

# Annual Report 2010

Statements and financials



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21 March 2011

The Hon. Peter Hall MLC  
Minister for Skills and Workforce Participation  
Level 36  
121 Exhibition Street  
Melbourne Vic 3000

Dear Minister,

In accordance with the requirements of regulations under the Financial Management Act 1994, I am pleased to submit for your information and presentation to Parliament the La Trobe University Annual Report for the year ending 31 December 2010

The Annual Report was approved by the La Trobe University Council on Monday 21 March 2011.

I took up my appointment as Chancellor of La Trobe University on 25 February 2011, the previous Chancellor was Mrs Sylvia Walton AO.

Yours sincerely,



**Adrienne E Clarke AC FAA FTSE**  
Chancellor



## Foreword: from the Chancellor



2010 was my final year of a five-year term as Chancellor of La Trobe University, having served as Deputy Chancellor since 1997 and originally being appointed to Council in 1993. I am absolutely delighted to announce that Professor Adrienne Clarke AC will be our next Chancellor. The University is very fortunate to have a person of her public and intellectual standing in the role.

La Trobe University is to be commended now and into the future for its increasingly strong and relevant academic programs. The University's research is also moving in a very positive direction as seen in our publications and the growing strength of many of the Faculties. All this relates to the quality and dedication of staff, on the Melbourne and regional campuses, be they academic or general staff.

In 2010, the opening of La Trobe University's new \$10.9 million Shepparton Campus which was jointly funded by the Federal Government, the Victorian State Government and La Trobe University, highlighted the University's commitment to expanding tertiary education in the regions.

Another highlight of 2010 was the announcement of *Vision 2015*, the Council approved strategy plan for the University.

I would like to acknowledge the incredible dedication of my fellow Council members and staff members to La Trobe University. The collegial atmosphere at La Trobe University during my 17 years as a member of Council has been one of my greatest joys.

I am proud of the work that has been done by myself, Council, the various sub-committees, the Vice-Chancellor and all staff members in moving the University forward particularly during these challenging and fast-changing times in higher education. I am leaving the University confident that it is in thoroughly capable hands.

**Mrs Sylvia Walton AO**  
**Former Chancellor**

## Foreword: from the Vice-Chancellor



La Trobe University was established in 1964 to make a difference – specifically “to promote critical enquiry within the university and in the general community”, and “to aid by research and other means the advancement of knowledge and the pursuit of the benefits of its practical application”.

In August 2010, La Trobe University launched a new Strategic Plan for the period 2010-2015 which reaffirmed and built upon that founding mission. “Vision 2015” provides the University with four strategic objectives to ensure that it achieves its vision in a rapidly changing higher education environment over the next five years:

- Objective 1 – Transform student lives through learning.
- Objective 2 – Create new and useful knowledge.
- Objective 3 – Support and reward staff excellence.
- Objective 4 – Operate sustainably and ethically.

This Report and its accompanying publication, “Ambitions into Achievements” highlight just some of the ways in which the University is contributing to and strengthening its commitment to its communities. The following are just a few examples:

- With more than \$500 million of new research and teaching facilities under construction on its campuses (including the new Centre for AgriBioscience and the La Trobe Institute of Molecular Science at the Melbourne campus at Bundoora, and the La Trobe Rural Health School in Bendigo), the University actively planned throughout 2010 the significant expansion of its research capacity.
- In terms of infrastructure, 2010 saw the opening of the University’s \$11 million Shepparton Campus funded jointly by the Federal Government, the Victorian State Government and La Trobe University. The much-anticipated new building is striking and architecturally impressive, and is one of the most modern university buildings in Australia.
- For the second year in a row, La Trobe University recorded strong growth in VTAC first preferences, with an increase of approximately 10% for 2010. This followed a 15% surge in applicants in 2009 with new courses such as sports journalism, events management, dietetics practice and primary teaching being particularly in demand.

**Professor Paul Johnson**  
**Vice-Chancellor and President**

## Highlights 2010

### International

The University's international program further strengthened in 2010 as onshore student enrolments increased slightly; students came from a greater diversity of source countries; participation in the outbound student mobility program increased; and a number of initiatives in international quality improvement were completed.

