supporting freedom of expression in Australian higher education. That review produced a Model Code with respect to Freedom of Speech and Academic Freedom for universities to choose to adopt, with or without modification.

In addition to the protections already in place at La Trobe, the University adopted the French Model Code in December 2019 following an extensive consultative process including the establishment of a working group comprised of academic and professional staff and students.

To ensure that the Model Code was implemented consistently the Working Group identified and made changes to the following policies of the University which were approved by Council:

- Code of Conduct
- Workplace Behaviour Policy
- Space Planning – Booking and Usage Procedure
- Space Planning – City Campus Space Use and Charging Procedure
- Events Safety Procedure
- Student Behaviours Policy

In addition, three new policies were created as joint administrative and academic policies, given the intertwining of administrative and academic issues they cover; namely:

- Protection of Freedom of Speech and Academic Freedom Policy (ie the French Model Code)
- External and Invited Speakers on Campus Policy
- Media Engagement and Public Utterances Policy (to replace two existing policy/procedure statement; new policy to be a joint academic and administrative policy)

The University is very proud of the work undertaken to ensure the ongoing freedom of speech of staff and students.

Key statistics

	2017	2018	2019	2020	2021
Students[#]					
Total students (persons)	38,639	39,231	38,772	37,147	35,215
Commencing enrolments [†]	15,578	15,138	14,628	13,445	11,918
Rural/remote*	8,862	8,381	7,914	7,782	7,618
Non-English speaking background*	838	764	708	787	782
Low socio-economic status*	5,824	5,731	5,349	5,320	5,367
Students with a disability*	2,254	2,362	2,498	3,146	3,490
Indigenous*	281	299	266	318	272
Student load (EFTSL)[#]					
Total student load (includes International)	29,586.1	29,544.3	29,028.1	27,393.4	25,965.1
Undergraduate	24,217.2	24,034.8	23,227.8	22,086.5	21,512.2
Postgraduate coursework	4,360.0	4,553.4	4,875.0	4,367.9	3,505.9
Research higher degree	1,008.9	956.2	925.3	939.1	947.1
International	6,764.1	7,143.4	7,722.9	6,354.8	4,629.2
Work contract (FTE)[#]					
Full-time staff	2,187.0	2,170.0	2,232.0	2,070.0	1,886.0
Part-time staff	512.3	536.4	592.4	438.4	399.1
Casual staff	546.9	506.5	514.8	186.3	142.0
Classification (FTE)[#]					
Academic	1,435.4	1,478.0	1,554.5	1,213.7	1,092.6
Professional	1,810.8	1,734.9	1,784.7	1,481.0	1,334.5
Gender (persons)[#]					
Female	4,340	4,277	4,397	2,219	1,939
Male	2,561	2,435	2,398	1,211	1,065
Function (FTE)[#]					
Teaching only	322.1	319.9	333.9	108.4	81.6
Research only	297.1	317.0	318.4	283.4	280.4
Teaching and Research	812.3	836.8	898.2	797.8	710.6
Other	1,814.8	1,739.2	1,788.7	1,505.1	1,354.5
Teaching and Learning Performance					
Market share of Victorian Tertiary Admission Centre first preferences	11.8%	11.7%	10.3%	9.5%	10.1%
Retention rate [^]	78.50%	76.14%	78.38%	80.90%	Available Q4 2021
Overall graduate satisfaction (% agreement) (Course Experience Questionnaire) [^]	La Trobe: 74.2%	La Trobe: 76.0% National: 79.7%	La Trobe: 77.3% National: 80.1%	La Trobe: 76.8% National: 80.7%	La Trobe: 77.3% National: 80.1%
Percent of graduates in full-time employment (Graduate Outcomes Survey) [^]	La Trobe: 70.7% National: 71.8%	La Trobe: 68.8% National: 72.9%	La Trobe: 70.2% National: 72.2%	La Trobe: 64.5% National: 68.7%	La Trobe: 70.1% National: 68.9%
Percent of graduates in further full-time study (Graduate Outcomes Survey) [^]	La Trobe: 20.2% National: 20.7%	La Trobe: 19.3% National: 19.4%	La Trobe: 17.9% National: 18.9%	La Trobe: 15.4% National: 18.5%	La Trobe: 20.3% National: 21.1%
Research Performance					
Research income (Higher Education Research Data Collection)	\$73,872,095	\$76,197,979	\$80,999,002	\$89,325,055	Available Q4 2022
Research publications (Higher Education Research Data Collection equivalent, count) [†]	2,524	2,864	3,043	3,388	Available Q4 2022
Research higher degree load (EFTSL) [#]	1,008.9	956.2	925.3	939.1	947.1
Research degree completions [#]	221	239	230	189	221

NOTES

EFTSL Equivalent full-time student load

FTE Full-time equivalent

[#] Student data for 2020 and 2021 is provisional; staff data for 2021 is provisional; staff 2020 provisional figures published in the previous year's annual report have been adjusted and are now final. The 2020 and 2021 staff data are based on FTE as of 31 December of the reporting year rather than 31 March, as is in previous years. Only employees who are active and employed in the last full pay period of the reporting year are included. An active employee is a person who attends work and is paid, or who is on paid leave. This is to accurately represent the FTE during 2020 and 2021.

[†] From 2017, the commencing enrolments calculation is aligned with Government methodology of reporting student enrolments based on 'Major Course' where a student is enrolled in more than one course.

* Includes domestic students only

[^] New Normal Retention Rates for all commencing bachelor students; the retention rate for 2019 and 2020 is provisional.

[▲] Includes undergraduates only, national results include both Universities and Non-University Higher Education Institutions.

[‡] Figures are reported as 'count' instead of 'apportioned score' which is no longer used as a result of the cessation of its use by the Federal Government and the removal of research publication data collection from the 2016 Higher Education Research Data Collection Specifications.

Workforce disclosures

December 2020 – December 2021

December 2021													December 2020				
All employees				Ongoing			Fixed term and casual		All employees			Ongoing		Fixed term and casual			
	Number (headcount)	FTE		Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE		
Gender																	
Women Executives	49	48.1	16	0	0	16	33	32.1	61	59.5	24	0	24.0	37	35.5		
Women (total staff)	1939	1520.9	845	255	255	1014.7	877	506.2	2219	1683.6	934	297	1131.7	1038	551.9		
Men Executives	43	43.0	13	0	0	13	30	30.0	47	47.0	17	0	17.0	30	30.0		
Men (total staff)	1065	906.2	576	52	52	608.7	455	297.5	1211	1011.1	658	58	694.0	514	317.0		
Self-described	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Age																	
15-24	111	43.8	9	0	0	9.0	104	34.8	113	47.2	10	2	11.0	101	36.2		
25-34	625	465.7	218	36	36	241.9	387	223.8	763	532.7	250	36	274.6	493	258.1		
35-44	902	761.9	431	111	111	507.2	373	254.7	1070	882.9	522	121	602.4	450	280.5		
45-54	809	700.1	471	86	86	526.3	267	173.8	875	753.6	502	104	569.5	292	184.1		
55-64	463	395.9	262	64	64	304.0	147	91.9	520	423.2	278	82	333.4	167	89.7		
Over 64	94	59.7	30	10	10	35.0	54	24.7	89	55.1	30	10	34.8	49	20.3		
Total employees	3004	2427.1	1421	307	307	1623.4	1332	803.7	3430	2694.7	1592	355	1825.7	1552	868.9		

Demographic data

All employees have been correctly classified in the workforce data collections.

Notes

- (1) The 2020 figure reported in the 2020 Annual Report differs due to inclusion of active staffs who are unpaid in the last full pay period of the reporting year.
- (2) Headcounts may not add up to totals as multiple categories (e.g. Ongoing and Casual) apply to some employees.
- (3) Workforce disclosures data for 2021 is provisional.

December 2020 ^{xx}				March 2021 ^{xxx}				December 2021 ^{xx}			
		Casual employees				Casual employees				Casual employees	
	Number (headcount)	FTE		Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE
Total employees	868	186.3		1064	220.9		686		142.0		

Notes

- The 2020 figure reported in the 2020 Annual Report differs due to inclusion of active staffs who are unpaid in the last full pay period of the reporting year.
- Casual employees active and employed in the last full pay period of the reporting year
- Casual employees active and employed in the last full pay period of March

Human resources

The continuing challenges of COVID-19 were a focus of the Human Resources team. Helping staff through our wellbeing programs, Employee Assistance Program and the additional support provided under the Australian Universities Job Protection Framework were part of this work. The Transformation undertaken by the University was a central platform of the work undertaken by the HR team, with members working across teams and into new areas as we developed a new model for the University to thrive in a post pandemic world.

Transformation

Human Resources was heavily involved in the University Transformation program, across all of our HR teams. As part of this process, HR participated in more than 540 local change meetings prior to the consultation and more than 250 local change meetings following the release of the change program. More than 2,700 roles and 656 position descriptions were reviewed along with 3,101 pieces of consultation feedback. 295 change documents for consultation and decision to proceed were developed. In addition, the team participated in drop in sessions, hiring manager sessions, all staff briefings and needs analysis workshops, creating documentation for staff and managers to help them through the Transformation process. The team are now working through the recruitment processes for the new roles which will be completed in Q1 2022.

Collective Agreement

The continuation of the Australian Universities Job Protection Framework (AUJPF) until June required a significant program of work for HR, principally in the administration of salary reductions and their removal at the end of the Framework period. The AUJPF contributed to saving approximately 200 roles across the University and allowed for a considered transformation program to be developed.

Planning commenced for the 2022 bargaining period for a new Collective Agreement. We expect bargaining to commence towards the end of Q1 2022.

Service Improvement

During the Transformation program, HR made changes and streamlined our recruitment process. HR also reviewed transition principles to ensure fairness to staff and to enable cohorts such as casual and fixed term staff to participate in our transformation recruitment and selection processes more directly. Significant changes have been made to our CONAGOTH onboarding processes, timesheet approval reminders, and the implementation of a new concierge email to managers reminding them of required actions. Work with the Service Innovation team continues to identify and implement process efficiency improvements.

Compliance

The La Trobe University 2021-2025 Gender Equality Action Plan, as required under the Victorian government's Gender Equality Act, features 6 gender equality indicators, one of which is 'Equal remuneration for work of equal or comparable value across all levels of the workforce, irrespective of gender'.

This goal requires a range of gender pay equity commitments and actions over a five-year period with success measures including:

- La Trobe's gender pay gap remains below the national average each year
- Salary loading gaps on all commencing appointments +/- 2% by 2025
- Career Success bonus payments and workforce gender composition is aligned each cycle +/- 5%

At the organisational level, the University's **median base salary gender pay gap is currently 10.8%**, which is:

- (a) Better than the current national rate of 14.2% (published by WGEA and calculated on ABS data as of May 2021)
- (b) A significant reduction on the University's 2019 overall gender pay gap of 14.15%.

La Trobe University is currently number 2 in the world for Gender Equality as ranked by the Times Higher Education's Standards (number one in 2021), we hold an internationally recognised SAGE Athena SWAN Bronze Award for our commitment to gender equality and diversity, and our application for a SAGE Silver Award is on track. We have a new Senior Executive Group sub-committee dedicated to Equality, Diversity and Inclusion commencing in 2022. This Committee (supported by four operational Working Groups) will guide organisational change to enable the University to be a global exemplar in higher education for equality, diversity, and inclusion. Our Indigenous workforce profile remained static between 0.7 and 1% during 2020-2021.

Risk management

University's risk management strategy

The University Council places emphasis on risk management as a key platform of corporate governance and a vital component of effective decision making. The Council's Corporate Governance, Audit and Risk Committee (CGARC) provides a strong oversight of risk management and compliance activities throughout the University.

Risk management office and approach

The University's Risk Management Office has responsibility for the delivery of key strategic and operational risk management programs. Risk management is undertaken using a University adapted approach consistent with the Victorian Government Risk Management Framework and Australian and New Zealand Standard (AS/NZS ISO 31000:2018 09). Critical incident management and business continuity management is undertaken according to the Australian and New Zealand Standard for Business Continuity: management of disruption related risk AS/NZS 5050:2010, the international standard ISO 22301:2012 Business Continuity management systems and the Australasian Inter-Service Incident Management System (AIIMS). Identification, assessment and progress on risk treatment of risk is reported to management and to the CGARC at its quarterly meetings.

Insurance

The Insurance Office has responsibility for:

- Annual review of insurable assets and liabilities
- Purchasing of general insurance and other protection covers
- Review of general insurance and other protection covers on an annual basis
- Management of self-insurance provisions
- Claims management of insured and self-insured losses.

Entity statement

	2021	2020	2019
Number of reported hazards for the year per 100 full time equivalent staff members	0.59	0.66	4.95
Number of reported incidents (all categories) for the year per 100 full time equivalent staff members	8.67	6.22	13.6
The number of lost time standard claims for the year per 100 full time equivalent staff members	0.20	0.139	0.24
The average cost per claim for the year (including payments to date and an estimate of outstanding claim costs as advised by WorkSafe)	\$6,771	\$17,775	\$12,249
Reported fatalities	Nil	Nil	Nil

Health and Safety Statement

General Statement

Managing COVID risks to health, safety and wellbeing for our students, staff, contractors and visitors has continued as a focal point during 2021.

Safety risk management to support University operations and health & wellbeing programs to support the University community has continued.

Importantly, the University implemented programs in late 2021 to support preparations for a return to normal University campus life, including vaccination requirements for staff and students.

Indemnity Details

La Trobe University has maintained continuous insurance during the reporting period that protects the University from financial loss as a result of physical loss of (or damage to) assets and consequential loss, as well as injuries to staff, students and third parties.

Directors and officers liability protection

During the reporting period La Trobe University maintained Directors and Officers liability protection for its Council Members and senior officers with a reputable insurer for adequate limits.

Sustainability reporting

Environmental Sustainability Data				
Indicator		Unit	2021 Calendar Year	2020 Calendar Year
Energy				
E1	Total Energy Usage Segmented by Primary Source (including GreenPower)	Megajoules	330,709,044.98	289,660,540.00
	Natural Gas	Megajoules	216,261,039.80	177,200,840.00
	Purchased Grid Electricity	Megajoules	98,258,134.60	100,578,890.00
	Renewables (Onsite Solar PV)	Megajoules	15,441,312.08	11,123,600.00
	Stationary Diesel	Megajoules	252,058.00	-
	Stationary LPG	Megajoules	496,500.50	757,210.00
E2	Greenhouse Gas Emissions Associated with Energy Use, Segmented by Primary Source and Offsets	tCO2-e	39,331.77	40,215.36
	Natural Gas	tCO2-e	11,987.35	9,294.59
	Purchased Grid Electricity	tCO2-e	27,293.95	30,872.16
	Stationary Diesel	tCO2-e	18.60	-
	Stationary LPG	tCO2-e	31.87	48.61
E3	Percentage of Electricity Purchased as Green Power	% of total electricity consumption	-	-
E4	Units of Office Energy Used (Megajoules per FTE/EFTPL)	FTE	28,386.84	19,139.44
		EFTPL	2,426.64	2,241.95
E5	Units of Office Energy Used per Unit of Office Space	Megajoules/m2	998.06	891.52
Waste				
Ws1	Total Units of Waste Disposed of by Destination	Kilograms	954,051.36	1,074,725.46
	Landfill (Inc. C&D waste)	Kilograms	376,190.00	607,838.00
	Commingled Recyclables	Kilograms	203,240.00	114,630.00
	Paper/Cardboard Recyclables	Kilograms	76,800.00	117,610.00
	Metal Recyclables	Kilograms	48,800.00	6,320.00
	E-Waste Recyclables	Kilograms	6,770.00	3,190.00
	Printer Toner Cartridge Recyclables	Kilograms	Inc. in E-Waste Recyclables	Inc. in E-Waste Recyclables
	Fluorescent Tube Recyclables	Kilograms	2,790.00	3,680.00
	Furniture Recyclables	Kilograms	NA	NA
	Chemical Waste Recyclables	Kilograms	7,098.00	3,537.00
	Green Waste Recyclables	Kilograms	222,170.00	198,050.00
	Grease Trap/Triple Interceptor Recyclables	Kilograms	NA	11,820.00
	Battery Recyclables	Kilograms	610.00	340.00
	White Goods (Fridge/Freezer) Recyclables	Kilograms	Inc. in E-Waste Recyclables	Inc. in E-Waste Recyclables
	Organic Recyclables	Kilograms	7,980.00	6,250.00
	Polystyrene Recyclables		1,600.00	1,400.00
	Construction & Demolition (Inc. Timber) Recyclables	Kilograms	3.36	60.46
Ws2	Units of Office Waste Disposed of (kg per FTE/EFTPL by destination)	FTE	75.22	71.01
		EFTPL	6.74	8.32
Ws3	Recycling rate	% of total waste	61%	43%
Ws4	Greenhouse Gas Emissions associated with waste disposal	tCO2-e	489.05	790.19

Procurement

La Trobe procures a number of sustainable products and services which are driven by internal policies and preferred supplier agreements. Standard copier paper is 100% post-consumer recycled content and is the default option for all purchases. In line with the organisations' Fair Trade status, staff kitchens use Fairtrade Certified tea and coffee and on-site retailers are also encouraged to supply Fairtrade Certified products to students and staff. The procurement of the centralised fleet vehicles was reviewed in 2020 and the University transitioned to a model that includes share cars that are available to the entire community in addition to staff work purposes.

Environmental Sustainability Data

Environmental Sustainability Data				
Indicator		Unit	2021 Calendar Year	2020 Calendar Year
Paper				
P1	Total units of A4 Equivalent Copy Paper Used	Reams	4,594.69	5,365.19
P2	Units of A4 Equivalent Copy Paper Used (Reams per FTE/EFTPL)	FTE	1.71	1.67
		EFTPL	0.15	0.20
P3	Percentage of Recycled Content of Copy Paper Purchased	%	96%	99%
Water				
W1	Total Units of Metered Water Consumption by Water Source	Kilolitres	147,162.57	189,108.32
	Potable Water	Kilolitres	126,213.43	162,336.59
	Recycled Water	Kilolitres	4,172.00	3,632.00
	Surface Water	Kilolitres	16,777.14	23,139.73
W2	Units of Metered Water Consumed in Offices (Kilolitres per FTE/EFTPL)	FTE	9.95	10.73
		EFTPL	0.89	1.26
Transportation				
T1	Total Energy Consumption Segmented by Vehicle Type	Megajoules	2,538,936.00	2,825,740.00
	Diesel	Megajoules	1,220,805.90	1,086,080.00
	ULP	Megajoules	1,318,130.10	1,739,660.00
	LPG	Megajoules	-	-
T2	Total Vehicle Travel Associated with Entity Operations Segmented by Vehicle Type	Kilometres	924,784.88	1,039,693.63
	Diesel	Kilometres	396,640.13	351,707.88
	ULP	Kilometres	528,144.75	687,985.75
	LPG	Kilometres	-	-
T3-A	Total Greenhouse Gas Emissions from Vehicle Fleet Segmented by Vehicle Type	tCO2-e	192.95	214.48
	Diesel	tCO2-e	90.63	80.42
	ULP	tCO2-e	102.32	134.06
	LPG	tCO2-e	-	-
T3-B	Greenhouse Gas Emissions from Vehicle Fleet per 1,000km Segmented by Vehicle Type	tCO2-e/1,000km	0.21	0.21
	Diesel	tCO2-e/1,000km	0.23	0.23
	ULP	tCO2-e/1,000km	0.19	0.19
	LPG	tCO2-e/1,000km	-	-
T4	Total Distance Travelled by Air	Kilometres	665,362.39	2,015,724.43
T5	Employees regularly (>75% of work attendance days) using public transport, cycling, walking or car pooling to and from work or working from home by locality type.	% of total employees	NA	NA
Greenhouse Gas Emissions				
G1	Total Greenhouse Gas Emissions Associated with Energy Use	tCO2-e	39,331.77	40,215.36
G2	Total Greenhouse Gas Emissions from Vehicle Fleet	tCO2-e	192.95	214.48
G3	Total Greenhouse Gas Emissions from Air Travel	tCO2-e	144.25	460.83
G4	Total Greenhouse Gas Emissions Associated with Waste Disposal	tCO2-e	489.05	790.19
G5	Greenhouse Gas Emissions Offsets Purchased	tCO2-e	-	-

Context notes

FRD 24D is a Financial Reporting Direction from the Victorian Government which places a requirement on Government entities to report office-based environmental data. While we are not obliged to complete this reporting, as we don't publish a standalone annual sustainability report we incorporate environmental sustainability performance reporting aligned with FRD 24D into the University's annual report.

EFTPL is defined as the sum of all full-time equivalent hours for staff and the equivalent full-time student load hours at all of the University's Victorian campuses (excludes international offshore, off-campus and external). Please note, the 2020 FTE and EFTPL figures in the 2020 Annual Report are different to that reported in the 2021 Annual Report due to inclusion of active staff who are unpaid in the last full pay period of the reporting year.

Sustainability reporting (cont.)

Alignment with Financial Reporting Direction 24D

The environmental performance data presented in the preceding table is aligned with the requirements detailed in the Victorian Government's Financial Reporting Direction (FRD) 24D (Reporting of office-based environmental data by government entities).

Energy & Emissions

Overall, La Trobe greenhouse gas emissions fell by 3% from 2020. Stationary energy use and emissions in 2021 were down significantly compared to pre-Covid levels due to shutdowns caused by Covid-19. Total energy consumption increased slightly in 2021 in line with the return to campus by some staff and students.

La Trobe University's emissions reduction was driven by a 73% increase in onsite renewables, with solar carports in Bendigo and Albury Wodonga coming online and the full year impact of the organisation's solar installations being recognised. Additionally, the final stage of the regional PV program was completed at Mildura, with the campus now generating over 75% of total electricity consumed from onsite renewables.

A pilot energy efficiency program optimising mechanical and air-conditioning systems was completed, with early results meeting the targeted outcome of 25% reduction of greenhouse gas emissions. Development continues on the La Trobe Energy Analytics Platform (LEAP), which uses a billion data points from 200 data sources to provide actionable insights to reduce the university's energy consumption.

Waste

The university's material waste generation saw further reduction when compared to that of 2020. Total generated waste was down 11%, largely due to a 38% reduction in general waste to landfill. The university met a key milestone of diverting 61% of all generated waste from landfill, leveraging off the previous year's successful installation of two organic waste dehydrators at the Bundoora and Bendigo campuses. The dehydrators have successfully diverted over 200 tonnes of green waste from landfill in 2021, eliminating emissions as a result of this waste. Significant efforts to ensure a clean commingled recyclable waste stream also resulted in 77% more commingled waste being recycled in 2021.

Paper

La Trobe University's copy paper usage was again considerably reduced compared to that used in years prior to Covid-19. Usage was down a further 14% in 2021, when compared to 2020, with just over 4,500 reams of A4 equivalent copy paper used, of which 96% contained full recycled content.

Water

Potable water usage in 2021 further declined when compared with 2020 figures. Approximately 126,000 kilolitres of potable water were consumed in 2021, a 22% reduction on the previous year. Recycled water, used to irrigate the sports fields and grounds at the University's largest campus in Bundoora, saw a 15% increase to 4,172 kilolitres. This increase can partially be attributed to a lack of data from 2020.