#### Student Enrolment

In 2010 La Trobe's onshore international enrolments grew slightly and by the end of the year there were 6,609 international students studying at La Trobe campuses in Victoria. Concerns about international student safety and welfare in Melbourne which emerged in May 2009 continued for almost a year. Although there was a drop in the number of commencements during the year, the growth in total enrolments reflected the strength of the commencing student growth in 2008 and 2009. The associated income grew by 18% to a total of \$96 million which exceeded the budget by approximately \$2 million.

#### La Trobe Melbourne

Following a public tender process, the University identified Navitas Pty Ltd as the partner to assume responsibility for the management and delivery of the University's English language (ELICOS), Foundation Studies and Diploma programs from the La Trobe University International College (LTUIC). An overarching agreement was developed to define many aspects of the relationship, including the relationship management framework involving the two institutions. The agreement was signed in mid 2010 and *La Trobe Melbourne* (LTM) was identified as the name of the new college. Transition and/or recruitment of staff took place between June and September and LTM assumed full responsibility for all academic programs on 6 October 2010.

An application to the Victorian Registration and Qualifications Authority for the registration of LTM and accreditation of the current diplomas in Business and Information Technology was submitted in October. It is expected that registration of LTM as a Higher Education provider and a CRICOS registered provider in Victoria will be forthcoming in the first half of 2011, along with registration of the two courses.

La Trobe was active throughout 2010 consolidating many of its international relationships, including with strategic TAFE partners across Victoria, overseas partners in Vietnam, China, Malaysia and India, the Australian Campus Network (ACN) in Sydney, and particularly with Navitas Pty Ltd, Australia's leading pathway provider of pre-university programs. Navitas assumed responsibility in October for developing and delivering the University's Foundation, Diploma and English Language courses at the Melbourne Campus through our new pathway college, La Trobe Melbourne. Reviews of external programs, agent management and international scholarships completed during the year, are all contributing positively to more streamlined business processes and compliance.

#### Student Mobility

Participation in the outbound mobility program in 2010 grew by 13% over 2009 with 470 La Trobe students undertaking a semester exchange, short course program, clinical placement or internship overseas. La Trobe University secured \$436,000 in the DEEWR Mobility grants 2010 round, an increase of 12% over our success at attracting this funding in 2009.

The International Network of Universities (INU) had another successful year of facilitating student exchanges across the Network. In 2010, 17 LTU students were awarded very generous INU scholarships to undertake study opportunities in Japan, USA, UK, Italy and Sweden. Of this cohort, five students came from regional campuses and there was an increased number of mature age students participating, a group which is often under-represented in outbound mobility programs.

In 2010, the La Trobe Abroad team coordinated a week of festivities with an Indian flare to inspire La Trobe students to take up exchanges to India and to celebrate the beauty and diversity of the culture throughout the La Trobe community. The 'Flash Mob' dance activity that took place in the Agora on the first day was just one of the activities that continued throughout the week, including Indian hawker style street food, henna painting, a regional performance with typical Punjabi dancers, and Indian films on the Melbourne campus.

### Centre for China Studies

The Centre for China Studies has continued to forge strategic relationships between La Trobe University and leading Chinese universities and government departments through initiatives including a very active student and staff exchange program; joint research projects; senior management visits; and public lectures delivered by high profile Chinese officials. The Centre has also facilitated more academics from La Trobe participating in and presenting papers at key international academic fora in China; it has provided an effective platform to promote Chinese culture and language within wider communities in Australia. The Centre has also assisted in the establishment and development of joint degree programs with Chinese partners, including full fee paying programs and short courses for Chinese students and participants to study at La Trobe.

### AUQA Quality Audit - Internationalisation

The Australian Universities Quality Agency (AUQA) conducted its Cycle 2 audit of La Trobe, with a special focus on the theme of internationalisation. The Audit Panel visited campuses in Australia and partners in China and Vietnam in late 2009. Following receipt of the Audit Report, effort in 2010 has been directed at responding to the audit findings. Actions taken include the development of an Internationalisation Plan, a review of the University's external programs, a review of the management of agents used for international student recruitment and clarifying relationships with specific offshore partners.