During 2021, several native gardens have been installed across the Bundoora campus comprised of native plants and grasses, which are drought resistant and reduce the university's reliance on irrigation. Stage 1 of the university's water main upgrade project was completed in 2021. This project involved the identification and replacement of water mains in areas across the Bundoora campus where multiple underground water mains have previously burst. This project will reduce the university's water consumption through the reduction of leaks in ageing infrastructure. Stage 2 of the project is now underway, which is expected to be completed in stages over the next two years.

Transport

The University's transportation usage, and associated energy use and emissions remained in decline due to Covid-19. When compared to 2020, overall vehicle use was down 10% owing to reduced fleet travel requirements. The distance travelled by air was also down significantly, with a 67% reduction when compared to 2020. Due to the campuses remaining shut for the majority of 2021, and staff encouraged to work from home, the percentage of staff attending work via sustainable transport modes was not able to be determined.

During 2021, La Trobe University commenced construction of the La Trobe Shared Pathway Project, which is due to be completed mid-2022. This shared cycling and pedestrian pathway provides a vital link between the Darebin Creek Trail and Plenty Road through the heart of the university. With support from the Victorian Government through the Metropolitan Trails Program, this shared path will provide greater sustainable transport options for the University and surrounding community.

Biodiversity

Nangak Tamboree (nan-nyack tam-bor-ee), meaning respecting/sharing/looking after the waterway in the Woiwurrung language of the Wurundjeri people, is a biodiverse waterway corridor which links La Trobe University's Melbourne (Bundoora) campus to the wider community and environment. 2021 saw the university complete several projects within the larger University Master Plan which will enhance and protect the area over the coming years.

In 2021, two significant pieces of work were completed at the Melbourne campus, assisted by the Victorian Government, via Melbourne Water's Liveable Communities, Liveable Waterways Program. Twenty-four additional raingardens were constructed across several carparks at the Melbourne campus as part of stage 2 of the Car Park Water Quality Improvement project. The raingardens naturally filter organic pollutants from stormwater runoff through layers of plants, sand, soil, and fabric before it enters the university moat system, and finally Darebin Creek. Additionally, the Fozzies Wetland project was completed, which involved a suite of improvements that enhanced the wetland habitat within the Nangak Tamboree. The works included the removal of weeds and sediment, improving the wetland bund and embankment, improving stormwater capture and reuse, and providing safer pedestrian access to the Nangak Tamboree Wildlife Sanctuary.

2021 also saw the continuation of the Nangak Tamboree Revegetation Project. Over the next 5 to 10 years, the full riparian corridor along the waterway will be revegetated. Phase one of the project covers the Darebin Creek frontage and involves regenerating indigenous plant species and managing weed infestation by working with the Wurundjeri Woiwurrung Narrap Rangers as they utilise fire practice and manual weed removal and revegetating 92,000 m² with indigenous plant species.

Risk management statement



OFFICE OF THE VICE CHANCELLOR

25 March 2022

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

I, Linda Roberston certify that the La Trobe University has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures.

The Corporate Governance, Audit and Risk Committee verifies this assurance and that the risk profile of La Trobe University has been critically reviewed for the period of 1st January 2021 to 31st December 2021 and complies with the Victorian Government Risk Management Framework.

Yours sincerely

A handwritten signature in blue ink, reading "Linda Roberston".

Linda Roberston
General Counsel & Director,
Assurance
La Trobe University

A handwritten signature in blue ink, reading "John Dewar".

Professor John Dewar
Vice-Chancellor
La Trobe University

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MELBOURNE CAMPUSES
Bundoora
Collins Street CBD
Franklin Street CBD

REGIONAL CAMPUSES
Bendigo
Albury-Wodonga
Mildura
Shepparton

External reporting obligations

Freedom of information

Freedom of Information Act 1982

The following information is provided in accordance with the requirements of the Freedom of Information Act 1982.

During 2021, the University received twenty-two (22) applications under the Victorian FOI legislation. Of these

applications, nine (9) were provided with the full documents requested, five (5) were provided in part with edited documents which withheld personal information that did not pertain to the applicant, two (2) applications were not processed on the grounds that they were a substantial and unreasonable request,

no relevant documents were found in one (1) application, three (3) applications were discontinued and one (1) was still in process.

Information privacy

Privacy and Data Protection Act 2014

During 2021, the University received one (1) privacy complaint under the Privacy and Data Protection Act 2014 (Victoria).

Grievances, Complaints and Protected Disclosures.

Investigation of Complaints

The Ombudsman Statute 2009 empowers the University Ombudsman to conduct mediations and investigate grievances and complaints by staff and students.

The Ombudsman is not subject to the direction of the University Council or the Vice-Chancellor.

Any member of the University may approach the Ombudsman for a matter to be investigated.

The Ombudsman usually receives complaints only after a party or parties have already sought to have the matter dealt with by other parts of the grievance procedures system, at the College level or by the Student Complaints office. The Statute requires parties with a complaint to cooperate with the Ombudsman.

After a complaint has been dealt with by the Ombudsman the parties are notified in writing of the outcome. Non-identifying information on the nature, type, origin and number of the complaints dealt with is contained in the Ombudsman's Annual Report to the University Council.

During the calendar year 2021, the Ombudsman dealt with 105 complaints from members of the University

Further information regarding the student grievance and complaints processes can be found at:

latrobe.edu.au/students/complaints

National competition policy

The University's Research Contracts and Grants Policy and Procedure and La Trobe Consulting Policy and Procedure provide for central University review of all tenders and proposals so that they are adequately costed and that appropriate pricing decisions are made in accordance with competitive neutrality principles.

The University's Research Contracts and Grants Policy is compliant with the National Competition Policy and the Competitive Neutrality Policy Victoria.

The University's Competition and Consumer Law compliance program, Policy and Procedural guidelines are available at: latrobe.edu.au/legalservices/competition-consumer-law

Conformity with the *Building Act 1993*

The La Trobe Infrastructure and Operations (I&O) Division is responsible for providing a safe, fit-for-purpose, amenable built and natural environment within which the University community lives and works in pursuit of its teaching, learning and research objectives. In 2021, the I&O Division delivered 41 projects that were valued over \$50,000 each and included:

- 4 major projects including refurbishment and services upgrades
- 2 capital projects comprising of refurbishments and engineering upgrades
- 33 capital maintenance projects comprising of engineering upgrades, building services upgrades and sustainability projects
- 2 minor works projects comprising of refurbishments

I&O ensures that all works requiring building approval have permits issued and plans certified. I&O engages independent registered building surveyors to provide design checklists for design consultants to ensure key compliance requirements are not overlooked, including the Disability Discrimination Act and, on award of a contractors' tenders, the issuing of a Building Permit. During construction, the Building Surveyor undertakes all mandatory inspections and, upon completion of the physical build, they either issue Certificates of Final Inspection or Certificates of Occupancy, pending the types of works.

Works such as engineering infrastructure upgrades, capital building maintenance, equipment replacements, site civil works and landscaping are examples of projects exempt from the 10-year liability cap.

I&O is independently audited by internal and external customers to ensure compliance with legislative obligations. I&O are certified in three International Standards Organisation (ISO): ISO 9001 (Quality), ISO 14001 (Environmental), and ISO 45001 (Occupational, Health & Safety).

Mechanisms are in place for continual inspecting, reporting, scheduling, and rectifying and maintaining works for existing buildings.

I&O checks the accreditation and licenses of surveyors, consultants and contractors before engagement and ensures that registration is maintained during the engagement.

Public Interest Disclosures Act 2012

The *Protected Disclosure Act 2012* establishes a scheme for protecting people who make disclosures about improper conduct in the public sector.

Compliance with the *Public Interest Disclosures Act 2012*

The University is committed to the aims and objectives of the *Protected Disclosure Act 2012*, which is designed to encourage and facilitate the disclosure of improper conduct by public officers and bodies (including the University or a member, officer or employee of the University), as well as detrimental action taken in reprisal for such disclosures. It also provides for the assessment and investigation of disclosures by the Independent Broad-based Anti-corruption Commission (IBAC) and the protection of persons making disclosures by managing the welfare of those persons and others connected with or the subject of a protected disclosure in accordance with the requirements of the Act. The University's policy on protection from detrimental action can be found within the Policy library at: policies.latrobe.edu.au

Key capital investments (I&O)

Project Name	Total Project Budget \$'000's	2021 Actual Spend \$'000s
Secure External Lighting (Stage 4) As part of La Trobe's campus-wide pathways and lighting strategy – which aims to make it safer and easier for students, staff and visitors to get around the Melbourne campus – Stage 4 works incorporate a well-lit pathway on the west side of the campus that provides a safer means of travel for people who park in Car Parks 1 & 2, as well as linking up with the new pedestrian crossing to the Sports Park. The path includes new LED lighting, security cameras, duress buttons and a new toilet block on the west side of campus.	2,007	1,405
BS1 School Nursing Refurb Lab The refurbishment of BS1 Level 1 to implement Nursing & Midwifery labs included four wards with six teaching beds (an additional 24 teaching beds), two simulation labs (including a birthing suite), student observation room, and preparation and storage area.	2,564	1,977
VHESIF Project 3 (Stage 1) Agricultural Production Platform Stage 1 works involved the renovation of an existing Glasshouse including new PC2 Lab and installation of fertigation system, RO water, security cameras, building access control, electric fencing to property boundary, new mechanical system to Phenotyping Compartment, and installation of specialist Phenotyping Lighting and Equipment.	3,821	1,892
Backlog Liability 2020 – Lifts The project involved the upgrade of 5 passenger transport lifts that were End of Service Life within Terrace 12, Agora West, Menzies College South, and Glenn College Administration & Business Building.	1,073	761
Backlog Liability 2020 – Electrical The project involved the upgrade and replacement of various Switchboards at the Bundoora campus that were at end of service life.	1,597	951
Backlog Liability 2021 – Fabric The project involved the upgrade and replacement of various elements of building fabric that had reached end of life as per our building Asset List. Elements refurbished or replaced were Doors & Windows, repainting internally and externally, new ceiling tiles, wall tiles and recarpeting in accommodation and teaching buildings.	425	406
Bundoora Water Main Upgrade Stage 1 Stage 1 works - The project involved the upgrade and replacement of the underground water main that supplies/services the eastern side of Bundoora campus and included Residential Colleges, ISC, CS1, CS2, CS3, JSMH & Boiler House Buildings.	3,718	2,574
Chisholm College – Amenities Refurbishment 108 Bathroom refurbishments in Glenn College Towers 1 to 12.	1,844	1,416
Bundoora Fire Detection Upgrades Various fire detectors have reached end of life with replacement and spare parts no longer available. Works were undertaken to approximately 25 building to replace 'end of life' detectors with 'modern' detectors.	585	422
Chisholm College Domestic HWS Upgrade This project involved replacing domestic hot water calorifiers that ran on high temperature water with newer energy efficient heat pumps. The upgrade also provided extra safety valves on the temperature going to bathrooms.	420	405
Net Zero Regional Solar PV Carports (Adrian) The Bendigo Campus now has an additional 1,900 solar panels following the completion of the Regional Solar Carports and Rooftops Project. The project involved installing rooftop solar panels to the GDP, SSC and ED buildings, and constructing a series of solar carports in Car Parks 1 and 2. The panels are capable of producing 830kw of renewable energy. In Albury-Wodonga, the new 270-panel solar carport produces around 110kw.	3,064	413

External reporting obligations *(cont.)*

La Trobe University consultants 2021

Financial Reporting Direction FRD221

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

The University advises that during the year ending 31 December 2021:

- There were 49 separate consultancy agreements in 2021 over \$10,000 totalling \$8,064,728
- There were 12 separate consultancy agreements in 2021 under \$10,000 totalling \$65,315
- The total amount paid to consultants in 2021 was \$8,130,043 www.latrobe.edu.au/council/resources

Statement on compulsory non-academic fees, subscriptions and charges

Tertiary Education (Amendment) Act 1994

Compulsory Fees
Student Services and Amenities Fee – 2021

Study Load	2021	2020
Albury-Wodonga Campus		
Full-time	\$156	\$77
Part-time	\$117	\$57
Bendigo Campus		
Full-time	\$156	\$77
Part-time	\$117	\$57
Bundoora Campus		
Full-time	\$156	\$77
Part-time	\$177	\$57
Mildura Campus		
Full-time	\$156	\$77
Part-time	\$177	\$57
Shepparton Campus		
Full-time	\$156	\$77
Part-time	\$177	\$57

Note, during 2020, as a result of COVID-19 Pandemic all semester 1 SAFF's were refunded and semester 2 SAFF was charged at 50%. This was equivalent to a 75% overall reduction.

Compulsory non-academic fees

The total amounts of student services and administration fees collected by La Trobe University from students are detailed below by campus.

Compulsory Non-academic Fees – 2021

Campus	\$
Albury-Wodonga	85,605
Bendigo	587,769
Bundoora	4,235,244
Mildura	47,736
Shepparton	58,221
Total	5,014,581

Purposes for fees

The University made available the total compulsory non-academic fee collected for the purposes of providing facilities, service or activities of direct benefit to the institution or students at the institution.

Names of organisations of students to which fees are available

The names of organisations of students to which the general service fee was made available are detailed below by campus.

Campus	Organisation	\$
Bundoora	La Trobe Student Association Ltd	2,055,000
Bendigo	La Trobe University Student Union Incorporated	250,000

In 2021, La Trobe has consolidated the Union funding to a more centralised manner and discontinued the campus-based student unions. This is to achieve a consistency of service delivery and to streamline administrative needs.

Purposes for which the organisations spend the money available

All organisations listed above are required to spend the money made available in accordance with the provisions of the Higher Education Act. No money was made available to other bodies.

Further information

The University has the following information on request, subject to the provisions of the Freedom of Information Act 1982:

- (a) Declarations of pecuniary interests;
- (b) Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- (c) Details of publications produced;
- (d) Details of changes in prices, fees, charges, rates and levies charged;
- (e) Details of any major external reviews;
- (f) Details of major research and development activities;
- (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 entity;
- (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 entity and details of time lost through industrial accidents and disputes;
- (k) A list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- (l) Details of all consultancies and contractors including:
 - i) consultants/contractors engaged;
 - ii) services provided; and
 - iii) expenditure committed to for each engagement.

Enquiries should be addressed to: **governance@latrobe.edu.au**

Financial review

Register of significant commercial activities

Significant Commercial Activity	Bendigo Surplus Property Divestment	Bendigo Surplus Property Divestment (Cont.)	Commercial Leases	Commercial Leases (Cont.)	Commercial Leases (Cont.)
Council approval under section 8(3) (h) of the Act and significant commercial activities of controlled entities	<p>Council approved that the Bendigo Surplus Property Divestment PCG commence divestment of 11 properties in Friswell Ave Flora Hill, 32 Garsed Street Bendigo and 131 Edwards Road Flora Hill. Reference: Council Minute 407.8.1, 21 May 2011.</p> <p>Status:</p> <p>131 Edwards Road has sold. 28, 30, 32, 34, 36, 38, 46, 48, 50, 52 & 54 Friswell Ave have sold. 32 Garsed St has sold</p> <p>Central Innovation Park (CVIP)</p> <p>121-129 Edwards Rd Meeting No.462 - 5 Sept 16 Council authorized the sale of property not less than valuations of Lot 1 (land) \$1,260,000; Lot 3 (land) \$1,630,000; and Lot 2 (building and land) \$2,030,000.</p> <p>Property sold conditionally 21 Dec 18 for \$6.45M subject to town planning permit within 180 days. Contract surrendered due to Kaufland withdrawing from Aust. Deposit forfeited. Property to be offered for sale.</p>	<p>Hesse Estate - 5 Friswell Avenue</p> <p>Council meeting No.479 held on 30 July 2018 approved the sale of the property to Oakbridge Developments for \$2.8M. Sale Completed 30 Oct 2018.</p> <p>Bendigo Athletics Track</p> <p>The Infrastructure and Estates Planning Committee (IEPC17/03 14 Feb 2017) endorsed for Council approval the sale of the La Trobe University Athletics Track. Sale to Greater Bendigo Council completed 30 April 2019.</p> <p>2 Osborne St</p> <p>Infrastructure and Estates Planning Committee (IEPC18/47 5 Oct 2018) endorsed for Council approval declaring the the land surplus. No expressions of interest from Crown Agencies. Rezoning to Residential completed.</p> <p>- Lot 3/Lot 2, 121-129 Edwards Rd/5 Innovation Crt, Kennington IEPC 20/50 2 Oct 2020 & Council 26 Oct 20 Meeting #500 approved sale.</p> <p>- Lot 3 sold 11 June 2021 \$2.61M</p> <p>- Lot 2 (subject to Bendigo Telco Lease) sold 5 Oct 21 \$2.730M-subject to VGLM</p>	<p>Victoria Police [R&D Park - former VABC]:</p> <p>Council approved the proposed lease to Victoria Police (Meeting 441, 15 September 2014) as a Commercial Activity</p> <p>Status:</p> <p>This lease replaces previous leases to DPI (Victorian AgriBiosciences Centre) and Victoria Police which were surrendered in favour of a new Head Lease.</p> <p>Option exercised and expires 30 Nov 21. Further option available to 30 Nov 2025. The reviewed commencing rental is \$1,270,687 p.a.</p>	<p>Healthscope (ACN108807370 Pty Ltd)</p> <p>Council approved four year lease commencing 7 July 2015 (Meeting 445 - 15 December 2014). Commencing rental \$208,000. Companion agreements executed to operate concurrently include Education Agreement and Facilities Management Agreement. Reverted to monthly tenancy and currently the subject of negotiation.</p>	
Other commercial activities				<p>Strathallan Golf Club - 26 Jan 19, 5 yrs, \$30,000 p.a.</p> <p>Paula Crimmins t/a Hit & Run - 1 Jan 19, 1 yr, \$100 p.m. Currently overholding</p> <p>Optus Mobile Tower M8403 -LIMS1 Building - 1 Nov 18, 10 yrs \$22,000 p.a</p> <p>Axicom Mobile Tower - 11 Jan 19, 20 yrs, \$19,502 p.a.</p> <p>GeneWorks Pty Ltd - 17 Dec 18 1 yr, \$23,200 p.a Currently overholding</p> <p>Solvay Interlox P/L - 1 Dec 18, 1 yr \$63,929.40 p.a.</p>	<p>Lifecare Physiotherapy - 1 Jul 15, 4 yrs \$35,000 p.a. Reverted to Monthly Tenancy</p> <p>La Trobe Pharmacy - 1 Jul 15, 4 yrs, \$60,000 p.a. Reverted to Monthly Tenancy</p> <p>Telstra Tower LIMS1 - 1 Mar 16, 10 yrs \$20,000 p.a.</p> <p>VACCA, 14 March 2016, 2 years & overholding, \$17604 p.a.</p> <p>Department of Economic Development, Jobs Transport & Resources (DEDJTR); Glasshouse RD4C - Ground Lease, 1 March 2017, 10 years, \$7,000 p.a.</p> <p>Telstra Tower LIMS1 - 1 Mar 16, 10 yrs \$20,000 p.a.</p> <p>Comerstone Computing P/L - 14 Feb 20, 18.5 mnths \$41,272.94 p.a</p> <p>Hexima & (sub-Licence to CANN Group), Glasshouse RD4B - 10 Dec 2018, 10 years, \$0</p>

Commercial Leases (Cont.)	Commercial Leases (Cont.)	Commercial Leases (Cont.)	Commercial Leases w/partnership or student service provision element	Non-Commercial Leases
<p>*Arthur Apted, (grazing land) 1 May 19, 10 yrs \$3,848 p.a.</p> <p>*Department of Economic Development, Jobs, Transport & Resources (DEDJTR), Glasshouse RD4A - 1 August 2019, 3 years, \$130,471 p.a.</p> <p>*Jersey Aust. - 10 Apr 17, 5 mths & overholding, \$923 pcm</p> <p>*Specialisterne Centre Aust - 1 Aug 17, 1 yr, \$11,436 p.a. Currently overholding</p> <p>*Synergy Prosthetics - 5 Aug 20, 3 yrs, \$12,734 p.a.</p> <p>*Unisuper Management P/L - 1 Nov 18, 2 yr, \$30,000 p.a.</p> <p>*Akaal Pharma - 1 Jan 19, 1 yr, \$13,080 p.a. Currently overholding</p> <p>*Out of Box Solutions - 16 July 2018, 6mths, \$6,000 p.a. Currently overholding</p> <p>*Reltek Systems, Monthly Tenancy as at Sep 17. \$500 p.m. Currently overholding</p>	<p>*Bendigo Telco Ltd - 1 Sep 18, 5 yrs \$174,618 p.a.</p> <p>*Eureka Bendigo P/L t/a Mug Shot & NLDH 14 Jan 19, 5 yrs \$34,020 p.a.</p> <p>*Latrobe Lifeskills Pty Ltd 1 Jan 20, 1 yr \$12,000 p.a.</p> <p>*University of Melbourne - 1 Aug 18, 2yrs \$402 p.m.</p> <p>*Smarty Pantz Dog Training - Apr 20, 3 yrs \$1,298 p.a.</p> <p>*Austin Health (LTU as Tenant), 1 Jan 19, 2 yr +1yr, \$473,513 p.a.</p> <p>*The School Locker, Nov 19, 5 yrs, Turnover rent est. \$70k p.a.</p> <p>* Alfred Health (LTU as Tenant) – Simulation Lab - Jan 20 3 yrs, \$240,133 p.a.</p> <p>* TLEH P/L t/a Feelgood Fitness - 1 Mar 18, 3 yrs \$38,520 p.a.</p>	<p>*Synergy Prosthetics - 5 Aug 20, 3 yrs, \$12,734 pa</p> <p>*Lifeskills Bendigo- 1 Jan 21, 2yrs, 1 yr \$12,000 pa</p> <p>*Condiv (LTU as Tenant) - 20 Jul 20, \$114,193 pa</p> <p>*Aust Higher Ed Assn (LTU as Tenant on behalf) - 1 Feb 21, 1 yr \$6,170 pa</p> <p>*Vivazome - 6 Jan 21, 1 yr, \$16,800 pa</p> <p>*Lifeskills U210, 1 Jul 20, 2yrs, \$5,304 pa</p> <p>*Optus SC1, SC2, SC3 6 Nov 20; 19 Nov 19; 6 Nov 20, All 10 yrs, \$3,000 pa (total)</p> <p>*NRC Golf, 17 Nov 21, 2 yrs, \$40,000 pa</p> <p>*Accelio, 1 Feb 21, 6mths, \$17,610"</p>	<p>* Optus Small Cells Facilities - Oct 19, 10 yrs, \$1,500 p.a. per site (3 proposed sites)</p> <p>* LDE Precision Engineering - 1 Jan 19, 1 yr, \$4,720 p.a. Currently overholding.</p> <p>*Melbourne's Northern Economic Wedge Inc - 1 Feb 19, 3 yrs, \$16k p.a. net of subsidy</p> <p>* Ivanhoe Grammar School Terraces 1 & 2, 12 Nov 18, 10 years, 2 options of 5 years, \$50k p.a.</p> <p>* Northern Football & Netball (NFNL) Jan 20, 20 yrs \$70k p.a</p> <p>* Softball Australia, Mar 20, 5 yrs \$30k p.a</p> <p>* Wodonga Student Association (WSA) Nov 19, 1 yr \$1</p>	<p>*Bendigo Pioneers Football Club 1 Jan 19, 2 yrs \$0 (in kind \$10,980 p.a.)</p> <p>*Bendigo Academy of Sports - 1 Jul 18, 3 yrs \$0</p> <p>*Native Fish Aust.(Vic) - 1 Apr 19, 5 mths \$0. O/holding</p> <p>*Scientific Instruments of Aust - 8 Feb 19, 2 yrs \$1</p> <p>*VivaZone Therapeutics P/L 7 Jan 19, 2 yrs \$1</p> <p>*SPI Electricity P/L 1 Oct 19, 30 yrs.</p> <p>*Two Birds One Scone, Apr 20, monthly agreement \$0 p.m</p> <p>*Northern Centre Against Sexual Assault (NCASA), Jan 21, 1 yr, \$0 p.a</p> <p>*NTEU, 11 Mar 21, 1yrs 20 days, \$nil</p> <p>*Austin Health (Sexual Assault) - 1 Jan 21, 2yrs</p> <p>*Abi Hearing - 30 Jun 21, 6 mths</p>

Financial review (cont.)