### Distinguished International Alumni

The University awarded honorary doctorates to two distinguished international alumni, HRH the Crown Prince of Perlis (Malaysia) who graduated from La Trobe in 1989 with a Bachelor of Economics degree, and Professor Datin Paduka Dr Khatijah binti Mohamad Yusoff, Director General of Science in the Ministry of Science, Technology and Innovation (Malaysia), who completed her PhD in microbiology in 1983.

## Research

Research is, and always has been, fundamental to La Trobe University's purpose as a higher education institution. The University's overarching research intentions are two-fold:

1. To conduct research of the highest quality judged in comparison to the best in the world; and
2. To make a difference to society through its research.

In the Research Plan 2009 – 2012, the University committed itself to achieving these goals by aligning and focusing its resources on its seven areas of research strength – agribioscience and the environment, health and society, human behaviour and thought, human communication, human society and organisation, molecular science and studies of the past.

The research achievements of 2010 related to these objectives include:

- **Research income** – Total research income has grown by more than 70% over the period 2005 to 2009, with approximately 50% growth in Australian Competitive Grant income over the same period. La Trobe's share of total national research income has grown by 14% since 2005, an upward trend expected to further improve with targeted investment in research strengths as confirmed in the recent ERA assessment and other systems of quality measurement.
- **Higher degree by research** targets are being met with student load for 2010 of 973 exceeding the target set (956). The University is on track to achieve the target of 1002 set for 2012.
- **The AgriBio, Centre for AgriBioscience** is a \$288 m investment for La Trobe University in a PPP with the Victorian Government's Department of Primary Industries – a significant investment in the future of agricultural bioscience research and development. The Centre will eventually house 400 staff at the Melbourne campus. There are currently 17 La Trobe/Department of Primary Industries joint appointees. This is a 7 year partnership of 16 industry, education, government and research organisations and is on track to deliver benefits of \$320 million.
- The **Victorian Autism Specific Early Learning and Care Centre** opened at the Melbourne campus in 2010. Amongst many practical benefits, this new Centre facilitates research in the Olga Tennison Autism Research Centre.

- **La Trobe Centre for Technology Infusion**, as part of a \$4 million project jointly with Tsinghua and Tongji Universities in China, is developing technology designed to have cars and trains 'talking' to each other, aiming to prevent level crossing collisions.
- La Trobe University is the lead partner in the **CRC for Biomarker Translation**, being involved in the discovery of new biomarkers on the surface of cells from diseased patients using Quantitative Proteomic methods developed at the University.
- Andrew Peele is Program Manager in **Australian Research Council Centre of Excellence for Coherent X-ray Science**. This is a \$17 million research project operating between the Universities of La Trobe, Melbourne, Swinburne, Monash and the CSIRO. Novel high-resolution imaging techniques will be developed using synchrotron sources, including the Australian synchrotron
- The **Centre for Sport and Social Impact (CSSI)** was awarded a \$500,000 tender for the Evaluation Program for Creating Healthy Sporting Environments Demonstration Project funded by VicHealth and delivered by Leisure Networks.
- Professor Marilyn Lake (History) and Professor Leann Tilley (Molecular Sciences) were among only 30 scholars nationally to be awarded **Australian Professorial Fellowships (APFs)**.

## Teaching & Learning

The University's major curriculum change project, *Design for Learning*, moved into the detailed preparation stage in 2010. Under the close guidance of Faculty Associate Deans, the work shifted from working parties and pilot projects to course coordinators and teaching staff across the University. Teaching staff mapped the development of graduate capabilities across their courses and revised subjects and assessments to ensure students will have adequate opportunities to develop these skills. Particular focus was placed on the first year of each course and defining the intended learning outcomes for each subject. Assessment rubrics were developed and standards were set. Two aspects of the first year experience were focussed on – student engagement and academic preparation, and indicators were developed so the University can track how each student is transitioning to the University on both these dimensions and then provide support where needed. The newly designed first year courses will be rolled out in 2011.