Register of significant commercial activities

Significant Commercial Activity	Bendigo Surplus Property Divestment	Bendigo Surplus Property Divestment (Cont.)	Commercial Leases	Commercial Leases (Cont.)	Commercial Leases (Cont.)
Participation					
University involvement in this activity:	The University is the vendor to the property transaction(s)		La Trobe is Lessor. The University and Forensics have scientific collaboration including a number of supervised post graduates.	Landlord only.	Landlord only.
University staff or council member that occupy a board seat in connection with this activity and Directors' and Officers' liability insurance or other insurance arrangements that apply to the activity:	Not applicable.		Nil	Nil	Nil
Results of any assessment undertaken (if any) to determine whether the activity is meeting its purposes and objectives	Approval of a Business Case. A Project Control Group constituted by the Vice-Chancellor was the responsible body for overseeing the sales. The PCG has been superseded by a Project Steering Committee (Bendigo Transformation) chaired by the VP (Admin) who will oversee any further divestment activities of Bendigo land including the parcels identified above. No assessment to determine the activity is meeting its objectives is warranted.		This was largely a consolidation exercise of existing leases but rental return was enhanced by increasing net lettable areas and taking up vacancies in building.	No	No
Whether the activity is ongoing or its anticipated termination date	The project will remain operative until all Commercial Activities cease.		As per lease expiry unless option exercised or overholding.	As per lease expiry unless option exercised or overholding.	As per lease expiry unless option exercised or overholding.

Commercial Leases (Cont.)	Commercial Leases (Cont.)	Commercial Leases (Cont.)	Commercial Leases w/partnership or student service provision element	Non-Commercial Leases
Landlord only.	Landlord only.	Landlord and Tenant	Landlord & "Partnership" [Tenant has academic or other partnership arrangement]	Community-based or services or Statutory Authorities
Nil	Nil	Nil	Nil	Nil
No	No	No	No	No
As per lease expiry unless option exercised or overholding.	As per lease expiry unless option exercised or overholding.	As per lease expiry unless option exercised or overholding.	As per lease expiry unless option exercised or overholding.	As per lease expiry unless option exercised or overholding.

Asset Management **Accountability** Framework compliance

The University's Facilities, Assets and Services (FAS) tam sits within an 'aware to developing' range in terms of its Asset Management (AM), with focus on a continuous improvement process to expand system performance above AMAF minimum requirements. Performance against these requirements are shown on the below maturity wheel and further outlined below.



The University has identified the need for these requirements and there is evidence of intent to progress it by developing its AM capability and by identifying the means of systematically and consistently achieving the requirements with credible and resourced plans in place.

The aim is to achieve a rating of 3 (Competent) across all areas. The University has applied a benchmarking framework using a balanced scorecard summarising all the requirements under the following 4 categories.

- Financial
- Clients / Stakeholder
- Internal Processes and
- People / Culture

This has further enabled comparable assessment (both qualitative and quantitative) of La Trobe University, the Australian Higher Education Sector (selected Australian universities) and the Private (Commercial) Sector

Below is a summarised rating scale reflecting benchmarking for the University

Financial	Level 1 Infancy	Level 2	Level 3 Managed	Level 4	Level 5 Best Practice
Clients / Stakeholders	Level 1 Infancy	Level 2	Level 3 Managed	Level 4	Level 5 Best Practice
Internal Processes	Level 1 Infancy	Level 2	Level 3 Managed	Level 4	Level 5 Best Practice
People / Culture	Level 1 Infancy	Level 2	Level 3 Managed	Level 4	Level 5 Best Practice



University disclosure index table

Item No.	Source	Summary of reporting requirement	Page(s)
Report of operations			
Charter and purpose			
1	FRD 22I	Manner of establishment and the relevant Minister	18
2	FRD 22I	Purpose, functions, powers and duties	4-15, 18, 19
3	FRD 22I	Key initiatives and projects	29-45
4	FRD 22I	Nature and range of services provided	5-13
Management and structure			
5	FRD 22I	Organisational structure	16-17
Financial and other information			
6	FRD 10A	Disclosure Index	38-40
7	FRD 22I	Employment and conduct principles	19-21
8	FRD 22I	Workforce data disclosures	19-21
9	FRD 22I	Occupational health and safety policy	23
10	FRD 22I	Summary of the financial results for the year	44-47
11	FRD 22I	Significant changes in financial position during the year	44-47
12	FRD 22I	Summary of operational and budgetary objectives	44-47
13	FRD 22I	Major changes or factors affecting performance	44-47
14	FRD 22I	Subsequent events	96
15	FRD 22I	Application and operation of the Freedom of Information Act 1982	28
16	FRD 22I	Compliance with building and maintenance provisions of Building Act 1993	28
17	FRD 22I	Statement on National Competition Policy <ul style="list-style-type: none"> • Include statement on compliance with the requirements of the policy statement 'Competitive Neutrality Policy Victoria', and any subsequent reforms. 	28
18	FRD 22I	Application and operation of the Public Interest Disclosures Act 2012	28
19	FRD 22I	Details of consultancies over \$10,000 <ol style="list-style-type: none"> 1. Total number of consultancies individually valued at \$10,000 or greater (ex GST) and the total expenditure (ex GST) on these engagements for the reporting period. 2. Location (e.g., website link) where the schedule with the below details of the consultancies over \$10,000 has been made publicly available: <ul style="list-style-type: none"> – Consultant engaged – Brief summary of project – Total project fees approved (ex GST) – Expenditure for reporting period (ex GST) – Any future expenditure committed to the consultant for the project 	30
20	FRD 22I	Details of consultancies under \$10,000	30

Item No.	Source	Summary of reporting requirement	Page(s)
21	FRD 22I	Disclosure of government advertising expenditure	N/A
22	FRD 22I	Disclosure of ICT expenditure (a) Total ICT BAU expenditure and Total ICT Non-BAU expenditure, provide a breakdown for: i) Operational expenditure (OPEX); and ii) Capital expenditure (CAPEX).	44
23	FRD 22I	Asset Management Accountability Framework (AMAF) maturity assessment	36-37
24	FRD 22I	Summary of Environmental Performance	24-26
25	FRD 22I	Statement of availability of other information	31
26	FRD 25D	Local Jobs First	44
27	SD 3.7.1	The Responsible Body must ensure that the Agency applies the Victorian Government Risk Management Framework.	27, 48-51
28	SD 5.2	Specific requirements under Standing Direction 5.2	52,53,60

Declaration

29	SD 5.2.3	Declaration in report of operations	53, 60
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Financial Statements

Declaration

30	SD 5.2.2	Declaration in financial statements	52-53,60
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Other requirements under standing directions 5.2

31	SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	52-53,60
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Other disclosures as required by financial reporting directions in notes to the financial statements

32	FRD 11A	Disclosure of ex-gratia expenses	70
33	FRD 21C	Disclosures of Responsible Persons, Executive Officer and Other Personnel (contractors with significant management responsibilities) in the Financial Report	90-92
34	FRD 103I	Non-financial physical assets	56, 77-81, 102
35	FRD 110A	Cash flow statements	58
36	FRD 112D	Defined benefit superannuation obligations	86-87 106-107

Note: References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are in the nature of disclosure.

Compliance with other legislation, subordinate instruments and policies

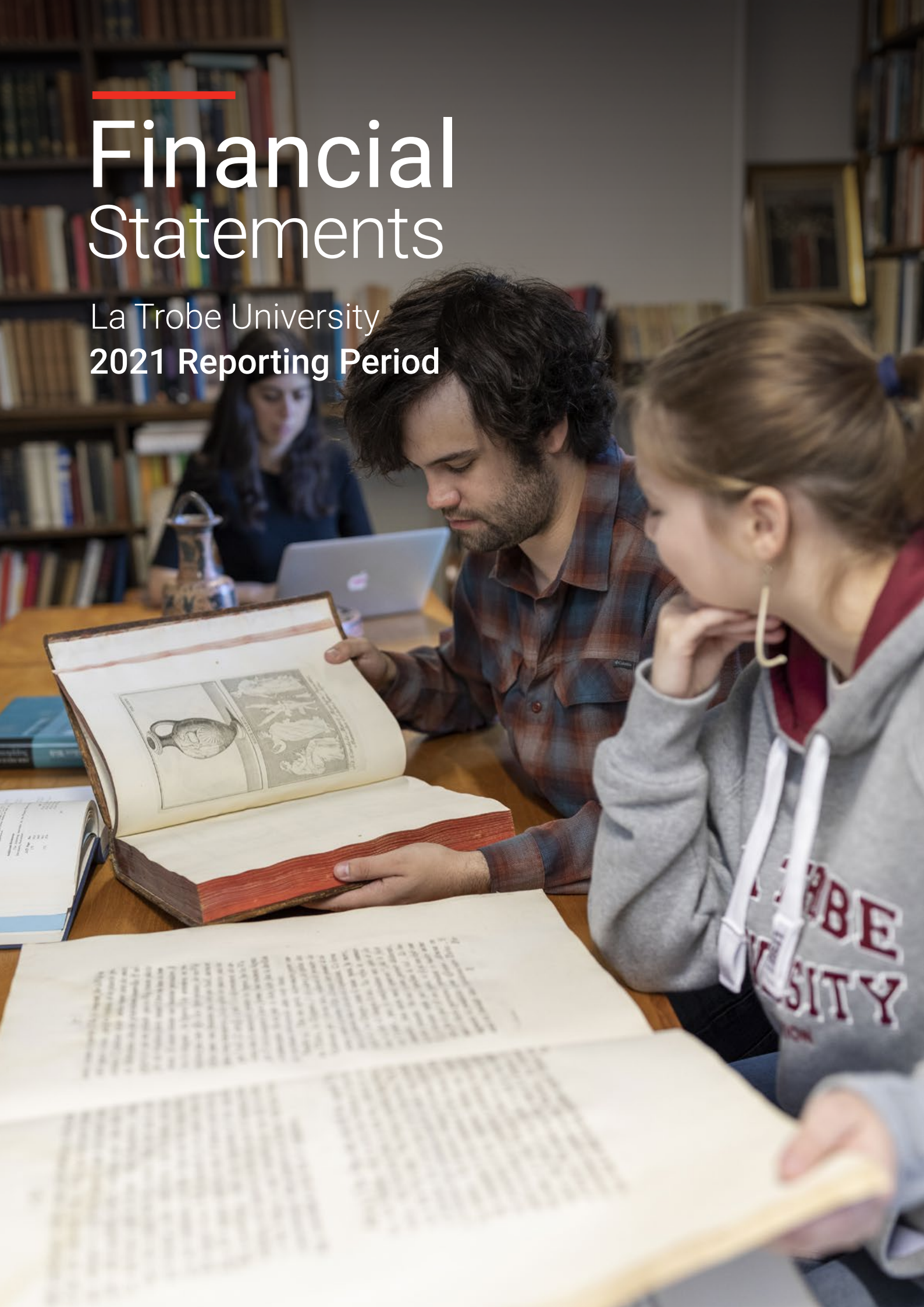
37	ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions, and charges payable in 2021	30
38	PAEC	Financial and other information relating to the university's international operations <i>The University does not operate any international campuses either directly or as a subsidiary</i>	N/A
39	University Commercial Activity Guidelines	<ul style="list-style-type: none"> Summary of the university commercial activities If the university has a controlled entity, include the accounts of that entity in the university's Annual Report. 	32-35 93

University disclosure index table *(cont.)*

Item No.	Source	Summary of reporting requirement	Page(s)
Legislation			
	<i>Freedom of Information Act 1982</i>		28
	<i>Building Act 1993</i>		28
	<i>Public Interest Disclosures Act 2012</i>		28
	<i>Financial Management Act 1994</i>		2, 30, 42, 48-51, 106-107
Key to abbreviations			
AASB	Australian Accounting Standards Board		
ETRA	Education and Training Reform Act 2006		
FMA	Financial Management Act 1994		
FRD	Financial Reporting Directions		
SD	Standing Directions 2018 Under the Financial Management Act 1994		
VAGO	VAGO 2003 Report on Public Sector Agencies		

Financial Statements

La Trobe University
2021 Reporting Period



Financial statements

for year ended 31 December 2021



OFFICE OF THE CHANCELLOR

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MELBOURNE CAMPUSES
Bundoora
Collins Street CBD
Franklin Street CBD

REGIONAL CAMPUSES
Bendigo
Albury-Wodonga
Mildura
Shepparton

25 March 2022

Financial statements for year ending 31 December 2021.

Certification

In our opinion:

- (a) The attached financial statements of La Trobe University and the consolidated entity present a true and fair view of the financial transactions during the financial year ended 31 December 2021.
- (b) The attached financial statements and notes comply with the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards (including Australian Accounting Interpretations), the Directions, the Financial Reporting Directions and other mandatory professional reporting requirements in Australia, the Financial Management Act 1994 and Guidelines for the Preparation of Annual Financial Reports for the 2021 Reporting Year by Australian Higher Education Institutions as issued by the Department of Education and Training;
- (c) At the date of this certification, there are reasonable grounds to believe that La Trobe University and the consolidated entity will be able to pay its debts as and when they fall due; and
- (d) The amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended and La Trobe University has complied fully with the requirements of applicable legislation, contracts, agreements and various programme guidelines that apply to the Australian Government financial assistance identified in these financial statements. In addition, we are not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.
- (e) La Trobe University charged Student Services and Amenities Fees strictly in accordance with the Higher Education Support Act 2003 and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

Yours sincerely

Handwritten signature of The Hon John Brumby AO.

The Hon John Brumby AO
Chancellor

Handwritten signature of Professor John Dewar.

Professor John Dewar
Vice-Chancellor

Handwritten signature of Jodie Banfield.

Jodie Banfield
Chief Financial Officer

ABN 64 804 735 113
CRICOS Provider 00115M

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57	Statement of changes in equity
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59	Notes to the financial statements
62	Summary of significant accounting policies

The financial report was authorised for issue by the members on 21 February 2022. The University has the power to amend and reissue the financial report.

Corporate governance statement

Report of operations

La Trobe University recorded an Operating deficit of \$19.5m for the year ended 31 December 2021 a decrease of \$31.9m from an Operating deficit of \$51.4m in 2020.

(a) Reconciliation of Operating result to underlying result from normal operations:

	2021 \$000s	2020 \$000s
Total revenue	738,300	786,186
Total expenses	757,794	837,636
Operating result	(19,494)	(51,450)
Less:		
Capital development grants	5,898	2,523
Add:		
Termination benefits	31,142	45,489
Loan breakage costs	133	25
Abnormal costs	573	-
Underlying result from normal operations	6,456	(8,459)

The underlying result excludes a number of transactions which are either 'non-recurring' or not considered 'core' operational in nature. These transactions include non-recurring grant revenue for funding capital projects that is not available to meet other operating activities of the University and employee termination payments.

(b) Significant matters of note during 2021:

- Total Revenue (not including deferred Government superannuation contributions) of \$738.3m decreased by \$47.9m (6.1%). The decrease was primarily driven by International on-shore Revenue, on-shore partner revenues and Research revenues as a direct result of COVID-19 impact.
- Despite large reduction in international onshore revenue, the operating result has improved in 2021 by \$31.9m driven by reduced Salary expenditure of approx. \$35m due to reduced staff costs (AUJPF and Transformation). The University also experienced significant savings within non-salary expenditure of approx. \$41m, driven by restructure in operating portfolios and impact of campus closures due to COVID-19.
- Cash and cash equivalents were \$108.6m at 31 December 2021, a decrease of \$92.9m on 2020 (46.1% decrease).
- Leasehold improvements were independently valued by Egan National Valuers (VIC) as at 1 January 2021. Due to COVID 19 challenges, Egan Valuers were not able to access some properties where the University has Leasehold Improvements assets. Management does not expect any material impact on value of the Leasehold Improvements when compared to the current value of shown in these financial accounts.

Artwork was independently valued by Simon Storey Valuers as at 31 December 2021.

The University undertakes market valuations of its land, buildings, infrastructure and Artworks every three years. During the intermitting years the University complies with the process as outlined in FRD103H Non-Financial Physical Assets and undertakes a managerial review of the movement of land and buildings values using indices as published by the Valuer General.

(c) Investment objective for 2022:

The capital budget factored into the 2022 budget is \$143.0m (LTU - \$88.0m & Govt.- \$55.0m). The University will have access to one time Government Funding (Additional Research Support Program (RSP) and the Victorian Higher Education State Investment Fund (VHESIF)) and borrowings for continuing and new initiatives. The 2022 capital budget continues to focus on a capital works program that responds to the new Strategic plan and improves asset utilisation, and delivers projects that improve the student experience.

(d) Local Jobs First

La Trobe complies with the Local Jobs First Policy requirements when receiving State Government Funding where condition of funding arrangements stipulate Local Industry Development Plan (LIDP) be submitted and reviewed by the Industry Capability Network (ICN).

For Victorian Government grants provided during 2021, including VHESIF grants, La Trobe University had a total of 29 interactions with the Industry Capability Network (Victoria) Ltd. where interaction reference numbers were required.

In 2021, La Trobe received Victorian Higher Education State Investment Funds (VHESIF) for multiple projects. These projects include:

- Thomas Cherry Bio Innovation Hub \$8M
- Thomas Cherry Digital Innovation Hub \$9M
- Glasshouse Refurbishment Agriculture Production Program \$3.5M
- Applied Industry AgriBio Platforms \$6.5M
- Bendigo Space Optimisation/Lab Facilities \$2.5M
- Virtual Care/Telehealth \$1.6M

Procurement sourcing activities for these projects commenced in 2021 and included the requirement for LIDP, ICN review and acknowledgement, and inclusion of ICN LIDP Evaluation Report in evaluation criteria. Construction of these projects will be completed in 2022.

La Trobe engaged an external Probity Advisor for all sourcing activity related to VHESIF funded projects.

La Trobe University ICT Expenditure 2021

Financial Reporting Direction FRD221

	Business as usual (BAU) \$000s	Non-Business as usual (Non-BAU) \$000s	Total \$000s
CAPEX	6,239	15,151	21,390
OPEX	46,774	171	46,945
Total	53,013	15,323	68,336

Corporate governance statement

Key performance indicators | 31 December 2021

Key performance indicators for the University for the past five years:

Year	Current asset ratio	Debt to equity ratio %	Interest coverage ratio	Underlying operating margin %
2021	0.7	15.9	17.8	0.9
2020	0.8	24.0	16.7	-1.1
2019	0.5	10.3	82.1	4.0
2018	0.7	3.7		4.6
2017	0.6	4.1		4.0

Current asset ratio

This ratio is a measure of short term liquidity and is derived by dividing current assets by current liabilities. The University's current asset ratio is 0.7 in 2021.

Debt to equity ratio

The debt to equity ratio is the total of interest bearing liabilities as a proportion of total equity and measures the proportion of repayable debt funding to retained equity balances. The higher the ratio, the greater the proportion of debt funding. The Debt to Equity Ratio decreased in 2021 to 15.9% (from 24.0% in 2020) as a result of the University repaying \$102m of its total Syndicated loan facility of \$325m.

Interest coverage ratio

The Interest coverage ratio measures how many times a company can cover its current interest payment with its available earnings. In 2021 this ratio stands at 17.8 as compared to 16.7 in 2020. The university loan has been reduced compared to 2020, and the overall operating surplus has improved due to implementation of various measures in response to COVID-19.

Underlying operating margin

The underlying operating margin has improved in 2021 to 0.9% (2020 -1.1%). The operating margin measures the ability of the University to contain its expenditure within the constraints of its available funding. This measure is derived by dividing the net underlying operating surplus/(deficit) into the total underlying revenue.

Key performance targets 2021

In 2020, University developed a new strategic plan for 2020-2030 taking into account the potential impact of current COVID-19 pandemic on University's future. The University responded comprehensively and positively, ensuring that its actions equip it to effectively manage the current challenges and remain sustainable, valued, and relevant, as the world endeavor to return to normalcy. The core components of the "2020-2030 Strategic Plan" revolves around the following objectives:

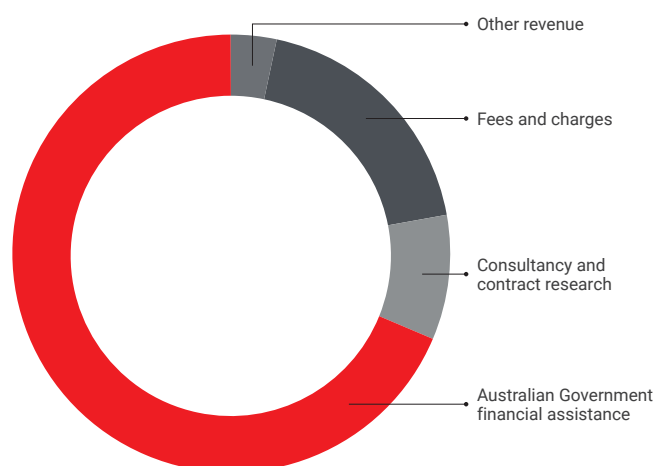
- Students: Reshaping to better meet student needs
- Teaching: Improving quality and accessibility
- Research: Focusing on our strengths, impact and global challenges
- Industry and government: Becoming the strategic partner of choice
- Our Regions: Transforming our communities
- International: Internationalised in everything we do
- Our People: An empowered workforce inspired by our values
- Improving efficiency and productivity

	2021 Actual	2021 Budget	2020 Actual
International student revenue as a % of underlying revenue	17%	19%	24%
Research revenue	88.6m	84.3m	95.8m
Underlying revenue per staff dollar	1.79	1.80	1.73
Underlying operating margin	0.9%	1.5%	-1.1%

Income and expenditure graphs

for the year ended 31 December 2021

Income



Total operating revenues

Operating revenues were \$738.3m (2020: \$786m), a decrease of 6.1% compared to 2020. The decrease was primarily driven by reductions in Fees and charges (\$53.8m) related to international on shore students and other consultancy and contracts revenue as a direct impact of COVID-19.

Australian Government financial assistance

Australian Government financial assistance (excluding Fee-Help) increased by \$8.8m (1.91%).

Fees and charges

Fees and charges decreased by \$53.8m (29.3%). This is driven by reduction of International onshore revenues of \$59m as a result of International Travel restrictions and was offset by reduced Fee waivers of \$4.7m.

Consultancy and contracts

Consultancy and contract research decreased by \$10.8m (14.56%). This decline is due to one off new grants received last year via the School of Applied System Biology as part of the research agreement with AgriBio Consultancy.

Other revenue

Other revenue reflects an increase of \$3.2m (16.0%), mainly due to the rebound in accommodation revenue within regional areas to almost pre-pandemic levels.

Expenditure



Total expenditure

Total expenditure from continuing operations, excluding deferred superannuation contributions, is \$762.9m, which represents a decrease of \$72.3m (8.6%). This is driven by strategic cost reduction programs which were put in place in 2020/2021 and has resulted in Employee related costs decreasing by \$50.2m and total other expense reduction of \$29.6m, mainly attributed to campus closures and travel restrictions throughout 2021.

Employee benefits and on costs

Expenditure on salaries decreased by \$50.2m (10.9%). The reductions in total salaries are due to the continued impact in 2021 related to strategic cost-saving pursued by the University through the voluntary staff pay-cuts, redundancies and reductions in Casual Labour pool.

Professional fees and consultancy expenses

Includes expenditure on professional fees, consulting, and contractor costs, which decreased by \$10.7m (15.4%). Similar to last year, it is largely related to reductions in Agency Commission relating to reduced International on-shore revenue due to ongoing impacts of COVID-19.

Depreciation and amortisation

Depreciation and amortisation has increased by \$1.4m (1.8%) and is mainly attributed to increased settlements of various large projects during the year.

Other expenses

Other expenses have decreased by \$9.2m (6.5%) mainly due to movement in scholarships and research participation payments. Scholarship payments were significantly higher in 2020 mainly due to additional crisis relief funds provided to international students. Reduction in research participating payments was directly related to decline in third party revenue.

Five-year financial summary

31 December 2021

	2021 \$000s	2020 \$000s	2019 \$000s	2018 \$000s	2017 \$000s
Income Statement					
Total revenue and income from continuing operations	738,300	786,186	867,426	803,998	770,809
Total expenses including tax and joint venture expenses	(757,794)	(837,636)	(848,088)	(773,824)	(741,764)
Operating result	(19,494)	(51,450)	19,338	30,174	29,045
Abnormal items*	25,950	42,991	15,746	7,036	2,064
Underlying surplus / (deficit) after abnormal items	6,456	(8,459)	35,084	37,210	31,109
Balance Sheet					
Current assets	205,264	277,858	132,642	122,916	110,748
Non-current assets	1,761,950	1,736,053	1,693,604	1,557,055	1,480,412
Total assets	1,967,214	2,013,911	1,826,246	1,679,971	1,591,160
Current liabilities	288,600	336,594	248,828	187,336	178,203
Non-current liabilities	311,965	340,509	227,176	133,607	127,606
Total liabilities	600,565	677,103	476,004	320,943	305,809
Total net assets	1,366,649	1,336,808	1,350,242	1,359,028	1,285,351
Reserves**	768,611	802,102	764,086	745,307	708,249
Accumulated funds	598,038	534,706	586,156	613,721	577,102
Total equity	1,366,649	1,336,808	1,350,242	1,359,028	1,285,351
Net cash provided by operating activities	95,232	45,225	83,580	101,655	119,805
Net cash (used in) investing activities	(85,284)	(88,357)	(171,534)	(88,650)	(105,106)
Cash flow provided by (used in) financing activities	(102,845)	195,000	75,000	(2,184)	(7,869)
Net increase / (decrease) in cash and cash equivalents held	(92,897)	151,868	(12,954)	10,821	6,830

* The Abnormal items are primarily composed of expenditure relating to the payment of termination benefits as a result of implementing the COVID-19 pandemic management strategy, capital grants, donations of previously unallocated assets, unspent research grant monies, and expenditure relating to one-time loan break costs. The effect of these items has been removed from the Operating result to provide an Underlying result.

** Reserve primarily reflects the fair value changes in the University's property, plant, and equipment assets and does not translate into available liquid cash. Please refer to Note 21.1 for details.

Auditor-General's report

to the Council members of La Trobe University



Independent Auditor's Report

To the Council of La Trobe University

Opinion I have audited the financial report of La Trobe University (the university) which comprises the:

- statement of financial position as at 31 December 2021
- income statement for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- notes to the financial statements, including significant accounting policies
- statement by Principal Accounting Officer and Chief Financial Officer
- statement by Chancellor and Accountable Officer

In my opinion the financial report is in accordance with Part 7 of the Financial Management Act 1994 and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of the financial position of the university as at 31 December 2021 and of its financial performance and its cash flows for the year then ended
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the university in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information The Council is responsible for the Other Information, which comprises the information in the annual report for the period ended 31 December 2021, but it does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.

Council's responsibilities for the financial report

The Council of the university is responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards, the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Council determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the university's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the university's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council
 - conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the university's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the university to cease to continue as a going concern.
 - evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
-

Auditor-General's report

to the Council members of La Trobe University

**Auditor's
responsibilities
for the audit of
the financial
report
(continued)**

- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the university and the consolidated entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the university and the consolidated entity. I remain solely responsible for my audit opinion.

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I also provide the Council with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

MELBOURNE
31 March 2022



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

Auditor-General's independence declaration



Auditor-General's Independence Declaration

To the Council, La Trobe University

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for La Trobe University for the year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
31 March 2022

A handwritten signature in black ink, appearing to read "C. Jeffries".

Charlotte Jeffries
as delegate for the Auditor-General of Victoria

Statement by Principal Accounting and Chief Financial Officer

31 December 2021



OFFICE OF THE CHIEF FINANCIAL & OPERATIONS OFFICER

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REGIONAL CAMPUSES
Bendigo
Albury-Wodonga
Mildura
Shepparton

25 March 2022

Statement by Principal Accounting Officer and Chief Financial Officer

In my opinion:

- (a) The financial report of La Trobe University and its controlled subsidiaries present a true and fair view of the financial transactions of the University and its controlled subsidiaries during the financial year ended 31 December 2021 and its financial position as at that date;
- (b) Australian Government financial assistance received during the financial year ended 31 December 2021 was expended for the purposes for which it was provided;
- (c) The University has complied in full with the requirements of various program guidelines that apply to the Commonwealth financial assistance identified in this financial report.

The financial report has been prepared in accordance with the provision of the Australian Charities and Non-for-profit Commission Act 2012, Australian Accounting Standards (including Australian Accounting Interpretations), the Directions, the Financial Reporting Directions and other mandatory professional reporting requirements in Australia, Financial Management Act 1994 and Guidelines for the Preparation of Annual Financial Reports for the 2021 Reporting Year by Australian Higher Education Institutions as issued by the Commonwealth Department of Education and Training. In addition, I am not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate and there are reasonable grounds to believe that La Trobe University will be able to pay its debts as and when they fall due.

A handwritten signature in cursive script that reads "Jodie Banfield".

Jodie Banfield
Chief Financial Officer
Melbourne

ABN 64 804 735 113
CRICOS Provider 00115M

Statement by the Chancellor and the Accountable Officer

31 December 2021



OFFICE OF THE CHANCELLOR

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REGIONAL CAMPUSES

Bendigo
Albury-Wodonga
Mildura
Shepparton

25 March 2022

Statement by the Chancellor and Accountable Officer

In our opinion:

- (a) The financial report of La Trobe University and its controlled subsidiaries present a true and fair view of the financial transactions of the University and its controlled subsidiaries during the financial year ended 31 December 2021 and its financial position as at that date;
- (b) Australian Government financial assistance received during the financial year ended 31 December 2021 was expended for the purposes for which it was provided;
- (c) The University has complied in full with the requirements of various program guidelines that apply to the Commonwealth financial assistance identified in this financial report.

The financial report has been prepared in accordance with the provision of the Australian Charities and Non-for-profit Commission Act 2012, Australian Accounting Standards (including Australian Accounting Interpretations), the Directions, the Financial Reporting Directions and other mandatory professional reporting requirements in Australia, Financial Management Act 1994 and Guidelines for the Preparation of Annual Financial Reports for the 2021 Reporting Year by Australian Higher Education Institutions as issued by the Commonwealth Department of Education and Training. In addition, we are not aware at the date of signing this report of any circumstances which would render any particulars included in the report to be misleading or inaccurate, and there are reasonable grounds to believe that La Trobe University will be able to pay its debts as and when they fall due.

The Chancellor and Vice-Chancellor sign this declaration as delegates of, and in accordance with a resolution of, the Council of La Trobe University.

Handwritten signature of The Hon John Brumby AO.

The Hon John Brumby AO
Chancellor

Handwritten signature of Professor John Dewar.

Professor John Dewar
Vice-Chancellor and Accountable Officer

ABN 64 804 735 113
CRICOS Provider 00115M

Income statement

for the year ended 31 December 2021

	Note	2021 \$000s	2020 \$000s
Australian Government financial assistance			
Australian Government grants	2.1	328,750	309,447
HELP - Australian Government payments	2.1	167,088	175,548
State and local Government financial assistance	2.2	9,977	5,469
HECS-HELP student payments		9,167	9,398
Fees and charges	2.3	129,546	183,338
Investment income	3	7,216	8,807
Consultancy and contracts	2.4	63,353	74,167
Other revenue	2.5	23,203	20,012
Total revenue and income from continuing operations		738,300	786,186
Employee related expenses	4	412,289	454,942
Depreciation and amortisation	5	80,227	78,842
Repairs and maintenance	6	14,301	14,647
Borrowing costs	7	3,880	2,034
Professional fees and consultancy expenses		58,408	69,085
(Gain) / Loss on disposal of assets		(1,334)	1,348
Bad and doubtful debts		30	6,311
Deferred superannuation expense	4	(5,126)	2,384
Other expenses	8	195,119	208,043
Total expenses from continuing operations		757,794	837,636
Net operating result*		(19,494)	(51,450)

* The Net operating result includes Abnormal items of \$25.9m in 2021. Excluding the Abnormal items, the Underlying result for the University is Operating profit of \$6.5m for 2021. The Abnormal items are primarily composed of expenditure relating to the payment of termination benefits as a result of implementing the COVID-19 pandemic management strategy, Capital grants and expenditure relating to one-time loan break costs. The effect of these items has been removed from the Operating result to provide an Underlying result. Please refer to Basis of preparation on page 60.

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

Statement of **comprehensive income**

for the year ended 31 December 2021

	Note	2021 \$000s	2020 \$000s
Net operating result for the year		(19,494)	(51,450)
Items that may be reclassified to profit or loss			
Gain / (loss) on financial instruments at fair value through other comprehensive income	21.2	(38,390)	7,451
Items that will not be reclassified to profit or loss			
Gain / (loss) on revaluation of property, plant, and equipment	14.1	4,863	24,256
Receipt of perpetual funds		36	3,309
Total other comprehensive income for the year		(33,491)	35,016
Total comprehensive income / (expense) for the year		(52,985)	(16,434)

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

Statement of financial position

as at 31 December 2021

	Note	2021 \$000s	2020 \$000s
ASSETS			
Current assets			
Cash and cash equivalents*	9	108,576	201,473
Trade and other receivables*	10	63,756	42,848
Contract assets	10	6,458	6,069
Inventories		133	120
Other non-financial assets	12	26,341	27,348
Total current assets		205,264	277,858
Non-current assets			
Trade and other receivables	10	69,189	74,431
Other financial assets	11	107,338	80,892
property, plant, and equipment	14	1,553,147	1,556,249
Intangible assets	15	31,976	24,358
Deferred loan origination costs		300	123
Total non-current assets		1,761,950	1,736,053
Total assets		1,967,214	2,013,911
LIABILITIES			
Current liabilities			
Trade and other payables	16	67,305	84,063
Borrowings	17	2,910	87,586
Provisions	19	62,475	65,934
Other liabilities	20	23,177	1,189
Contract liabilities**	16	132,733	97,822
Total current liabilities		288,600	336,594
Non-current liabilities			
Borrowings	17	227,394	247,000
Provisions	19	78,965	87,461
Other liabilities***	20	5,606	6,048
Total non-current liabilities		311,965	340,509
Total liabilities		600,565	677,103
Net assets		1,366,649	1,336,808
Equity			
Reserves#	21.1	768,611	802,102
Retained surplus	21.3	598,038	534,706
Total equity		1,366,649	1,336,808

* Closing Cash balance for 2020 is reclassified to exclude \$298K of monies receivable from a customer; It is now correctly reported under Receivables; Monies payable to the Department of Education is now correctly included under Contract Liabilities.

** Monies payable to the Department of Education is now correctly included under Contract Liabilities; In FY 2020 it was inadvertently included in Debtors.

*** Financial year 2020 balance realigned to exclude Perpetual funds. These Perpetual Funds are now included in Reserves.

Reserves primarily reflects the fair value changes in the University's property, plant, and equipment assets and does not translate into available liquid cash. Please refer to Note 21.1 for details.

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

Statement of changes in equity

for the year ended 31 December 2021

2021	Retained surplus \$000s	Reserves \$000s	Total \$000s
Balance at 1 January 2021	534,706	802,102	1,336,808
Net operating result for the year	(19,494)	-	(19,494)
Receipt of perpetual funds	-	36	36
Gain / (loss) on financial instruments at fair value through other comprehensive income	-	(38,390)	(38,390)
Gain / (loss) on revaluation of property, plant, and equipment	-	4,863	4,863
Deferred Government superannuation (contributions)	-	5,126	5,126
Deferred superannuation expense	-	(5,126)	(5,126)
Total comprehensive income / (loss)	(19,494)	(33,491)	(52,985)
Transfers	82,826		82,826
Sub-total	63,332	(33,491)	29,841
Balance at 31 December 2021	598,038	768,611	1,366,649

2020	Retained surplus \$000s	Reserves \$000s	Total \$000s
Balance at 1 January 2020	586,156	764,086	1,350,242
Net operating result for the year	(51,450)	-	(51,450)
Receipt of perpetual funds	-	3,309	3,309
Gain / (loss) on financial instruments at fair value through other comprehensive income	-	7,451	7,451
Gain / (loss) on revaluation of property, plant, and equipment	-	24,256	24,256
Deferred Government superannuation (contributions)	-	(2,384)	(2,384)
Deferred superannuation expense	-	2,384	2,384
Total comprehensive income / (loss)	(51,450)	35,016	(16,434)
Transfers	-	3,000	3,000
Sub-total	(51,450)	38,016	(13,434)
Balance at 31 December 2020	534,706	802,102	1,336,808

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

Statement of cash flows

for the year ended 31 December 2021

	Note	2021 \$000s	2020 \$000s
Cash flows from operating activities			
Australian Government grants		498,052	463,198
State Government grants		9,977	5,469
HECS-HELP student payments		9,167	9,398
OS-HELP (net)		24,154	22,142
Receipts from student fees and other customers		241,092	296,329
Investment and Dividend income received		5,880	10,615
Restricted funds received		238	2,017
Payments to suppliers and employees (inclusive of GST)		(706,227)	(783,118)
GST received / (paid) during the year		18,526	22,190
Interest paid		(5,628)	(3,313)
Net cash provided by operating activities	30	95,232	44,927
Cash flows from investing activities			
Proceeds from sales of financial assets		5,260	30,659
Proceeds from sales of property, plant, and equipment, and Intangibles and other long-term assets		6,780	305
Payments to acquire property, plant, and equipment, and Intangibles and other long-term assets		(85,324)	(119,321)
Payments for financial assets		(12,000)	-
Net cash used in investing activities		(85,284)	(88,357)
Cash flows from financing activities			
Proceeds from borrowings	17.3	-	195,000
Repayment of borrowings	17.3	(102,535)	-
Cost of borrowing activities		(310)	-
Net cash used in financing activities		(102,845)	195,000
Net increase/(decrease) in cash and cash equivalents held		(92,897)	151,570
Cash and cash equivalents at beginning of financial year		201,473	49,903
Cash and cash equivalents at end of financial year*	9	108,576	201,473

* Closing Cash balance for 2020 is reclassified to exclude \$298K of monies receivable from a customer; It is now correctly reported under Receivables.
The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

for the year ended 31 December 2021

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About this report

Basis of preparation

The principal accounting policies adopted in the preparation of this financial report are reflected alongside with the relevant notes. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report consists of the report for La Trobe University as an individual reporting entity.

The principal address of the University is La Trobe University, Melbourne, Victoria 3086.

The annual financial statements represent the audited general purpose financial statements of La Trobe University. They have been prepared on an accrual basis in accordance with Australian Accounting Standards. La Trobe University applies Tier 1 reporting requirements.

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

- (a) *Higher Education Support Act 2003* (Financial Statement Guidelines)
- (b) *Financial Management Act 1994* and other State/Commonwealth Government legislative requirements.
- (c) The applicable Standing Directions and Financial Reporting Directions issued by the Assistant Treasurer.
- (d) *Australian Charities and Not-for-profits Commission Act 2021*.
- (e) *Australian Research Council Act 2001*.

La Trobe University is a not-for-profit entity and these statements have been prepared on that basis. Some of the requirements for not-for-profit entities are inconsistent to the IFRS requirements.

The COVID-19 pandemic continues to be a major disruption across Australia, both in terms of our economic activity and our daily lives. There is substantial uncertainty about the long-term effect of the pandemic and how a massive public health response will lead to changes in our economy. The closure of international border had significant impact on higher education sector. This impact will be felt over multiple years, especially in education for international students' pipeline model, in which commencing students translate into multiple years of future enrolments. The missing cohorts from late 2020 and 2021 – and potentially into 2022 – will have an ongoing impact.

Over the course of 2020 & 2021, the University has developed and implemented planned measures so that we are able to respond to a range of potential scenarios and so that we can manage the circumstances created by this ongoing pandemic.

At La Trobe University (the University), Covid-19 has had a significant impact on the University financials specifically impacting La Trobe University's student load and the University's ability to generate commercial revenue. Due to the government restriction on arrival of international students, the University's revenue experienced a decline of 10.2% and 6.1% in 2020 and 2021 financial years, respectively. The University also saw declines in Research Grants (ability to complete grants remotely and with no/limited clinical trials), declines in Commercial Income and Other Income – all COVID-19 related.

In 2022, the University is forecasting for revenue to decline by (1%), primarily due to decline in teaching revenue (3%). The teaching revenue decline is attributed to the cascading impact of the lost international students from 2020 which will have a budgetary impact for the next few years. For 2023 onwards, the University is forecasting for revenue growth % rates to be back to pre-Covid levels of approximately 6%, however the overall revenue \$ generated will still be lower than pre-Covid rates and not anticipated to get back to pre-Covid run rate until post 2024.

The University Transformation Program (UTP) was established in June 2020 to provide a strategic basis for the necessary cost reduction activities that were anticipated to be required due to the reduction in revenue caused by the COVID-19 crisis. In 2020 the transformation implemented the following programs: Jobs Protection framework; Voluntary Redundancy Program; Non-Salary Savings and Capital Program Reductions. In 2021 the Transformation Program focused on delivering a revised University structure which allowed us to continue to reduce cost and right size the University. In 2022 this revised structure will allow us to reduce operating salaries by \$72m or 18% from a the 2019 pre-covid baseline. The University will continue work on its plans to achieve utmost efficiencies whilst it continues to face the impact of COVID-19 with an aim to thrive in a post-COVID world by being more sharply focused on the needs of our community, and by playing to our strengths in teaching and research.

These coronaviruses (COVID-19) business impacts and significant uncertainty related to the State imposed restrictions, community freedom of movement and concerns around the Education and Tourism industry have been considered in making judgements, estimates and assumptions about the information being presented in these financial statements. Further disclosures on these matters are made in the following sections of this report:

- Receivables contract assets including expected credit loss provision (Note 10)
- Property, plant, and equipment (Note 14)
- Borrowings (Note 17)
- Subsidiaries (Note 27)
- Subsequent events (Note 29)
- Fair value measurements (Note 32)

Date of authorisation for issue

The financial statements were authorised for issue by the University Council of La Trobe University on 25th March 2022.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for debt and equity financial assets that have been measured at fair value either through other comprehensive income or profit or loss, and certain classes of property, plant, and equipment.

Critical accounting estimates and judgements

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

(a) Fair value of property, plant, and equipment

The University carries its land and buildings at fair value with changes in the fair value recognised in the revaluation reserve. Independent valuations are obtained at least triennially. At the end of each reporting period, management update their assessment of the fair value of each property, taking into account the most recent valuations and movements in the market.

Land, buildings, leasehold improvements, and infrastructure assets are measured and disclosed at fair value for financial reporting purposes as per Note 14. In order to determine fair value of an asset the valuers have used market-observable data to the extent it is available.

The categorisation of fair value measurement into different levels of the fair value hierarchy depends on the degree to which the inputs into the fair value measurement are observable and the significance of the inputs into the fair value measurement. The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets and the lowest priority to unobservable valuation inputs. The hierarchy categorises the inputs used in valuation techniques into three levels:

Level 1 inputs are quoted prices in active markets for identical assets that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for an asset, either directly or indirectly. Level 2 inputs include:

- quoted prices for similar assets in active markets;
- quoted prices for identical or similar assets in markets that are not active;
- inputs other than quoted prices that are observable for the asset;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs').

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date. The valuers develop unobservable inputs using the best information available in the circumstances, which might include the valuers own data, taking into account all information about market participant assumptions that is reasonably available.

(b) Works of art

Works of art are initially carried at cost and revalued subsequently at fair value. Donated or bequeathed Works of art assets are carried at fair value and are not depreciated as they do not have a finite useful life. The current use is considered the highest and best use.

An external revaluation process is required every three years but may occur more frequently if material movements in fair value are identified.

As the work of art is unique in nature, its value is based level 3 technique and is based on best information available to the valuer at the time of valuation.

(c) Provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

The University records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment includes the University's contractual receivables. Investments in equity instruments are not subject to impairment under AASB 9.

Under the current environment of coronavirus (COVID-19) the University has closely monitored its debtors and the provisions, if any, required to be undertaken for impairment. Although the University experienced an increase in the overall receivables as at the end of the financial year, the provision for impairment saw a slight decrease during 2021. (Please refer to note 10 for details).

(d) Provisions

As described in the accounting policies, provisions are management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes.

Notes

1. Summary of Significant Accounting Policies for the year ended 31 December 2021

1.1 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation/depreciation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use, being written down replacement cost.

1.2 Income tax

The University is exempt from income tax in accordance with the Division 50 of the Income Tax Assessment Act 1997.