A significant ICT project for 2010 was the selection and implementation of a new learning management system (LMS) following advice from the vendors of our current LMS that development and support for it was ceasing. After a rigorous evaluation of potential new systems, the University selected Moodle 2 as being the best one for supporting the *Design for Learning* initiatives, and because of cost and vendor performance considerations. At the end of 2010, the implementation was progressing on time and it was expected that the LMS would be ready for use by staff and students at the beginning of semester one, 2011.

Teaching and learning spaces were also a focus during the year with the highlight being the \$10m redevelopment of the Bundoora library. New state-of-the-art collaborative learning spaces were created, 850 additional seats were introduced, and separate study lounges were created for staff and postgraduate students. The design is consistent with the changing styles of teaching which require more collaborative and adaptable learning spaces with access to technology.

In 2010 the University received external recognition for its excellent teaching through the awarding of three Australian Learning and Teaching Council (ALTC) citations for Outstanding Contributions to Student Learning. These were awarded to:

- Professor Richard Broome (Historical and European Studies) for sustained teaching excellence
- Associate Professor Ishaq Bhatti (Economics and Finance) for Australia's first Islamic banking and finance course; and
- the First Year Biology Learning and Teaching group for their work on improving the first year experience of a very large and diverse student cohort.

Each recipient was awarded \$10,000 to contribute to their future teaching and learning research projects or professional development.



The year finished with the annual Curriculum, Teaching and Learning Colloquium which focussed on what it takes to transform a life through learning. Approximately 200 academic staff from across all faculties and campuses attended and nearly 40 different presentations were given over the two day event. Of the participants who provided feedback, over 80% rated the quality of their colloquium experience as 'very high' or 'high'.

## Key Statistics

<b>Students</b>	<b>*2008</b>	<b>*2009</b>	<b>2010</b>
<sup>(1)</sup> Total student (persons)	29,273	30,858	32,762
<sup>(1)</sup> Commencing enrolments	11,986	13,358	14,542
<sup>(2)</sup> Rural/remote	7,565	7,735	7,573
<sup>(2)</sup> Non-English speaking background	659	692	727
<sup>(2)</sup> Low socio-economic status	3,892	4,074	3,895
<sup>(2)</sup> Students with a disability	1,361	1,125	1,116
<sup>(2)</sup> Indigenous	113	139	108
<b>Student Enrolments (EFTSL)</b>			
<sup>(1)</sup> Total student load	22,394.4	23,579.4	25,127.1
<sup>(1)</sup> Undergraduate	17,646.3	18,563.4	19,598.9
<sup>(1)</sup> Postgraduate coursework	3,871.5	4,043.2	5,275.5
<sup>(1)</sup> Research higher degree	876.6	972.8	1,072.6
<sup>(1)</sup> International	5,074.4	5,716.3	6,339.6
<b>Staff (as at 31<sup>st</sup> March)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Academic (FTE)	1,119.2	1,152.6	1,203.5
Professional/Administrative (General) (FTE)	1,337.9	1,250.9	1,337.4
<b>Gender (Persons)</b>			
Female	1,629	1,588	1,703
Male	1,120	1,109	1,154
<b>Function (FTE)</b>			
Teaching only	41.2	47.3	58.1
Research only	222.1	251.2	253.1
Teaching and Research	844.9	841.1	876.3
Other	1,348.9	1,263.9	1,353.4
<b>Teaching and Learning Performance</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<sup>(1)</sup> Market share of VTAC first preferences	10.9%	10.6%	11.5%
<sup>(2)</sup> Retention rate	0.79	0.82	NA
Overall graduate satisfaction (Course Experience Questionnaire)	La Trobe: 42.8 National: 39.3	La Trobe: 44.8 National: 42.3	NA
<sup>(3)</sup> Percent of graduates in employment (Graduate Destination Survey)	La Trobe: 84.4% National: 85.2%	La Trobe: 81.4% National: 79.2%	La Trobe 76.7% National: NA