1.3 Goods and services tax (GST)

The University is registered for, and accounts for, GST on an accrual basis. Revenues, expenses, assets and liabilities are recognised net of GST amounts, with the exception of receivables and payables, which are inclusive of GST. The net amount of GST receivable from or payable to the Australian Tax Office at balance date is recognised in the Statement of financial position as a current asset within trade and other receivables, or current liabilities within trade and other payables.

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

i) Functional and presentation currency

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

ii) Transactions and balances

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

1.5 Comparative amounts

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

1.6 Rounding of amounts

The amounts in the financial statements have been rounded to the nearest thousand dollars (000s).

1.4 Foreign currency translation

1.7 New accounting standards and interpretations

The following standards have been issued but are not mandatory for 31 December 2021 reporting periods. La Trobe University has elected not to early adopt any of the standard. The University's assessment of the impact of this new standard and interpretations is set out below:

Standard name	Effective date for entity	Requirements	Impact
AASB2020-1 and AASB2020-6	1 January 2023	a) Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current and b) Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date	The amendments are not expected to have a significant impact for the University.
AASB2020-3	1 January 2022	Amendments to Australian Accounting Standards – Annual Improvements 2018–2021 and Other Amendments	The amendments are not expected to have a significant impact for the University.
AASB17 and AASB2020-5	1 January 2023	Insurance Contracts and Amendments to Australian Accounting Standards – Insurance Contracts	The amendments are not expected to have a significant impact for the University.
AASB2014-10 and AASB2017-5	1 January 2022	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The amendments are not expected to have a significant impact for the University.
AASB2021-2	1 January 2023	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	The amendments are not expected to have a significant impact for the University.
AASB2021-3	1 April 2021	Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021	The amendments are not expected to have a significant impact for the University.
AASB2021-5	1 January 2023	Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	The amendments are not expected to have a significant impact for the University.

2. Revenue and income

The notes 2.1 to 2.5 disclose the revenue and income received during the period according to the mandatory disclosures required by the department. The disclosures as per AASB15 and AASB1058 are included in the note 2.6 and a reconciliation is included in note 2.7.

2.1 Australian Government financial assistance including HECS-HELP and other Australian Government loans

(a) Commonwealth grants scheme and other grants	Note	2021 \$000s	2020 \$000s
Commonwealth grants scheme		248,982	237,475
Indigenous student success program		899	1,172
Higher education Partnership and Participation program		4,395	5,100
Disability performance funding		237	202
Superannuation Program		4,767	3,699
National Priorities and Industry Linkage Fund		3,493	-
Supporting More Women in STEM careers		48	-
Other		2,565	-
Total Commonwealth grants scheme and other grants	34.1	265,386	247,648
(b) Higher education loan programs			
HELP payments		141,779	153,406
FEE - HELP payments		24,154	22,142
SA-HELP payments		1,155	-
Total Higher education loan programs	34.2	167,088	175,548
(c) Education research			
Research Training Program		19,475	18,932
Research Support Program		19,860	16,413
Total Education research grants	34.4	39,335	35,345
(d) Other capital funding			
Linkages - Infrastructure		-	1,700
Total other capital funding	34.5	-	1,700
(e) Australian research council			
(i) Discovery			
Discovery - Projects		5,594	4,330
Discovery - Fellowships		972	1,119
Total Discovery		6,566	5,449
(ii) Linkages			
Linkages - Projects		1,673	1,363
Total Linkages		1,673	1,363
Special research initiatives		303	45
Total Australian research council*	34.6	8,542	6,857

Notes

2. Revenue and income (cont.)

(f) Other Australian Government financial assistance	Note	2021 \$000s	2020 \$000s
Non-capital			
National Health and Medical Research Council*		13,627	10,576
Other Australian Government financial assistance		1,860	7,321
Total other Australian Government financial assistance	34.7	15,487	17,897
Total Australian Government financial assistance		495,838	484,995

* If the ARC and NHMRC research grants were to be recognised under AASB1058, instead of revenue recognised under AASB15 currently being applied by the University on such grants, the revenue recorded under these grants will increase by \$2.2m (2020: \$393K).

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction.

The following specific research revenue recognition criteria have been applied:

- Funding received from Australian Research Council (ARC) and National Health and Medical Research Council (NHMRC) is considered to be enforceable and the performance obligations are sufficiently specific. Revenue is recognised under AASB15 over-time using the input method (i.e. as the expenses are incurred). There are differing views within the Higher Education sector as to whether ARC and NHMRC funding should be recognised under AASB15 or AASB1058.
- Funding received from the Department of Education – Research Block Grant (RBG): The University receives funding in relation to the Research Training Program (RTP) and Research Support Program (RSP) both of which are governed by the Higher Education Support Act and the legislative provisions contained within therefore creating enforceability. The guidelines specify in which areas the funds are to be spent, however LTU has discretion on the amount that can be spent in each area therefore the performance obligations are not sufficiently specific. Revenue is therefore recognised under AASB1058 - Income of Not-for-Profit entities as and when the monies are received by the University.
- During FY 2021 the Government provided an additional \$17m funding through the RSP to alleviate the immediate financial pressures on universities during the COVID-19 pandemic. This

additional funding received from the Government was accounted under AASB15 because of the specific conditions attached with it.

- Funding received from non-Government entities will depend on each individual contract agreement. For enforceability LTU ensures there is an executed agreement with a clause specifying the governing law in terms and conditions. For a performance obligation to be sufficiently specific the agreement (including any attached schedules) must provide details of outputs required by LTU to deliver to the funder or other beneficiary. Judgement is necessary to assess whether a promise is sufficiently specific; this considers any conditions specified in the arrangement, whether explicit or implicit. The following aspects are considered when assessing for specificity:
 - the nature or type of the goods and services;
 - the cost or value of the goods and services;
 - the quantity of the goods and services; and
 - the period over which the goods and services must be transferred.

The input method of recognition is the most appropriate method for revenue recognition as this best depicts the transfer of the performance obligation required by the University. Therefore, research revenue is recognised under AASB15 over-time approach using the input method (i.e. as the expenses are incurred).

2.2 State and local Government financial assistance

	2021 \$000s	2020 \$000s
Capital - other	5,898	2,523
Non-capital - research	4,079	2,946
Total State and local Government financial assistance	9,977	5,469

2.3 Fees and charges

	2021 \$000s	2020 \$000s
Course fees and charges		
Fee-paying onshore overseas students	97,369	151,884
Fee-paying offshore overseas students	6,913	7,354
Continuing education	10,636	12,744
Fee-paying domestic postgraduate students	3,016	2,915
Fee-paying domestic undergraduate students	575	26
Course and conference fees	95	90
Total course fees and charges	118,604	175,013

	2021 \$000s	2020 \$000s
Other non-course fees and charges		
Parking fees	814	621
Student services and amenities fees from students	5,554	2,806
Other services	4,574	4,898
Total other fees and charges	10,942	8,325
Total fees and charges	129,546	183,338

The course fees and charges revenue relates to undergraduate programs, graduate and professional degree programs and continuing education and executive programs.

For the courses that are delivered within the same financial reporting period in which the cash is received, the revenue is recognised at the time of cash receipts from student or receipt of Government funding. La Trobe University has an obligation to return funds if a student withdraws before census date and thus any related revenue recognised at the time of cash receipt is reversed accordingly.

For the courses where the delivery is crossing over two reporting periods:

- (a) the revenue is recognised under AAS15 over-time using input method i.e. as and when the course is delivered to students over the semester;
- (b) when the courses or trainings have been paid in advance by students or the University has received the Government funding in advance (e.g. before starting the academic period) the University recognises a 'Contract Liability' until the services are delivered.

Non-course fees and charges revenue relates to student services and amenities fees, parking fees, and other services. Revenue is recognised at a point in time when the service is delivered.

2.4 Consultancy and contracts

	2021 \$000s	2020 \$000s
Consultancy	5,379	3,172
Contract research	57,974	70,995
Total consultancy and contract	63,353	74,167

In accordance with the accounting standard AASB15, the consultancy and contract revenue is recognised using the over-time method i.e. as and when the related obligation towards the customers is satisfied.

2.5 Other revenue

	2021 \$000s	2020 \$000s
Sale of goods	486	461
Other trading revenue	1,744	1,052
Accommodation revenue	12,088	6,700
Donations and bequests	4,377	4,581
Scholarships and prizes	2,212	1,815
Other revenue	2,296	5,403
Total other revenue	23,203	20,012

Trading revenue is generated from the sale of goods by the commercial and trading bodies which include:

1. Accommodation Services
2. La Trobe University Children's Centre
3. La Trobe Sports Centre
4. Eagle Bar

In accordance with the accounting standard AASB15, other revenue is recognised at a point-in-time when the service is delivered to the customers.

Notes

2. Revenue and income (cont.)

2.6 Revenue and income from continuing operations

Sources of funding

The University receives funds from Australian Government as well as State and Local Government to assist with education programs across a wide range of disciplines, and at different education qualification levels. Apart from the sources received from Government, the University also receives funds and fees from private organisations or individuals that are used for the different programs led by the University or correspond to the education services provided by the University.

Revenue and income streams

The streams are distinguishing the different activities performed by the University as well as acknowledging the different type of users of the programs and services provided:

- i) Education: The University has domestic and overseas students enrolled in a variety of programs for different qualification levels (from certificates to doctoral degrees). While the number of domestic students is affected by national economic factors such as interest rates or unemployment, the overseas students are impacted by changes in immigration policies.
- ii) Research: The University performs research activities in different fields such as health, engineering, education and science. The University enters into many different types of research agreements with different counterparties, such as with private sector customers and Government agencies that award research grants. Each grant agreement needs to be assessed as to whether it is an enforceable arrangement and contains sufficiently specific promises to transfer outputs from the research to the customer (or at the direction of the customer). Judgement is required in making this assessment. The University has concluded that some research agreements represent a contract with a customer whereas other research grants are recognised as income when the University obtains control of the research funds.
- iii) Non-course fees and charges: These correspond to the complementary services provided by the University such as parking, and student services.

a) The University derives revenue and income from:

Sources of Funding									
	Higher Education Loan Program ("HELP")	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
Year ended 2021									
Revenue streams	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Course fees and charges									
Domestic students undergraduate	141,779	9,214	243,877	-	-	-	-	394,870	-
Onshore overseas students undergraduate	-	64,181	-	-	-	-	-	64,181	-
Offshore overseas students undergraduate	-	6,909	-	-	-	-	-	6,909	-
Domestic students postgraduate	24,151	1,450	-	-	-	-	-	25,601	-
Onshore overseas students postgraduate	-	55,327	-	-	-	-	-	55,327	-
Other Teaching	-	14,992	-	-	-	-	(24,628)	(9,636)	-
Total course fees and charges	165,930	152,073	243,877	-	-	-	(24,628)	537,253	-

Sources of Funding

	Higher Education Loan Program ("HELP")	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
Year ended 2021									
Revenue streams	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Research									
Contract research	-	-	87,581	-	-	-	-	87,581	-
Research grant	-	-	-	-	-	-	-	-	40,350
Total research	-	-	87,581	-	-	-	-	87,581	40,350
Recurring Government grants	-	-	23,290	4,079	-	-	-	27,370	-
Non-course fees and charges									
Parking fees	-	-	-	-	-	-	-	-	-
Use of Facilities and Student Accommodation	-	-	-	-	819	-	-	819	-
Fee for Service	-	-	-	-	17,255	-	-	17,255	-
Childcare Fees	-	-	-	-	4,032	-	-	4,032	-
Commercial sales (e.g. sale of books and publications)	-	-	-	-	3,240	-	-	3,240	-
Student Service and Amenities Fee	-	-	-	-	1,491	-	-	1,491	-
Sundry Revenue	-	6,709	-	-	-	-	-	6,709	-
Other	-	-	-	-	2,594	-	-	2,594	-
Total non-course fees and charges	-	6,709	-	-	31,924	1,865	-	40,498	-
Capital Government grants	-	-	5,898	-	-	-	-	5,898	-
Royalties and Licence Fees	-	-	-	-	1,006	-	-	1,006	-
Total Royalties, trademarks and licences	-	-	-	-	1,006	-	-	1,006	-
Other	-	-	-	-	-	7,237	(6,716)	521	-
Other (AASB15)	-	-	-	-	-	-	(3,900)	(3,900)	-
Other (AASB1058)	-	-	-	-	-	-	-	-	1,724
Total other	-	-	-	-	-	7,237	(10,616)	(3,379)	1,724
Total revenue and income from continuing operations	165,930	158,782	360,646	4,079	32,931	9,102	(35,244)	696,226	42,074

Notes

2. Revenue and income (cont.)

2.6 Revenue and income from continuing operations (cont.)

	Sources of Funding								
	Higher Education Loan Program ("HELP")	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
Year ended 2020									
Revenue streams	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Course fees and charges									
Domestic students undergraduate	153,406	9,466	230,958	-	-	-	-	393,830	-
Onshore overseas students undergraduate	-	93,038	-	-	-	-	-	93,038	-
Offshore overseas students undergraduate	-	7,344	-	-	-	-	-	7,344	-
Domestic students postgraduate	22,142	4,171	-	-	-	-	-	26,313	-
Onshore overseas students postgraduate	-	85,229	-	-	-	-	-	85,229	-
Other Teaching	-	13,973	-	-	-	-	(29,789)	(15,816)	-
Total course fees and charges	175,548	213,221	230,958	-	-	-	(29,789)	589,938	-
Research									
Contract research	-	-	95,831	-	-	-	-	95,831	-
Research grant	-	-	-	-	-	-	-	-	35,346
Total research	-	-	95,831	-	-	-	-	95,831	35,346
Recurring Government grants			22,496	2,946			-	25,442	-
Non-course fees and charges									
Parking fees	-	-	-	-	730	-	-	730	-
Use of Facilities and Student Accommodation	-	-	-	-	12,145	-	-	12,145	-
Fee for Service	-	-	-	-	2,585	-	-	2,585	-
Childcare Fees	-	-	-	-	2,846	-	-	2,846	-
Commercial sales (e.g. sale of books and publications)	-	-	-	-	1,380	-	-	1,380	-
Student Service and Amenities Fee	-	2,805	-	-	-	-	-	2,805	-
Sundry Revenue	-	-	-	-	5,659	-	-	5,659	-
Other	-	-	-	-	(1,124)	1,818	-	694	-
Total non-course fees and charges	-	2,805	-	-	24,221	1,818	-	28,844	-

Sources of Funding

	Higher Education Loan Program ("HELP")	Student fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
Year ended 2020									
Revenue streams	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Capital Government grants	-	-	2,523	-	-	-	-	2,523	-
Royalties and Licence Fees	-	-	-	-	362	-	-	362	-
Total Royalties, trademarks and licences	-	-	-	-	362	-	-	362	-
Other	-	-	-	-	-	2,303	-	2,303	-
Other (AASB15)	-	-	-	-	-	-	(1,080)	(1,080)	-
Other (AASB1058)	-	-	-	-	-	-	-	-	6,678
Total other	-	-	-	-	-	2,303	(1,080)	1,223	6,678
Total revenue and income from continuing operations	175,548	216,026	351,809	2,946	24,583	4,121	(30,869)	744,164	42,024

3. Investment income

	Note	2021 \$000s	2020 \$000s
Dividends from equity instruments designated at fair value through OCI		901	6,153
Dividends from equity investments		11	12
Interest income on bank deposits		812	513
Realised loss on investments		-	(2,278)
Lease income	13	5,056	4,697
Net fair value gains / (losses) on financial assets designated at fair value through profit or loss		436	(290)
Total investment income		7,216	8,807

Interest revenue is recognised as it is earned. Dividend revenue is recognised when the University's right to receive the payment is established, which is generally when shareholders approve the dividend.

Gain/(loss) on financial assets and liabilities at fair value through profit or loss comprised of realised gains on the University's investment in Russell Investments (also refer Note 11).

For accounting policy on lease income, please refer to note 13 which details the policy for the University as a lessor for 2021 and 2020.

Notes

4. Employee related expenses

	2021 \$000s	2020 \$000s
Academic		
Salaries	158,100	168,552
Contributions to superannuation and pension schemes:		
Contributions to funded schemes	25,703	27,753
Contributions to unfunded schemes	2,333	2,148
Payroll tax	9,340	10,445
Workers' compensation	1,381	1,433
Long service leave	6,667	9,510
Annual leave	(6,140)	(9,122)
Allowances	2,870	3,612
Other	38	213
Termination benefits	14,204	19,967
Total academic	214,496	234,511
Non-academic		
Salaries	135,214	151,420
Contributions to superannuation and pension schemes:		
Contributions to funded schemes	28,483	24,140
Contributions to unfunded schemes	2,061	2,016
Payroll tax	8,682	9,784
Workers' compensation	725	1,038
Long service leave	9,161	10,429
Annual leave	(5,778)	(6,633)
Allowances	1,902	2,361
Other	405	354
Termination benefits	16,938	25,522
Total non-academic	197,793	220,431
Total employee related expenses	412,289	454,942
Deferred superannuation expense	(5,126)	2,384
Total employee related expenses, including deferred Government employee benefits for superannuation	407,163	457,326

Note: Ex-gratia termination payments associated with negotiated staff departures from the University in 2021 amounted to \$712K (2020: \$739K).

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

Past service costs are recognised in profit or loss at the earlier of the following dates:

- (a) when the plan amendment or curtailment occurs; and
- (b) when the entity recognises related restructuring costs or termination benefits.

5. Depreciation and amortisation

	2021 \$000s	2020 \$000s
Depreciation		
Buildings - owned	27,143	23,742
Jointly owned buildings	1,610	1,610
Leasehold improvements	3,004	2,942
Infrastructure	5,483	5,294
Plant and equipment	10,471	10,724
Right-of-use assets	3,050	2,928
Furniture, fixtures, and office equipment	4,176	3,870
Motor vehicles	22	43
Computer hardware	4,232	6,334
Library collection	10,138	9,399
Total depreciation	69,329	66,886
Amortisation		
Intangible assets	10,898	11,956
Total amortisation	10,898	11,956
Total depreciation and amortisation	80,227	78,842

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

Fixed asset class	2021 (%)	2020 (%)
Buildings	3.5 average	3.4 average
Leasehold improvements	7-11	8-12
Infrastructure	3-5	3-5
Plant and equipment	5-10	5-10
Right-of-use assets		
Buildings	11-14	10-12
Vehicles	30-35	40-45
Others	20	20
Furniture, fixtures, and fittings	10	10
Motor vehicles	5-10	15-20
Computer equipment	33	33
Library collections	10	10
Intangible assets		
Amortisation has been included within the depreciation and amortisation line in the income statement. The following useful lives are applied for intangible assets with finite useful lives:		
Software	20	19
Online digital content	25	25
Cloud based software	10-20	10-20
Loan origination costs	14	14

Notes

6. Repairs and maintenance

	2021 \$000s	2020 \$000s
Buildings	6,000	6,275
Plant and equipment	8,301	8,372
Total repairs and maintenance	14,301	14,647

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

7. Borrowing costs

	2021 \$000s	2020 \$000s
Interest expense	3,617	1,745
Interest expense on lease liabilities	263	289
Total borrowing costs expensed	3,880	2,034

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

For interest expense on lease liabilities, please refer to note 18 which details the policy for lease accounting where the University is a lessee.

8. Other expenses

	2021 \$000s	2020 \$000s
Advertising, marketing and promotional expenses	12,086	9,862
Scholarships, grants and prizes	25,283	31,148
Building and grounds - occupancy expenses	37,852	35,784
Computer expenses	8,114	10,072
Telecommunications	21,203	20,871
Non-capitalised equipment	1,738	1,813
Loan breakage costs	133	25
Teaching partners - payments	34,043	34,327
Non-salary expense recoveries and research support expenses	9,517	9,061
Student amenities	3,468	3,760
Bank and investment management charges	1,926	1,203
Publications	5,890	5,750
Staff training and development	1,452	1,024
Travel, accommodation and entertainment	1,435	1,879
Research participant payments	23,913	31,234
Miscellaneous expenses	7,066	10,230
Total other expenses	195,119	208,043

9. Cash and cash equivalents

	2021 \$000s	2020 \$000s
Cash at bank and on hand	107,342	200,244
Short-term deposits at call	1,234	1,229
Total cash and cash equivalents*	108,576	201,473

* Closing Cash balance for FY 2020 is reclassified to exclude \$298K of monies receivable from a customer; It is now correctly reported under Note 10 - Receivables and contract assets.

9.1 Reconciliation to cash at the end of the year

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

	2021 \$000s	2020 \$000s
Balances as above	108,576	201,473
Balance as per statement of cash flow	108,576	201,473

Cash on hand is non-interest bearing. Cash at bank earns a weighted average interest rate of 0.30% (2020: 0.48%).

9.2 Deposits at call

The deposits are at floating weighted average interest rates of 0.50% (2020: 0.49%). These deposits have average maturity of 30 days.

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

10. Receivables and contract assets

	Note	2021 \$000s	2020 \$000s
Current			
Receivables*		37,575	43,338
Contract assets		6,458	6,069
Franking credits receivable from ATO**		25,013	-
Allowance for expected credit losses		(6,872)	(7,017)
Deferred Government benefit for superannuation	33.3	4,462	4,346
GST receivable		3,578	2,181
Total current receivables		70,214	48,917

* Closing balance for 2020 is realigned:

i) to include \$298K of monies receivable from a customer which was inadvertently reported under Cash.

ii) to exclude an item amounting to \$9.7m that was netted off against University debtors and has now been correctly included as part of Contract Liabilities in Note 16.

** Franking credits receivable from ATO as a result of transformative restructure of Education Australia (EA) in 2021. Details of the transaction are provided in Note 11 - Other financial assets

	Note	2021 \$000s	2020 \$000s
Non-current			
Receivables		482	482
Deferred Government benefit for superannuation	33.3	68,707	73,949
Total non-current receivables		69,189	74,431
Total trade and other receivables		139,403	123,348

Receivables are non-interest bearing and are generally on terms of immediate to 30 days.

A receivable represents La Trobe University's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Refer to note 11 for detailed accounting policy for financial assets.

Contract assets

As at 31 December 2021, the University has contract assets of \$6,458K (2020: \$6,069K). There are no expected credit losses against these contract assets.

Below is the movement in the allowance for expected credit losses of trade receivables and contract assets:

	2021 (%)	2020 \$000s
At 1 January	7,017	1,464
Provision for expected credit losses	2,048	5,831
Receivables written off during the year as uncollectible	(243)	(278)
Impaired receivables collected	(1,950)	-
As at 31 December	6,872	7,017

Notes

10. Receivables and contract assets (cont.)

Classification and measurement

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. At initial recognition trade receivables are measured at their transaction price and subsequently these are classified and measured as debt instruments at amortised cost. Trade receivables are due for settlement no more than 120 days from the date of recognition for land development, International sponsor, Research and resale debtors, and no more than 30 days for other debtors

Impairment

For student fees, trade receivables and contract assets the University applies a simplified approach in calculating expected credit losses ("ECLs"). The change in expected credit loss rate accounts for the uncertainty in market conditions due to coronavirus (COVID-19) and the possible impacts on credit risk of the contractual receivables.

The University does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The University has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

While a receivable is the University's right to consideration that is unconditional, a contract asset is the University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditioned on something other than the passage of time (e.g., the University's future performance).

11. Other financial assets

Financial assets - non-current	2021 \$000s	2020 \$000s
Non-current		
Other financial assets at fair value through other comprehensive income	35,251	20,564
Other financial assets at fair value through profit and loss	10,207	9,772
Investment in equity instruments designated at fair value through other comprehensive income*	61,796	50,472
Investment in equity instruments designated at fair value through profit and loss	84	84
Total non-current other financial assets	107,338	80,892

* In August 2021, the University became a direct shareholder in IDP Ltd instead of holding the shares indirectly through Education Australia. The background of the transaction and the accounting treatment of the share distribution is mentioned below:

In late 2020, Education Australia (EA) initiated a comprehensive consultation process with EA shareholders.

On 13 April 2021, the consultation resulted in a unanimous approval by EA shareholders for a transformative restructure of Education Australia Limited's 40% shareholding in IDP Ltd (IDP). The restructure resulted in an in-specie distribution of 1,831,159 IDP shares to La Trobe University in August 2021.

This In specie distribution resulted in the University having direct shareholding in IDP and provided the University with the flexibility to retain or dispose of the distributed shares according to the University requirements, subject to certain escrow arrangements and limited ongoing restrictions.

Since EA completed the restructure transaction in August 2021, the University do not hold any investment in EA as of 31 December 2021 (besides having a small amount of receivables from EA, which have been included in Note 10 - "Receivables and contract assets").

Accounting treatment

Background: The University was one of the 38 universities holding one share each in Education Australia Ltd ('EA'). The University elected to measure the investment in EA at fair value through OCI as permitted by AASB 9. At the end of last financial year, i.e., as of 31 December 2020, the fair value of the investment in EA in the University's books was \$50M.

Accounting for divestment of EA shares:

- As required by AASB 9.3.2.12, the University fair valued the investment in EA at date of derecognition. It is University's view that the derecognition requirements of AASB 9.3.2.3(a) are satisfied when there is a recovery of cost of the investment. As such the University revalued its investment in EA at the date when the cost of the investment was recovered, which corresponded with the date of receipt of dividend. We recognised all fair value gains or losses in OCI as we made an irrevocable election at initial recognition.
- The fair value of EA shares was determined as per the applicable principles in AASB 13. The fair value of EA at date of derecognition was \$82.8m. This fair valuation aligned to the value of exchange of shares in IDP Education Ltd (IDP) that were provided in the proposed transaction.

Accounting for the dividend payout received during wind-up process of EA

- Dividends are ordinarily recognised, as income from investments unless the dividend clearly represents a 'recovery of part of the cost of the investment', when:
 - the entity's right to receive payment of the dividend is established
 - it is probable that the economic benefits associated with the dividend will flow to the entity; and
 - the amount of the dividend can be measured reliably.
- The dividend distributions made by EA as part of the winding up process, were recognised as 'recovery of cost of investment' and were not recognised as income because they represent 'recovery of the cost of the investment' (AASB 9.B5.7.1). This is evident from the 98% decrease in value of the investment in Education Australia via the dividend distribution. Further this decision is supported by the below facts:
 - the winding up of EA was approved by ordinary resolution of EA shareholders at an extraordinary general meeting
 - the winding up of EA was confirmed by the Chair of EA in his shareholder email of 28 September 2021
 - each and every EA Shareholder must enter into an agreement with The British Council and The Chancellor Masters and Scholars of the University of Cambridge acting by the University of Cambridge Local Examinations Syndicate undertaking to comply with the restrictions of further divestment of their IDP shares
 - no further economic benefits (in addition to the agreed dividend) is expected to be received from the investment due to its planned wind-up

The transaction was accounted for as an exchange of financial asset in accordance with AASB 9.3.2.11 as follows:

- The contractual rights to cash flows from shares in EA expired as the entity received equivalent distributions in various forms which are part of recovery of the cost of the investment. Hence the financial asset in EA shares is derecognised. (AASB 9.3.2.3(a)).
- The new shares in IDP received in exchange are recognised at their fair value since this investment is accounted for as a financial asset going forward as per AASB 9 (AASB 9.3.2.11).
- As per AASB 9.3.2.12, any difference between the carrying amount and consideration received is recognised in profit or loss. In this case, the consideration is in the form of cash, ATO receivable being franking credits (non-financial asset) and fair value of IDP shares. Based on the valuation performed by SW Corporate Finance there is no difference in the carrying amount of EA and the consideration received being the IDP shares and the cash dividend.

Restricted other financial assets

As at 31 December 2021, the University held financial assets subject to restrictions of \$27.2m (2020: \$22.3m). These amounts relate to donations and bequests from donors for the purpose of funding scholarships, prizes, foundations and endowments, and funds set aside to meet the cost of the University's liability under superannuation schemes.

Notes

Financial assets

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the University's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the University initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The University's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the University commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into five categories:

- (Other) financial assets at amortised costs;
- (Other) financial assets at fair value through other comprehensive income;
- Investments in equity instruments designated at fair value through other comprehensive income;
- (Other) financial assets at fair value through profit or loss;
- (Other) financial assets designated at fair value through profit or loss.

Financial assets at amortised cost

The University measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The University's financial assets at amortised cost includes trade receivables, and loan to related parties.

Financial assets at fair value through other comprehensive income

The University measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The University's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the University can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the income statement when the right of payment has been established, except when the University benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The University elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates or significantly reduces an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement.

This category includes derivative instruments and listed equity investments which the University had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the income statement when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the University's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The University has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement¹ and either (a) the University has transferred substantially all the risks and rewards of the asset, or (b) the University has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the University has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the University continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the University also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the University has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the University could be required to repay.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes

12. Other non-financial assets

	2021 \$000s	2020 \$000s
Current		
Prepayments	26,341	27,348
Total current other non-financial assets	26,341	27,348

The University recognises a prepayment as an asset when payments for goods or services have been made in advance of the University obtaining a right to access those goods or services.

13. La Trobe University as a lessor

	2021 \$000s	2020 \$000s
Operating leases		
Lease income	3,551	3,110
Income relating to variable lease payments that do not depend on an index or a rate	1,505	1,587

Amounts included in the income statement relating to operating leases disclosed above includes income from subleasing right-of-use assets of \$0.

Maturity analysis of undiscounted lease receivables		
Less than one year	768	2,063
One to five years	1,560	1,402
More than five years	919	120
Total undiscounted lease payments receivable	3,247	3,585

La Trobe University as a lessor

When the University acts as a lessor, it determines at inception whether each lease is a finance lease or an operating lease. To classify each lease, the University makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the University considers indicators such as whether the lease is for the major part of the economic life of the asset.

The University reassesses the lease classification only if there is a lease modification. Changes in estimates (e.g. changes in estimates of the economic life or of the residual value of the underlying asset), or changes in circumstances (e.g. default by the lessee), do not give rise to a new classification of a lease for accounting purposes.

The University recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

14. Property, plant, and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
Land at valuation	356,570	362,640	-	-	356,570	362,640
Buildings at valuation	774,931	771,039	(28,258)	(1,157)	746,673	769,882
Jointly-owned buildings at cost [#]	64,404	64,404	(17,101)	(15,491)	47,303	48,913
Buildings-leasehold improvements at valuation*	41,048	38,793	(14,422)	(11,516)	26,626	27,277
Infrastructure at valuation	120,613	106,819	(6,736)	(1,252)	113,877	105,567
Plant and equipment at cost	187,923	171,616	(110,184)	(99,767)	77,739	71,849
Furniture, fixtures, and office equipment at cost	44,656	40,938	(27,154)	(22,985)	17,502	17,953
Motor vehicles at cost	536	566	(477)	(483)	59	83
Computer hardware at cost	48,912	47,636	(45,796)	(41,564)	3,116	6,072
Library collection at cost	111,206	101,250	(61,776)	(51,638)	49,430	49,612
Works of art at valuation**	28,932	23,389	-	-	28,932	23,389
Work in progress at cost	73,438	59,241	-	-	73,438	59,241
Right-of-use assets						
Buildings at cost	17,091	16,797	(6,822)	(4,589)	10,269	12,208
Motor vehicles at cost	1,691	1,649	(1,364)	(916)	327	733
Other assets at cost	1,587	874	(301)	(44)	1,286	830
Total property, plant, and equipment	1,873,538	1,807,651	(320,391)	(251,402)	1,553,147	1,556,249

In the financial books the jointly owned buildings are valued at cost. The university will monitor the change in the valuation of the building periodically and if a significant change occurs, the building will be updated with valuation at the time.

* Leasehold improvements were independently valued by Egan National Valuers (VIC) with a valuation date of 01 January 2021. However because of COVID-19 pandemic restrictions, the valuers were unable to gain access to a small proportion of Leasehold improvements. The University do not expect the fair valuation of these Leasehold properties will have any material impact on the current valuation shown in the current financial statements for FY 2021.

** Works of art were independently valued by Simon Storey valuers with a valuation date of 31 December 2021.

Notes

14. Property, plant, and equipment (cont.)

14.1 Property, plant, and equipment - Movement Schedule

Movement in the carrying amounts for each class of property, plant, and equipment between the beginning and the end of the current financial year:

	Land \$000s	Buildings \$000s	Jointly-owned buildings \$000s	Buildings - leasehold improvements \$000s	Infrastructure \$000s	Plant and equipment \$000s	Furniture, fixtures, and office equipment \$000s
Year ended 31 December 2021							
Balance at the beginning of year	362,640	769,882	48,913	27,277	105,567	71,849	17,953
Additions	-	1,852	-	-	4,287	5,737	1,199
Disposals - written down value	(3,575)	(1,866)	-	-	-	(1)	-
Transfers within PPE	-	4,384	-	102	9,506	10,625	2,526
Transfers to Intangibles	-	-	-	-	-	-	-
Revaluation increase/(decrease)	(2,495)	(436)	-	2,251	-	-	-
Depreciation expense	-	(27,143)	(1,610)	(3,004)	(5,483)	(10,471)	(4,176)
Closing net book amount	356,570	746,673	47,303	26,626	113,877	77,739	17,502

Year ended 31 December 2020							
Balance at the beginning of year	338,461	621,428	50,523	30,104	86,812	57,625	17,434
Additions	-	40,782	-	-	13,982	7,868	902
Disposals - written down value	-	-	-	-	-	(20)	(4)
Transfers within PPE	-	106,300	-	115	35,104	17,100	3,491
Transfers to Intangibles	-	-	-	-	-	-	-
Revaluation increase/(decrease)	24,179	25,114	-	-	(25,037)	-	-
Depreciation expense	-	(23,742)	(1,610)	(2,942)	(5,294)	(10,724)	(3,870)
Closing net book amount	362,640	769,882	48,913	27,277	105,567	71,849	17,953

Motor vehicles	Computer hardware	Library collection	Works of art	Works in progress	Right-of-use assets- Buildings	Right-of-use assets- Motor vehicles	Right-of-use assets- Other assets	Total
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
83	6,072	49,612	23,389	59,241	12,208	733	830	1,556,249
-	403	9,956	-	53,353	354	94	713	77,948
(2)	-	-	-	-	-	-	-	(5,444)
-	873	-	-	(28,016)	-	-	-	-
-	-	-	-	(11,140)	-	-	-	(11,140)
-	-	-	5,543	-	-	-	-	4,863
(22)	(4,232)	(10,138)	-	-	(2,293)	(500)	(257)	(69,329)
59	3,116	49,430	28,932	73,438	10,269	327	1,286	1,553,147
253	8,051	49,909	22,951	195,724	14,522	925	-	1,494,722
-	1,449	9,102	438	38,626	3	394	874	114,420
(127)	-	-	-	-	-	(19)	-	(170)
-	2,906	-	-	(165,014)	-	-	-	2
-	-	-	-	(10,095)	-	-	-	(10,095)
-	-	-	-	-	-	-	-	24,256
(43)	(6,334)	(9,399)	-	-	(2,317)	(567)	(44)	(66,886)
83	6,072	49,612	23,389	59,241	12,208	733	830	1,556,249

Notes

14. Property, plant, and equipment (cont.)

- (a) Land, buildings, leasehold improvements, infrastructure and works of art are shown at fair value and are assessed annually, based on periodic valuations at least triennially by external independent valuers, less subsequent depreciation of buildings and infrastructure.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is adjusted to the revalued amount of the asset. All other property, plant, and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The minimum value of assets brought to account and depreciated is \$5,000.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, but 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 income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are recognised in other comprehensive income and accumulated in equity under the heading of property, plant, and equipment revaluation reserve. To the extent that an increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are also recognised in other comprehensive income to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the income statement.

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

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

Construction work in progress

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the University depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

- (b) The library collections of the University are recorded at cost and depreciated.

- (c) Leasehold improvements are capitalised and amortised over the shorter of their useful life or the remaining life of the lease.

- (d) Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement. When revalued assets are sold, it is University policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

Leasehold improvements held by the University were independently valued by Egan National Valuers (VIC) as at 01 January 2021. However, due to restricted access to University under Covid 19, the valuers were unable to carry out the valuation for certain Leasehold improvements. The University do not expect the fair valuation of these Leasehold properties will have any material impact on the current valuation shown in the FY 2021 financial statements.

Works of art were independently valued by Simon Storey valuers with a valuation date of 31 December 2021.

Land, Buildings, and Infrastructure are valued at fair value and in accordance with financial reporting directions, Australian Accounting Standards and Victorian Government Policy. The resultant changes are recorded through the property, plant, and equipment revaluation reserve.

14.2 Right-of-use assets

	At 1 January 2021	Additions of right-of-use assets	Disposals of right-of-use assets	Depreciation charge	At 31 December 2021
	\$000s	\$000s	\$000s	\$000s	\$000s
Buildings at cost	12,208	354	-	(2,293)	10,269
Motor vehicles at cost	733	93	-	(500)	327
Other assets	830	713	-	(257)	1,286
Total	13,771	1,160	-	(3,051)	11,882

31 December 2020	At 1 January 2020	Additions of right-of-use assets	Disposals of right-of-use assets	Depreciation charge	At 31 December 2020
Buildings at cost	14,522	3	-	(2,317)	12,208
Motor vehicles at cost	925	394	(19)	(567)	733
Other assets	-	874	-	(44)	830
Total	15,447	1,271	(19)	(2,928)	13,771

Assessment of whether a contract is, or contains, a lease

At inception of a contract, the University assesses whether a contract is, or contains a lease. A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

University assesses whether:

- (a) The contract involves the use of an identified asset – The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the substantive right to substitute the asset throughout the period of use.
- (b) The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- (c) The customer has the right to direct the use of the asset throughout the period of use – The customer is considered to have the right to direct the use of the asset only if either:
 - i) The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use; or
 - ii) The relevant decisions about how and for what purposes the asset is used is predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Accounting for leases – University as lessee

In contracts where the University is a lessee, it recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

Right-of-use asset

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

A right-of-use asset associated with land and buildings is subsequently measured at fair value. All other property, plant, and equipment are measured at cost as described in the accounting policy for property, plant, and equipment in Note 14.

Notes

15. Intangible assets

	2021 \$000s	2020 \$000s
Computer software development and online digital content		
Cost	138,557	120,041
Accumulated amortisation and impairment	(106,581)	(95,683)
Net carrying value	31,976	24,358
Total intangible assets	31,976	24,358
Movement of intangible assets		
Opening net book amount	24,358	21,306
Additions - Separately acquired	7,376	4,914
Transfer from property, plant, and equipment	11,140	10,094
Amortisation charge	(10,898)	(11,956)
Closing net book amount	31,976	24,358

Expenditure on software development activities used to enhance business processes that is greater than \$5,000 individually or has a 'total unit' or 'network' cost greater than \$10,000 is capitalised and depreciated over their useful life of 5 or 10 years. Software is treated as an intangible asset in accordance with AASB138 Intangible Assets. The expenditure that is capitalised comprises all directly attributable costs, including the base cost of the software, consulting services and internal labour costs. Costs associated with the research phase of a software implementation, such as feasibility studies and proof of concept, cannot be treated as an asset/ capitalised and are expensed in the year in which they are incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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 reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

16. Trade and other payables

	2021 \$000s	2020 \$000s
Current		
Trade creditors	30,625	44,635
Accrued expenses	24,777	23,865
Salary related creditors	6,002	5,606
OS-HELP liability to Australian Government	5,689	5,689
Other payables	212	4,268
Total current trade and other payables	67,305	84,063

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

Contract liabilities	2021 \$000s	2020 \$000s
Contract liabilities – Australian Government*	67,197	47,917
Other contract liabilities	65,536	49,905
Contract liabilities - current	132,733	97,822
Contract liabilities – non-current	-	-

* FY 2020 financials are realigned:

- i) to include an item amounting to \$9.7m that was inadvertently netted off against University debtors.
- ii) to include 'Other Revenue Received in Advance' amounting to \$7.4m which was reported under Other Liabilities in FY 2020.

The contract liabilities are associated to the Research grants received in advance and the Academic fee revenue and HELP payments received in advance.

If the ARC and NHMRC research grants were to be recognised under AASB1058, instead of revenue recognised under AASB15 currently being applied by the University on such grants, the contract liabilities balance as of 31 December 2021 will reduce by \$13.6m (2020: \$11m)

Contract liabilities differ from the amounts disclosed in note 20 Other liabilities. The contract liabilities include deferred income or liabilities arising from rebate agreements, among others.

A contract liability is the obligation to transfer goods or services to a customer for which the University has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the University transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the University performs under the contract.

17. Borrowings

A contract liability is the obligation to transfer goods or services to a customer for which the University has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the University transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the University performs under the contract.

	2021 \$000s	2020 \$000s
Lease liabilities	2,910	2,586
Syndicated debt facility*	-	85,000
Total current borrowings	2,910	87,586
Non-current		
Lease liabilities	9,929	12,000
Syndicated debt facility*	217,465	235,000
Total non-current borrowings	227,394	247,000

*The Syndicate debt facility is a unsecured variable rate loan.

17.1 Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:

	2021 \$000s	2020 \$000s
Credit standby arrangements - Total facilities		
Syndicated debt facility*	345,000	345,000
Used at balance date		
Syndicated debt facility*	217,465	320,000
Unused at balance date		
Syndicated debt facility*	127,535	25,000

* In 2021, the existing Syndicated Debt Facility of \$345m was partly re-paid and re-financed from a different financial institution:

- a) Realign its debt maturity profile towards newly developed '2020-2030 Strategic Plan' and have the best approach to manage funds in the short to medium term.
- b) Ensure effective risk management by having multiple bank relationship providing right level of flexibility.
- c) Enable access to appropriate levels of credit for future funding requirements at optimised interest rates.

The Syndicated Debt Facility is a revolving unsecured facility with no financial covenants, comprised of 8 tranches (Facility A to H), interest only and repayable in 2 to 3 years.

Notes

17. Borrowings (cont.)

17.2 Risk exposures

The exposure of the University's borrowings to interest rate changes and the contractual repricing dates at the balance dates are as follows:

	2021 \$000s	2020 \$000s
Within one year	2,910	87,586
Between one and five years	227,394	247,000
Later than five years	-	-
Total borrowings	230,304	334,586
Current borrowings	2,910	87,586
Non-current borrowings	227,394	247,000
Total borrowings	230,304	334,586

The carrying amounts of the University's borrowings are denominated in Australian Dollars.

17.3 Reconciliation of liabilities arising from financing activities

Particulars	2020	Cash flows	Non-cash changes	2021
Long-term borrowings				
Syndicate debt facility	320,000	(102,535)	-	217,465
Total long-term borrowings	320,000	(102,535)	-	217,465

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

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

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

18. The University as a lessee

Amounts recognised in the income statement	2021 \$000s	2020 \$000s
Interest on lease liabilities	262	289
Variable lease payments not included in the measurement of leases	786	486
Expenses relating to short-term leases	14	54
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	4,103	4,103
Maturity analysis – undiscounted contractual cash flows		
Less than one year	4,903	2,994
One to five years	6,902	5,874
More than 5 years	5,399	6,050
Total undiscounted contractual cash flows		
Lease liabilities recognised in the statement of financial position	17,204	14,918
Current	4,903	2,994
Non-current	12,301	11,924
Amounts recognised in statement of cash flows		
Total cash outflow for leases	4,077	4,134

Lease liabilities – The University as a lessee

Policy on assessment of whether a contract is, or contains, a lease is detailed in note 14 above.

Lease liability

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used. Lease payments included in the measurement of lease liabilities comprise:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI); and
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the University is reasonably certain to exercise that option;
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

For a contract that contains a lease component and one or more

additional lease or non-lease components, the University allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the income statement. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate with a corresponding adjustment to the right-of-use asset. The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within property, plant, and equipment in note 14 and lease liabilities are presented as borrowings in note 17.

Short-term leases and leases of low-value assets

The University has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e. when the value of the leased asset when new is \$5,000 or less. The University recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes

19. Provisions

	Cash flows	2021 \$000s	2020 \$000s
Current provisions expected to be settled within 12 months			
Employee benefits			
Defined benefit superannuation obligations	33.3	4,462	4,346
Annual leave		17,603	10,846
Long service leave		5,313	5,767
Employment on-cost provisions		5,619	5,133
Current provisions expected to be settled after more than 12 months			
Employee benefits			
Annual leave		2,422	10,701
Long service leave		21,251	23,070
Employment on-cost provisions		5,805	6,071
Total current provisions		62,475	65,934
Non-current provisions			
Employee benefits			
Employment on-cost provisions		2,020	5,639
Long service leave		8,238	7,873
Defined benefit superannuation obligations	33.3	68,707	73,949
Total non-current provisions		78,965	87,461
Total provisions		141,440	153,395

Provisions are not recognised for future operating losses.

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

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

Employee benefit provisions

i) Short-term obligations

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

ii) Long-term obligations

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

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

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

iii) Retirement benefit obligations

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

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

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

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

Past service costs are recognised in profit or loss at the earlier of the following dates:

- (a) when the plan amendment or curtailment occurs; and
- (b) when the entity recognises related restructuring costs or termination benefits.

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

iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The University recognises the expense and liability for termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB137 that involves the payment of termination benefits. The expense and liability are recognised when the University is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

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

Notes

20. Other liabilities

	2021 \$000s	2020 \$000s
Current		
Grants received in advance	22,464	750
Bonds and deposits	45	-
Lease revenue received in advance	221	221
Others*	447	218
Total current other liabilities	23,177	1,189
Non-current**		
Lease revenue received in advance	5,606	6,048
Total non-current other liabilities	5,606	6,048
Total other liabilities	28,783	7,237

* In FY 2020, 'Other Revenue Received in Advance' amounting to \$7.4m was reported under Other Liabilities in error. This has now been corrected and reported under Note 16 - Contract Liabilities.

** Some Perpetual funds amounting to \$3m were inadvertently reported in non-current liabilities in FY 2020. That amount has now been corrected and is reported under Reserves in Note 21.2

Any Australian Government contract liabilities in scope of AASB15 are disclosed in note 16.

21. Reserves and retained surplus

2.1 Reserves

	2021 \$000s	2020 \$000s
Property, plant, and equipment revaluation reserve	740,021	735,158
Perpetual funds		
Perpetual funds - Restricted*	15,649	15,613
Financial assets at fair value through other comprehensive income reserve	12,941	51,331
Total reserves	768,611	802,102

* Financial year 2020 balance realigned to include Perpetual funds inadvertently reported as non-current liabilities.

The property, plant, and equipment revaluation reserve was created to record the revaluation of assets controlled by the University prior to 1 January 1989. Subsequent revaluations have been recorded against this reserve.

It is University's policy that all property being sold requires a valuation by the valuer general prior to sale. Once the valuation is received from valuer general, the relevant asset is re-valued in the financial systems prior to the divestment taking place (the increase/decrease in value will be processed to the revaluation reserve).

The General reserve was established to provide a source of funds for future development. The purposes for which these funds are reserved for include, but are not limited to: capital development, maintenance and asset acquisition and replacement programs.

Perpetual funds include trusts, endowments and bequests that must be held in perpetuity with only the income earned being available for expenditure consistent with the donor's intentions.

The Financial assets at fair value through other comprehensive income reserve was created to record the unrealised market movements of financial assets classified as Financial assets at fair value through other comprehensive income.

21.2 Movements

Property, plant, and equipment revaluation reserve	2021 \$000s	2020 \$000s
Land revaluation reserve		
Reserve as at 1 January	333,424	309,245
Revaluation increment / (decrement)	(2,495)	24,179
Reserve as at 31 December	330,929	333,424
Buildings revaluation reserve		
Reserve as at 1 January	371,828	346,714
Revaluation increment / (decrement)	1,816	25,114
Reserve as at 31 December	373,644	371,828
Infrastructure and other revaluation reserve		
Reserve as at 1 January	21,588	46,625
Revaluation increment / (decrement)	-	(25,037)
Reserve as at 31 December	21,588	21,588
Wroks of art revaluation reserve		
Reserve as at 1 January	8,318	8,318
Revaluation increment / (decrement)	5,542	-
Reserve as at 31 December	13,860	8,318
Total Property, plant, and equipment revaluation reserve		
Balance as at 1 January	735,158	710,902
Revaluation increase / (decrease) (net)	4,863	24,256
Balance as at 31 December	740,021	735,158
Perpetual funds		
Balance as at 1 January*	15,613	9,304
Transfers from accumulated funds	36	6,309
Balance as at 31 December	15,649	15,613
Financial assets at fair value through other comprehensive income reserve		
Balance as at 1 January	51,331	43,880
Net movements in Financial assets at fair value through other comprehensive income	(38,390)	7,451
Balance as at 31 December	12,941	51,331
Total reserves	768,611	802,102

* Financial year 2020 balance restated to include Perpetual funds which were inadvertently reported in non-current liabilities.

21.3 Movements in retained surplus

	2021 \$000s	2020 \$000s
Opening balance	534,706	586,156
Net operating result for the year	(19,494)	(51,450)
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	82,826	-
Balance as at 31 December	598,038	534,706

Notes

22. Key management personnel disclosures

22.1 Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of the University during the financial year:

(a) Responsible Minister for Training and Skills and Minister for Higher Education

The Hon. Gayle Tierney MP, is the responsible minister for the University and her remuneration is reported in the annual report by the Department of Parliamentary Services. Other relevant interests are declared in the Register of member interests, which are completed by each member of Parliament.

(b) Accountable officer

The person who held the position of accountable officer:

- John Dewar, Vice-Chancellor

Remuneration received by the Accountable officer in connection with the management of the University during the reporting period was in the range \$880,000 to \$890,000 (\$880,000 to \$890,000 in 2020).

(c) Names of Responsible persons holding the position of Member of council during the financial year:

1. Professor John Brumby (AO Chancellor)
2. Professor John Dewar (AO Vice-Chancellor and President)
3. Professor Christine Bigby (Chair, Academic Board)
4. Ms Deborah Radford
5. Ms Yvonne von Hartel (Term ended 30 Sep 2021)
- 5A. Ms Meredith Sussex (Term started 01 Oct 2021)
6. Commissioner Michael Gay
7. Ms Julie Fahey
8. Ms Margaret Burdeu
9. Mr Adam Furphy
10. Mr Peter McDonald
11. Dr Philip Moors (Term ended 31 Dec 2021)
12. Ms Christine Christian
13. Professor Edwina Cornish
14. Dr Miriam Bankovsky (Elected staff member)
15. Ms Olivia Gao - Elected student member (Term ended 31 Dec 2021)

22.2 Remuneration of responsible persons

	2021 Number	2020 Number
\$10,000 to \$19,999	1	2
\$20,000 to \$29,999	1	-
\$30,000 to \$39,999	1	-
\$40,000 to \$49,999	9	9
\$80,000 to \$89,999	-	1
\$90,000 to \$99,999	1	-
\$880,000 to \$889,999	1	1
Responsible persons who received no remuneration (incl. Community representatives)	1	2
Total	15	15

The University salaries of staff member representatives are included above; staff member representatives do not receive remuneration specifically for University council membership.

22.3 Remuneration of executive officers

The number of University executive officers (other than Responsible persons) are shown in the table below in their relevant income bands. Executive officers are defined as Senior executives reporting directly to the Vice-Chancellor with executive decision making powers.

	2021 Number	2020 Number
\$100,000 to \$109,999	-	1
\$120,000 to \$129,999	-	1
\$140,000 to \$149,999	-	1
\$320,000 to \$329,999	1	2
\$350,000 to \$359,999	1	1
\$370,000 to \$379,999	-	1
\$380,000 to \$389,999	1	1
\$390,000 to \$399,999	1	-
\$400,000 to \$409,999	1	-
\$410,000 to \$419,999	-	1
\$420,000 to \$429,999	1	1
\$460,000 to \$469,999	1	-
\$470,000 to \$479,999	-	1
\$510,000 to \$519,999	-	1
Total numbers	7	12
Total annualised employee equivalent (AEE)*	7.00	10.60
Total Remuneration of Executive Officers for the Year	2,806	3,955

*Annualised employee equivalent (AEE) is based on the time fraction worked over the reporting period.

22.4 Key management personnel compensation

	2021 \$000s	2020 \$000s
Short-term employment benefits	1,407	1,379
Post-employment benefits	80	96
Other long-term benefits	63	(17)
Total remuneration	1,550	1,458

22.5 Executive officers compensation*

	2021 \$000s	2020 \$000s
Short-term employment benefits	2,330	3,510
Post-employment benefits	390	512
Other long-term benefits	62	(43)
Termination benefits	24	583
Total remuneration	2,806	4,562

* Executive officers does not include any Key management personnel.

22.6 Other transactions with key management personnel

A Responsible person Peter McDonald, Member of council, is a Board member of Northern Health, which enters into partnership with La Trobe on an ongoing basis. The aggregate amounts in respect of transactions during the period of relationship were:

	2021 \$000s	Total expenses (Exclusive of GST) 2020 \$000s
Northern Health	64	1,407

Notes

23. Remuneration of auditors

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

	2021 \$000s	2020 \$000s
Audit of the financial statements		
Fee paid to Victorian Auditor General's Office	127	154
Total paid for audit and review	127	154
Other audit and assurance services		
Fees paid to other auditors	8	29
Total paid for other audit and assurance services	8	29

24. Contingencies

24.1 Contingent assets

There are no contingent assets to report.

24.2 Contingent liabilities

During 2021, 9 new WorkCover claims have been raised against the University.

The University has 12 active insurance claims which are currently under review by the insurers. The claims are a result of the ordinary course of business. These known claims or notifications are not predicted to be of significant value or foreseen to be material to the University's financial position.

Whilst the University is reviewing the requisite information to establish the full quantum of loss, the exposure to La Trobe remains limited to the policy excesses which range from \$50,000 to \$150,000.

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events, not wholly within the control of the University or
- (b) a present obligation that arises from past events but is not recognised because:
 - i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
 - ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the University.

25. Commitments

Capital commitments

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

	2021 \$000s	2020 \$000s
Property, plant, and equipment		
Within one year	16,455	15,659
Between one to five years	302	16
Later than five years	-	-
Total	16,758	15,674

26. Related parties

26.1 Subsidiaries

Interests in subsidiaries are set out in note 27.

26.2 Key management personnel

Disclosures relating to Council Members and specified executives are set out in note 22.

26.3 Transactions with related parties

The following transactions occurred with related parties:

	2021 \$000s	2020 \$000s
Amounts received on behalf of the subsidiary	-	819
Expenses incurred on behalf of the subsidiary	-	1,014

26.4 Outstanding balances

	2021 \$000s	2020 \$000s
Current receivables - subsidiary	-	(5,107)
Current payables - subsidiary	-	4,525

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

27. Subsidiaries

The subsidiaries of the University are listed below.

Country of incorporation	Total comprehensive income/(loss) of the subsidiary		University's ownership interest in the subsidiary	
	2021 \$000s		2021 %	2020 %
Name of entity				
La Trobe Ltd*	Australia	- (195)	100	100

The financial statements of the University do not incorporate the assets, liabilities and results of the subsidiary as they are not considered to be material. Summarised financial information of the subsidiary are disclosed below:

	2021 \$000s	2020 \$000s
Income Statement		
Total revenue	-	819
Total expenses	-	1,014
Net operating profit	-	(195)
Balance Sheet		
Current assets	-	4,521
Total assets	-	4,521
Current liabilities	-	(5,107)
Total liabilities	-	(5,107)
Net assets	-	(586)

As a result of COVID 19 impact, Warwick University (Franchisor - UK) decided to withdraw Unitemps from Australia during the FY 2020. The decision was driven by the challenges of travel restrictions imposed by various governments, the pressure on Warwick university finances and the significant shift in working environment in Australia. As a result, with effect from 30 September 2020, Unitemps La Trobe and Warwick University (UK) agreed to terminate the Franchise Agreement by mutual consent and effectively ceased its operations in Victoria.

* Unitemps La Trobe was subsequently renamed to La Trobe Ltd

Notes

28. Joint operations

Biosciences Research Centre

On 29th April 2009, the University entered into a joint operation with the State, through The Department of Jobs, Precincts and Regions (DJPR) formerly known as Department of Economic Development, Jobs, Transport and Resources (DEDJTR) or the Department of Environment and Primary Industries (DEPI) to construct, manage and operate a biosciences research centre ("BRC") on the Bundoora campus.

The BRC is:

- i) jointly owned by La Trobe University and DEPI based on 25% and 75% ownership interest respectively;
- ii) used by both parties to undertake joint collaborative research projects as well as their own projects; and
- iii) jointly controlled through equal voting rights and equal consent of key decisions.

La Trobe University leases its land upon which the building is located to Biosciences Research Centre Pty Ltd (BRC), an incorporated joint venture company to act on behalf of the joint operations. The lease is for 25 years (2012–2037) at a nominal sum of \$1 per annum. BRC engaged Plenary Research Pty. Ltd., an independent firm to construct, operate and maintain the BRC for 25 years.

The agreement set out the minimum required payments of the University to contribute \$50m (NPV to 1 October 2007) to DEDJTR over the 25 year Project Agreement (which represented the University's 25% share of the cost to design, construct and operate AgriBio for 25 years). The University accounted for its 25% ownership interest in the building as a leased asset at amortised cost. Amortisation is charged on a straight line basis over the expected lease term of 25 years (incorporating the residual value of the building after the expiration of the 25 years). The University's 25% share of the lease obligation is accounted for as a lease liability.

The Victorian Government announced machinery of Government changes effective 1 January 2019 which meant that the current DEDJTR will transition into two new departments – DJPR and the Department of Transport (DoT). The University makes capital and operating contributions to the state through DJPR. The capital contributions are used to make repayments on the lease. The operating contributions relate to the University's share of the operating costs of the BRC facility.

The minimum payments were structured to grow over time (in line with expected growth in research block grant revenue. The payment to be made are the present value of \$500k (in 2007 dollars) per quarter for 100 quarters over 25 years, escalating at 8.14%. The contract allowed the University to make additional payments (in part or in full) at any time during the project agreement without any additional cost (with 20 days advance notice). On 14 December 2015, the University exercised its right under this agreement to pay in full its remaining 25% commitment of \$57,032,147 ex GST.

The University also receives research grant funding for joint research activity undertaken at the BRC and incurs expenditure on these research grant projects. The joint research revenue and expenditure is included below along with the operating expenditure.

Name of joint arrangement/ associate	Nature of relationship	Principal place of business	Ownership interest %	
			2021	2020
Biosciences research centre	Joint operations	La Trobe University, Melbourne	25	25

The assets and liabilities employed in the above jointly controlled operations, including the La Trobe University's share of any assets and liabilities held jointly, are detailed below. The amounts are included in the financial statements under their respective categories.

	2021 \$000s	2020 \$000s
Receivables	-	-
Non-current assets	-	-
Jointly controlled buildings	47,303	48,913
Total assets	47,303	48,913
Payables	-	-
Income in advance	-	-
Provisions	-	-
Total liabilities	-	-

The revenue and expenses raised or incurred in the above jointly controlled operations, including the La Trobe University's share of any output or jointly incurred expenses, are detailed below. The amounts are included in financial statements under their respective categories.

Research revenue	14,157	23,287
Other revenue	-	-
Total revenue	14,157	23,287
Staff and related costs	(1,707)	(1,636)
Occupancy costs	(2,165)	(1,374)
Administrative costs	(1,110)	(1,952)
Depreciation	-	-
Amortisation expense- finance lease asset	(1,610)	(1,610)
Other categories of expenditure	(11,349)	(21,082)
Total expenditure	(17,940)	(27,654)
Net operating loss from jointly controlled operations and assets	(3,783)	(4,367)

Capital commitments and contingent liabilities arising from the University's interests in joint ventures are included in notes 25 and 24 respectively.

Joint arrangements

Under AASB11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

Joint operations

The proportionate interests in the assets, liabilities and expenses of a joint operation have been incorporated into the financial statements under the appropriate headings.

Notes

29. Events occurring after the reporting date

There is no subsequent event to report.

30. Reconciliation of operating result to net cash flows from operating activities

	Note	2021 \$000s	2020 \$000s
Net operating result for the year		(19,494)	(51,450)
Non cash flow items in operating result			
Depreciation and amortisation	5	80,360	78,867
Net loss on disposal of property, plant, and equipment		(1,334)	1,348
Bad and doubtful debts expense		30	6,311
Unrealised income under AASB15 and AASB16		25,672	6,918
Transfer of Perpetual Funds to reserve		36	3,309
Dividend income reinvested		(1,336)	1,808
Net cash inflow from net operating activities before change in assets and liabilities		83,934	47,111
Change in operating assets and liabilities:			
(Increase) / decrease in trade and other receivables		5,243	1,626
(Increase) / decrease in inventories		(13)	(48)
(Increase) / decrease in other non-financial assets		1,007	5,215
Increase / (decrease) in trade and other payables		(16,758)	(2,410)
Increase / (decrease) in other liabilities		28,648	5,474
Increase / (decrease) in provision for employee benefits		(6,829)	(12,041)
Net cash provided by / (used in) from operating activities		95,232	44,927

31. Financial risk management

31.1 Risk management

The University's activities expose it to a variety of financial risks: market risk (including fair value 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. Foreign exchange trades are entered into, where necessary, by the University to hedge certain exposures to foreign currency transactions and the University adopts numerous methods to measure each type of risk to which it is exposed. However the exposure to foreign currencies at any one time is immaterial.

Risk management is carried out by the finance division under policies approved by the Corporate Governance, Audit and Risk Committee of University Council. The University has written policies for overall risk management, as well as specific policies covering financial risks.

31.2 Market risk

i) Price risk

Market risk represents the loss of future cash flows or fair value of a financial instrument due to fluctuations of market prices. The University's investment portfolio is comprised of short, medium and long term funds which include Australian and international shares and unit trusts. The University's investments are susceptible to market volatility which affects the fair value of the investments. The diversity of the investment portfolio adopted by the University minimises its susceptibility to market risk. All investments are held at quoted prices.

ii) Interest rate risk

The objective of managing interest rate risk is to minimise and control the risks of loss due to interest rate changes and to take advantage of potential savings. Interest rate risk is managed by variable borrowings and deposits interest rates for different periods.

The table below summarises the sensitivity of the University's financial assets and liabilities to interest rate risk and price risk.

31 December 2021	2021			Interest rate risk		Price risk			
	Carrying amount \$	Current rate %	Annual return at current rate \$000s	+/-1%	+/-2%	+/-3%		+/-10	
				Result \$000s	Result \$000s	Result \$000s	Equity \$000s	Result \$000s	Equity \$000s
Other financial assets	107,338	-	-	-	-	309	5,074	1,029	16,913
Cash and cash equivalents	108,576	0.30	326	1,086	2,172	-	-	-	-
Syndicate debt facility	217,465	1.22	2,660	2,175	4,349	-	-	-	-
Total increase/(decrease)	433,379		2,985	3,260	6,521	309	5,074	1,029	16,913

The sensitivity analysis has been prepared for the next 12 months. The University management does not believe that it is possible to reasonably estimate likely interest rates out further than 12 months.

31 December 2020	2020			Interest rate risk		Price risk			
	Carrying amount \$	Current rate %	Annual return at current rate \$000s	+/-1%	+/-2%	+/-3%		+/-10	
				Result \$000s	Result \$000s	Result \$000s	Equity \$000s	Result \$000s	Equity \$000s
Other financial assets	80,892	-	-	-	-	296	3,941	986	13,136
Cash and cash equivalents	201,771	0.48	967	2,018	4,035	-	-	-	-
Syndicate debt facility	320,000	1.24	3,980	3,200	6,400	-	-	-	-
Total increase/(decrease)	602,663		4,947	5,218	10,435	296	3,941	986	13,136

iii) Foreign exchange risk:

The University has minor exposure to foreign exchange movements via foreign purchases of goods or services. The University manages material foreign exchange risk by hedging the purchases using forward exchange contracts. As at 31 December 2021, the University had no outstanding contracts (2020 \$ nil).

Notes

31. Financial risk management (cont.)

31.3 Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk on financial assets of the University has been recognised in the Statement of financial position in arriving at their carrying amount. The University adopts an ageing analysis and past behaviours of individual debtors to measure its credit risk and is not materially exposed to any individual debtor.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes below.

The University evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

31.4 Liquidity risk

Liquidity risk represents the University's potential to encounter difficulty in meeting obligations associated with financial liabilities. The University minimises its liquidity risk with the existence of a working capital investment portfolio which provides funds for operational needs at call. The balance of the working capital portfolio is maintained at an amount sufficient to meet the University's operational needs for three months on average.

Liquidity risk is managed by the University through a daily and an annual forecast cash flow analysis. Analytical procedures such as calculating the current ratio are also used for comparisons to a predetermined satisfactory benchmark ratio range.

31.5 The following table details the economic entities exposure to credit risk and liquidity risk

		Weighted average effective interest rate (incl. fees)		Variable interest		Maturing within 1 year	
	Note	2021 %	2020 %	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
Financial assets							
Cash and cash equivalents	9	0.30	0.48	108,576	201,473	108,576	201,473
Trade and other receivables	10	-	-	-	-	-	-
Fair value through profit or loss							
Deferred Government benefit for superannuation	10	-	-	-	-	-	-
Equity instruments	11	-	-	-	-	-	-
Other financial assets		-	-	-	-	-	-
Financial assets at fair value through other comprehensive income							
Equity instruments at fair value	11	-	-	-	-	-	-
Long term managed funds	11	-	-	-	-	-	-
Total financial assets		-		108,576	201,473	108,576	201,473
Financial liabilities							
Trade and other payables	16	-	-	-	-	-	-
Syndicate debt facility	17	1.22	1.24	217,465	320,000	-	85,000
Defined benefit superannuation obligation	19	-	-	-	-	-	-
Grants and donations received in advance*	20	-	-	-	-	-	-
Bonds and deposits	20	-	-	-	-	-	-
Total financial liabilities				217,465	320,000	-	85,000

Intentionally left blank

Maturing 1 to 5 years		Maturing Over 5 years		Non-interest bearing		Total	
2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
-	-	-	-	-	-	108,576	201,473
-	-	-	-	62,656	42,872	62,656	42,872
-	-	-	-	73,169	78,295	73,169	78,295
-	-	-	-	84	84	84	84
-	-	-	-	10,207	9,772	10,207	9,772
-	-	-	-	61,796	50,472	61,796	50,472
-	-	-	-	35,251	20,564	35,251	20,564
-	-	-	-	243,163	202,059	351,739	403,532
-	-	-	-	61,616	78,374	61,616	78,374
217,465	235,000	-	-	-	-	217,465	320,000
-	-	-	-	73,169	78,295	73,169	78,295
-	-	-	-	22,464	750	22,464	750
-	-	-	-	45	-	45	-
217,465	235,000	-	-	157,294	157,419	374,759	477,419

Notes

32. Fair value measurement

32.1 Fair value measurements

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

Due to the short-term nature of cash and cash equivalents and 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.

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

		Carrying value		Fair value	
	Note	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
Financial assets					
Trade and other receivables	10	135,825	121,167	135,825	121,167
Other financial assets at fair value through other comprehensive income	11	35,251	20,564	35,251	20,564
Other financial assets at fair value through profit and loss	11	10,207	9,772	10,207	9,772
Investment in equity instruments designated at fair value through other comprehensive income	11	61,796	50,472	61,796	50,472
Investment in equity instruments designated at fair value through profit and loss	11	84	84	84	84
Total financial assets		243,163	202,059	243,163	202,059
Financial liabilities					
Trade and other payables	16	61,616	78,374	61,616	78,374
Government financial assistance received in advance	20	22,464	750	22,464	750
Syndicate debt facility	17	217,465	320,000	217,465	320,000
Defined benefits superannuation obligations	19	73,169	78,295	73,169	78,295
Total financial liabilities		374,759	477,419	374,759	477,419

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

- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- Land and buildings, Infrastructure, Leasehold improvements and Works of art

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

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

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and financial assets at fair value through other comprehensive income securities) is based on quoted market prices for identical assets or liabilities at the reporting date (Level 1). The quoted market price used for assets held by the University is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of assets or liabilities that are not traded in an active market (for example, over-the-counter-derivatives) is determined using valuation techniques. The 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 assets and liabilities. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date. The level in the fair value hierarchy shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non-financial assets takes into account a market participants' ability to generate economic benefit by using the assets in its highest and best use, or by selling it to another participant that would use the asset in its highest and best use.

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

This applies to fair value items recognised in notes 32.1 through 32.5.

32.2 Fair value hierarchy

La Trobe University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurements.

Level 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

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

Level 3

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

(i) Recognised fair value measurements

Fair value measurements recognised in the Statement of financial position are categorised into the following levels at 31 December 2021.

Notes

32. Fair value measurement (cont.)

	Note	2021 \$000s	Level 1 \$000s	Level 2 \$000s	Level 3 \$000s
Fair value measurements at 31 December 2021					
Financial assets					
Other financial assets at fair value through other comprehensive income	11	35,251	35,251	-	-
Investment in equity instruments designated at fair value through other comprehensive income	11	61,796	61,796	-	-
Other financial assets at fair value through profit and loss	11	10,207	-	-	10,207
Investment in equity instruments designated at fair value through profit and loss	11	84	84	-	-
Total financial assets		107,338	97,131	-	10,207
Non-financial assets					
Land	14	356,570	-	18,010	338,560
Buildings	14	793,976	-	2,818	791,158
Leasehold improvements	14	26,626	-	-	26,626
Infrastructure	14	113,877	-	-	113,877
Works of art	14	28,932	-	-	28,932
Total non-financial assets		1,319,981	-	20,828	1,299,153

	Note	2020 \$000s	Level 1 \$000s	Level 2 \$000s	Level 3 \$000s
Fair value measurements at 31 December 2020					
Financial assets					
Other financial assets at fair value through other comprehensive income	11	20,564	20,564	-	-
Investment in equity instruments designated at fair value through other comprehensive income	11	50,472	380	50,092	-
Other financial assets at fair value through profit and loss	11	9,772	-	-	9,772
Investment in equity instruments designated at fair value through profit and loss	11	84	84	-	-
Total financial assets		80,892	21,028	50,092	9,772
Non-financial assets					
Land	14	362,640	-	18,010	344,630
Buildings	14	818,795	-	3,110	815,685
Leasehold improvements	14	27,277	-	-	27,277
Infrastructure	14	105,567	-	-	105,567
Works of art	14	23,389	-	-	23,389
Total non-financial assets		1,337,668	-	21,120	1,316,548

Non-specialised Land, Buildings, and Works of art

Non-specialised land and works of art are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

To the extent that non-specialised land and artworks do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised land and specialised buildings

The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the University's majority of specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

Infrastructure

Infrastructure is valued using the depreciated replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However the cost may be the reproduction cost rather than the replacement cost if infrastructure assets' service potential could only be replaced by reproducing them with the same materials.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any infrastructure classifications as applicable.

Investment in Education Australia

In late 2020, Education Australia (EA) initiated a comprehensive consultation process with EA shareholders.

On 13 April 2021, the consultation resulted in a unanimous approval by EA shareholders for a transformative restructure of Education Australia Limited's 40% shareholding in IDP Ltd (IDP). The restructure resulted in an in-specie distribution of 1,831,159 IDP shares to La Trobe University in August 2021.

This In specie distribution resulted in the University having direct shareholding in IDP and provided the University with the flexibility to retain or dispose of the distributed shares according to the University requirements, subject to certain escrow arrangements and limited ongoing restrictions.

Since EA completed the restructure transaction in August 2021, the University do not hold any investment in EA as of 31 December 2021 (besides having a small amount of receivables from EA, which have been included in Note 10 - "Receivables and contract assets").

For further details on the transaction, please refer to Note 11- Other Financial Assets.

Investment in IDP Ltd.

As a result of transformative restructure of Education Australia (EA) in 2021, the University received a In specie distribution of IDP Ltd (IDP) shares from EA.

Consequently the University is now a direct shareholder of 1,831,159 shares in IDP with the total fair value of \$61.5m as of 31 December 2021. The fair value of listed shares was based on the closing stock price of IDP as of 31 December 2021 (\$34.65), with the reduction of 3% applied to reflect the potential adjustment in the fair value because of certain escrow arrangements and limited ongoing restrictions, which restricts the University to sell the shares spontaneously in the market.

Investment in AARNet and VERNet

The fair value of shares was determined by independent valuer ShineWing Australia Pty Ltd. The University owns shares in AARNet Pty Ltd (AARNet) and VERNet Pty Ltd (VERNet). AARNet is a not-for-profit company, owned by 38 Australian universities and CSIRO to operate Australia's academic and research network and meet the unique needs of the research and education sector. VERNet is an advanced fibre optic network company designed to meet the accelerating bandwidth need of the Victorian research and education sectors for the next 20 years or more.

As at 31 December 2021, AARNet had 78 ordinary shares on issue with each member University holding two ordinary shares, representing approximately 2.56% equity interest in AARNet. ShineWing Australia assessed the indicative fair value of 100% of the equity interest in AARNet to be between \$220m and \$223m with a midpoint of \$221m, with the estimated fair value of each of the Universities' equity interest being \$5,673,987. Shinewing has also reviewed the Shareholders' Agreement to determine the University's shareholding in VERNet. A total of 9 Universities and the Commonwealth Scientific and Industrial Research Organisation ("CSIRO") were each issued an A Class Share, and varying number of B Class Shares based on the amount of the agreed capital contribution each member made. The University members' capital contribution was funded through internally generated funds and Government funding provided to certain universities which are designated for reinvestment in VERNet (such as the Systemic Infrastructure Initiative 2005, Community Development Program funding 2005 and 2006). The Shareholders' Agreement identified La Trobe University, Monash University and Victoria University as potential members who will reinvest Government funding into VERNet; The Universities each hold approximately 12.5% stake in the A Class voting shares in VERNet and various proportions of the B Class non-voting shares in VERNet. Shinewing have estimated the indicative fair value of 100% of the equity interest in VERNet (on a controlling basis) as at Valuation Date to be \$34,401,099 with the indicative fair value of each of the Universities' equity interest in VERNet as at valuation date being \$4,300,137.

The underlying inputs and assumptions are reviewed on an on-going basis to ensure the valuations reflect the best estimates of the economic conditions at reporting date.

Notes

32. Fair value measurement (cont.)

(ii) Disclosed fair values

The fair value of assets or liabilities traded in active markets (such as financial assets at fair value through profit or loss – debenture, unit in Unit trust and Listed shares – disclosed in note 11) is based on quoted market prices for identical assets or liabilities at the reporting date (level 1). This is the most representative of fair value in the circumstances.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of 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 University for similar financial instruments (level 3).

32.3 Valuation techniques used to derive level 2 and level 3 fair values

Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

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

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

Land and buildings, Infrastructure, Leasehold improvements and Works of art are valued independently every three years. At the end of each reporting period, the University updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The University determines the property's value within a range of reasonable fair value estimates.

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

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

All resulting fair value estimates for properties are included in level 2. The most significant input into this valuation approach is price per square meter.

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

The following table is a reconciliation of level 3 items for the periods ended 31 December 2021 and 2020.

Level 3 Fair value measurement 2021	Land \$000s	Buildings \$000s	Leasehold improvements \$000s	Infrastructure \$000s	Works of art \$000s	Shares \$000s	Total \$000s
Opening balance	344,630	815,684	27,277	105,567	23,389	9,772	1,326,319
Additions	-	1,852		4,287	-	-	6,139
Transfers from work in progress	-	4,357	102	9,506	-	-	13,965
Revaluation increase/(decrease)	(2,495)	(436)	2,251	-	5,543	435	5,298
Disposals	(3,575)	(1,641)		-	-	-	(5,216)
Depreciation expense	-	(28,659)	(3,004)	(5,483)	-	-	(37,146)
Closing balance	338,560	791,158	26,626	113,877	28,932	10,207	1,309,359

Level 3 Fair value measurement 2020	Land \$000s	Buildings \$000s	Leasehold improvements \$000s	Infrastructure \$000s	Works of art \$000s	Shares \$000s	Total \$000s
Opening balance	317,779	671,951	30,104	86,812	22,951	10,041	1,139,638
Additions	-	40,082		13,982	438	-	54,502
Transfers from work in progress	-	102,870	115	35,104	-	-	138,089
Revaluation increase/(decrease)	26,851	23,942		(25,037)	-	(269)	25,487
Depreciation expense	-	(23,161)	(2,942)	(5,294)	-	-	(31,397)
Closing balance	344,630	815,684	27,277	105,567	23,389	9,772	1,326,319

32.5 Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community Service Obligation (CSO) adjustment.
Specialised buildings	"Depreciated Replacement Cost (DRC)"	"DRC starts with the replacement cost of the building. An assessment of depreciation is undertaken, with consideration for various areas of obsolescence, including physical, technological and functional."
Infrastructure	"Depreciated Replacement Cost (DRC)"	"DRC starts with the replacement cost of the building. An assessment of depreciation is undertaken, with consideration for various areas of obsolescence, including physical, technological and functional."
Works of art	Sample Survey Valuation Methodology	Statistical calculation based on extrapolation of sample valuations.
Investments	Market approach	The investments in AARNet Pty Ltd. (AARNet) and VERNet Pty Ltd (VERNet) were assessed using 'asset-based approach' in accordance with the newly effective AASB 9 Financial Instruments. Using this approach, the fair value of AARNet and VERNet is determined by having regard to the assets and liabilities set out in AARNet's and VERNet's management accounts as at 31 December 2021, and adjusting the assets and liabilities of the entities to reflect their fair values.

Notes

33. Superannuation plans

The University contributes to a number of employee funds that are not public sector bodies to which the Financial Management Act 1994 applies. These funds exist to provide benefits for employees and their dependents on the employees' retirement, disability, or death. The University satisfies the Superannuation Guarantee Charge requirements through employer contributions to the schemes listed below.

33.1 Summary of superannuation scheme payments

	2021 \$000s	2020 \$000s
UniSuper defined benefit division accumulation super (2) (DBD)	35,953	39,314
UniSuper accumulation super (1)	13,502	13,873
Victorian superannuation board (Unfunded-Emerging)	4,394	4,164
Total	53,850	57,351

33.2 UniSuper Limited

UniSuper is a multi-employer superannuation fund operated by UniSuper Limited as the Corporate Trustee. It is administered by UniSuper Management Pty Ltd, a wholly owned subsidiary of UniSuper Limited. The operations of UniSuper are regulated by the *Superannuation Industry (Supervision) Act 1993*.

UniSuper Defined Benefit Division Accumulation Super (2) (DBD)

UniSuper offers eligible members the choice of two schemes known as the Defined benefit plan or Investment choice 58 Notes to the Financial Statements for the Year Ended 31 December 2020 Plan where the contribution rate is 21% of member's salary, of which the member contributes 7% and the University 14%. Employees appointed to positions classified between Higher Education Worker (HEW) levels 1-4 have the option of contributing at half rates (i.e. 3.5% from the employee and 7% from the University).

In 2008, the University adopted the multi-employer provisions of AASB 119 Employee Benefits, which allowed for defined benefit obligations to be reported on a defined contribution basis with some additional information. AASB 119 states that this is an appropriate solution where the employer does not have access to the information required or there is no reliable basis for allocating the benefits, liabilities, assets and costs between employers.

Therefore, the University doesn't account for any surpluses or shortfalls in the defined benefit fund in its financial statements. As a consequence of changes to clause 34 of the UniSuper Trust Deed in November 2008, UniSuper have advised that both the Defined Benefit Division and Accumulation 2 are defined as multiemployer defined contribution schemes in accordance with AASB 119 Employee Benefits.

Therefore, the University does not have an obligation (legal or constructive) to pay further contributions if the fund does not have sufficient assets to pay all employee benefits under the Trust Deed, and will continue to report on a defined contribution basis.

The employer contribution rate for 2021 is 14% of employee salaries and represents an employer/employee contribution rate of 2:1. These rates are based on the actuarial review completed on 31 December 2021 and comply with the rules governing the Trust Deed. Employer contributions for the year totalled \$35,953,299 (2020 \$39,313,776). It should be noted that effective 1 July 1995 employees had the option of making the equivalent of their 7% contributions from pre-tax income. Therefore the employer paid \$6,437,290 (2020 \$7,367,407) additional contributions on behalf of the employee. Outstanding employer contributions as at 31 December 2021 totalled \$nil (2020 \$nil). There are no loans to fund members.

UniSuper Accumulation Super (1)

UniSuper also offers a cash accumulation productivity scheme known as the Award Plus Plan (APP). University employees have no requirement to contribute to the scheme.

The University contributes the equivalent of 3% of base salary in respect of those employees who were members of the Defined benefit plan or the Investment choice plan. Casual and non-permanent employees who do not qualify for membership of the DBD will have a minimum contribution 9.5% of their annual salary contributed by the University to the APP prescribed under the Superannuation Guarantee Charge Act 1992.

The employer contribution rate is 3% of employee salaries where the staff member is a member of the DBD. Where UniSuper Accumulation Super (1) is the only scheme the current contribution rate is 9.5%. Employer contributions for the year totalled \$13,502,011 (2020 \$13,872,874). There were no outstanding employer contributions as at 31 December 2021 (2020 \$nil). There are no loans to fund members.

33.3 Victorian Superannuation board

(ESS) (formerly State Government Superannuation Fund)

Amounts reported herein relate to unfunded superannuation liabilities as determined by the above mentioned fund.

Employees contribute to this fund on an ongoing basis, but La Trobe University as the employer is only required to contribute to the fund when employees are paid a pension or receive a lump sum payout. Consequently, an unfunded liability has been created. Please note that the Fund is closed to new members.

The State Grants (General Purposes) Act 1994 Section 14 provides for the Commonwealth and the State Governments to meet the costs of the payments from the scheme as they emerge. Consequently the Commonwealth Government has reimbursed La Trobe University for the payments actually made to the fund for the emerging costs since 1988. La Trobe University has every reason to believe that this arrangement will continue until the liability is fully paid.

The Department of Treasury and Finance has determined the ESS unfunded superannuation liability is to be included in the financial statements of all Victorian universities. La Trobe University believes that any disclosure of the unfunded superannuation liability

should be matched with the corresponding receivable from the Commonwealth Government as detailed above. Accordingly the current policy of the University is to record the liability and the corresponding receivable from the Commonwealth Government.

The movements in the liability and the payable of \$5,126,000 during the 2021 year (2020 increase by \$2,384,000) has no financial impact on the operating result. While the Net assets has not altered with these changes, both the Total assets and Total liabilities have decreased by \$5,126,000 (2020 increase by \$2,384,000).

During 2021, La Trobe University's contributions to the Fund totalled \$4,394,374 (2020 \$4,163,667). There were no outstanding employer contributions as at 31 December 2021 (2020 \$nil). There are no loans to fund members.

The policy adopted for calculating employer contributions is based on the advice of the Fund's trustees.

The relevant accounting transactions are detailed below:

(i) Statement of comprehensive income items		2021 \$000s	2020 \$000s
Salary related expenditure increase / (decrease) in Superannuation liability		(5,126)	2,384
Miscellaneous income / (decrease) in amount receivable for superannuation		(5,126)	2,384

(ii) Amounts receivable from the Commonwealth Government		Notes	2021 \$000s	2020 \$000s
Current			4,462	4,346
Non-current			68,707	73,949
Total	10		73,169	78,295

(iii) Unfunded superannuation liability		Notes	2021 \$000s	2020 \$000s
Current			4,462	4,346
Non-current			68,707	73,949
	19		73,169	78,295

The current liability was determined using the average decrease in employer contributions for the last 10 years.

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

The unfunded liabilities recorded in the statement of financial position under provisions have been determined by the PricewaterhouseCoopers Securities Limited ("actuaries") and relates to State Superannuation Fund based on the 31 December 2021 (valuation date), adjusted for applicable sensitivities to discount rates at Statement of financial position date.

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for the University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the State grants (General Revenue) Amendment Act 1987, Higher Education Funding Act 1988 and subsequent amending legislation. Accordingly the unfunded liabilities have been recognised in the Statement of financial position under Employee benefits and provisions with a corresponding asset recognised under Trade and other receivables. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the University.

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

Notes

34. Acquittal of Australian Government financial assistance

34.1 Education - CGS and other education grants

		Commonwealth grants scheme ^{#1}		Disability support program ^{#2}		Indigenous student success program ^{#3}	
	Note	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		251,675	236,473	237	202	1,778	1,432
Net accrual adjustments		(2,693)	1,002	-	-	(879)	(260)
Revenue for the period	21(a)	248,982	237,475	237	202	899	1,172
Surplus / (deficit) from the previous year		-	-	-	-	164	164
Total revenue including accrued revenue		248,982	237,475	237	202	1,063	1,336
Expenses including accrued expenses		(248,982)	(237,475)	(237)	(202)	(1,246)	(1,172)
Surplus / (deficit) for the reporting period		-	-	-	-	(182)	164

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, CGS – Medical Student Loading, Allocated Places, Non Designated Courses and CGS – Special Advances from Future Years.

#2 Disability Performance Funding includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training.

#3 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

34.2 Higher education loan programs (excl. OS-HELP)

		HECS-HELP (Aust. Government payments only)		FEE-HELP		SA-HELP		Total	
	Note	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
Cash Payable / (Receivable) at the beginning of the year		3,048	(761)	7,325	2,559	2,975	117	13,348	1,915
Financial assistance received in cash during the reporting period		142,597	158,533	25,871	27,570	2,296	2,858	170,765	188,961
Cash available for the period		145,646	157,772	33,196	30,129	5,271	2,975	184,112	190,876
Revenue earned	21 (b)	141,779	153,406	24,154	22,142	1,155	-	167,088	175,548
Net accrual adjustments		3,048	1,318	22	662	520	-	3,591	1,980
Cash Payable / (Receivable) at the end of the year		818	3,048	9,020	7,325	3,595	2,975	13,433	13,348

Partnership & participation program		Superannuation program		National Priorities and Industry Linkage Fund		Supporting More Women in STEM Careers		Other		Total	
2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
4,895	5,100	3,864	3,988	7,000	-	48	-	1,996	-	271,492	247,195
(500)	-	903	(289)	(3,507)	-	-	-	570	-	(6,105)	453
4,395	5,100	4,767	3,699	3,493	-	48	-	2,565	-	265,386	247,648
-	-	-	-	-	-	-	-	-	-	164	164
4,395	5,100	4,767	3,699	3,493	-	48	-	2,565	-	265,551	247,812
(4,395)	(5,100)	(4,767)	(3,699)	(3,493)	-	(48)	-	(2,565)	-	(265,733)	(247,648)
-	-	-	-	-	-	-	-	-	-	(182)	164

34.3 Total Higher Education Provider Research Training Program expenditure

	Total domestic students		Total overseas students		Total	
	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
Research Training Program Fees offsets	11,391	11,498	6	6	11,397	11,504
Research Training Program Stipends	7,155	7,420	-	-	7,155	7,420
Research Training Program Allowances	6	7	2	2	8	9
Total for all types of support ^{#4}	18,552	18,925	8	7	18,560	18,932

#4 The total for all types of support for domestic and overseas students is expected to match the Research Training Program expenses, including accrued expenses, in note 34.4 in respect to the 2021 year.

Notes

34. Acquittal of Australian Government financial assistance (cont.)

34.4 Education research

		Research training program		Research support program		Total	
	Note	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		19,475	18,932	34,208	16,413	53,682	35,345
Revenue for the period	2.1 (c)	19,475	18,932	19,860	16,413	39,335	35,345
Surplus/(deficit) from the previous year		-	-	-	-	-	-
Total revenue including accrued revenue		19,475	18,932	19,860	16,413	39,335	35,345
Expenses including accrued expenses		(18,560)	(18,932)	(19,860)	(16,413)	(38,420)	(35,345)
Surplus/(deficit) for the reporting period		915	-	-	-	915	-

34.5 Other capital funding

		Linkages Infrastructure	
	Note	2021 \$000s	2020 \$000s
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		-	1,700
Revenue for the period	2.1 (d)	-	1,700
Surplus/(deficit) from the previous year		493	213
Total revenue including accrued revenue		493	1,913
Expenses including accrued expenses		(25)	(1,275)
Other		-	(145)
Surplus/(deficit) for the reporting period		468	493

34.6 Australian research council grants

		Projects		Fellowships		Total	
(i) - Discovery	Note	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s	2021 \$000s	2020 \$000s
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		6,174	4,682	1,089	1,125	7,263	5,807
Net accrual adjustments		(580)	(352)	(117)	(6)	(697)	(358)
Revenue for the period	2.1 (e)	5,594	4,330	972	1,119	6,566	5,449
Surplus/(deficit) from the previous year		5,624	4,901	1,773	1,663	7,397	6,564
Total revenue including accrued revenue		11,218	9,231	2,745	2,782	13,963	12,013
Expenses including accrued expenses		(3,826)	(3,607)	(1,140)	(1,009)	(4,966)	(4,616)
Surplus/(deficit) for the reporting period		7,392	5,624	1,605	1,773	8,997	7,397

(ii) - Linkages	Note	Projects	
		2021 \$000s	2020 \$000s
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		2,189	1,458
Net accrual adjustments		(516)	(95)
Revenue for the period	21 (e)	1,673	1,363
Surplus/(deficit) from the previous year		1,504	1,528
Total revenue including accrued revenue		3,177	2,891
Expenses including accrued expenses		(1,706)	(1,387)
Surplus/(deficit) for the reporting period		1,471	1,504

(iii) - Special Research Initiatives	Note	Projects	
		2021 \$000s	2020 \$000s
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		279	69
Net accrual adjustments		24	(24)
Revenue for the period	2.1 (e)	303	45
Surplus/(deficit) from the previous year		45	-
Total revenue including accrued revenue		348	45
Expenses including accrued expenses		(89)	-
Surplus/(deficit) for the reporting period		259	45

34.7 Other Australian Government financial assistance

	2021 \$000s	2020 \$000s
Non-capital		
National Health & Medical Research Council	13,627	10,576
Other Australian Government financial assistance	1,860	7,321
Other Australian Government financial assistance	15,487	17,897

34.8 OS-HELP

	2021 \$000s	2020 \$000s
Cash received during the reporting period	-	4,512
Cash spent during the reporting period	(278)	(278)
Net cash received	(278)	4,234
Cash surplus/(deficit) from the previous period	5,691	1,457
Cash surplus/(deficit) for the reporting period	5,413	5,691

OS-Help is held in trust for students and is not revenue to the University.

Notes

34. Acquittal of Australian Government financial assistance (cont.)

34.9 Superannuation supplementation

	2021 \$000s	2020 \$000s
Cash received during the reporting period	3,912	3,988
Cash available	3,912	3,988
Cash surplus / (deficit) from the previous period	689	400
Cash available for current period	4,601	4,388
Contributions to specified defined benefit funds	(4,767)	(3,699)
Cash surplus/(deficit) for this period	(167)	689

34.10 Student services and amenities fee

	Notes	2021 \$000s	2020 \$000s
Unspent/(overspent) revenue from previous period		(506)	1,620
SA-HELP revenue earned	2.1 (b)	1,155	-
Student services fees direct from students		6,582	2,806
Total revenue expendable in period		7,231	4,426
Student services expenses during period		(6,217)	(4,932)
Unspent/(overspent) student services revenue		1,014	(506)

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Acknowledgement of Country

La Trobe University acknowledges that our campuses are located on the lands of many traditional custodians in Victoria. We recognise their ongoing connection to the land and value their unique contribution to the University and wider Australian society.

We are committed to providing opportunities for Indigenous Australians, both as individuals and communities through teaching and learning, research and community partnerships across all of our campuses.

La Trobe University pays our respect to Indigenous Elders, past, present and emerging and will continue to incorporate Indigenous knowledge systems and protocols as part of our ongoing strategic and operational business.

The Annual Report 2021
is available online at:
latrobe.edu.au/council/resources

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