<sup>(3)</sup> Percent of graduates in full-time study (Graduate Destination Survey)	La Trobe: 25.1% National: 19.6%	La Trobe: 22.3% National: 18.3%	La Trobe 21.4% National : NA
<b>Research Performance</b>	<b>*2008</b>	<b>*2009</b>	<b><sup>(1)</sup>2010</b>
Research income (\$m)	40,845	38,627	NA
Research publications	1,009	961	NA
Research higher degree load (EFTSL)	876.6	972.8	1,072.6
Research degree completions	92	157	NA

**Date Sources:**

**Students:**

<sup>(1)</sup>2010 Data Warehouse as at 03/11/10

<sup>(2)</sup>Census Jan-Mar 2010

\*2008-2009- Census Jan-Dec (excluding revisions)

**Teaching & Learning Performance:**

<sup>(1)</sup>2010 Timely Applications as at 30<sup>th</sup> September 2010

2009 Timely Applications as at 30<sup>th</sup> September 2009

2008 Timely Applications as at 30<sup>th</sup> September 2008

<sup>(2)</sup>2008-2009 Census Jan-Dec (excluding revisions)

<sup>(3)</sup> Australian permanent residents only; Bachelor, Bachelor (Hons), Bachelor (Graduate Entry) and Advanced Diploma available to work full time

**Research Performance:**

<sup>(1)</sup>2010 Data Warehouse as at 01/11/10

\*Research & Finance data relate to year ending 31 December

## Overview

### History and profile of La Trobe University

In 1967, 552 students enrolled at La Trobe University, the third University to open in Victoria. It has grown to accommodate more than 30,000 students including approximately 7,600 international students from over 90 countries.

We now have a network of campuses with 21,000 students at our Melbourne campus and over 5,900 at our campuses in Albury-Wodonga, Beechworth, Bendigo, Mildura, Melbourne City and Shepparton.

La Trobe University was named after Charles Joseph La Trobe, the first Superintendent of the Port Phillip District from 1839 to 1850 and first Lieutenant-Governor of the new colony of Victoria from 1851 to 1854. He supervised the establishment of self-government, the public library, art gallery, a university, and the development of the gold fields.

Governor La Trobe is also famed for ensuring that a minimum of 20% of all land in Melbourne and its surrounding suburbs contain parkland. This old legislation has helped Melbourne to remain one of the great cities of the world and has contributed to La Trobe's Wetland conservation program.

### Manner in which the University was established

The 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 8 March 1967.

La Trobe University was continued in existence 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. Section 7 of the Act provides that the University has a common seal.

### Relevant Minister

The responsible minister in the current Victorian Government is the Minister for Higher Education and Skills, Mr Peter Hall MLC.

### Objectives, Functions, Powers and Duties

#### Objects

The objects 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; and
  - (ii) the safe guarding 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 governing authority 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 to 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.

### **The defining features of the University**

#### **Our Vision**

La Trobe University will transform the lives of students and communities through learning and knowledge creation. We will be nationally and internationally acclaimed in socially responsible teaching and research.

**Vision 2015** provides La Trobe University with a dynamic plan for its future. Four overarching strategic objectives will guide La Trobe to achieve its vision over the next five years. Each object has a set of priority actions that will focus our effort:

**Objective 1** – Transform student lives through learning

**Objective 2** – Create new and useful knowledge

**Objective 3** – Support and reward staff excellence

**Objective 4** – Operate sustainably and ethically

#### **Characteristics**

In all aspects of our research, scholarship, teaching and organisational practices we aim to be:

**Open** – to our communities, prospective students and new ideas.

**Transformative** – by making a positive difference to our students, staff and communities, and to knowledge and practice.

**Engaged** – in knowledge creation and public discourse in local, regional, national and international contexts.

**Accountable** – to each other and our communities, improving what we do and how we do it.

**Sustainable** – ensuring that by our individual and collective actions we extend the capabilities and choices of future generations.

## **University Campuses**

In 2010, La Trobe University had campuses at: Albury/Wodonga, Beechworth, Bendigo, Bundoora, City - Franklin Street, Mildura and Shepparton.

La Trobe University consists of five multi-campus Faculties, each offering a broad range of study options in a variety of disciplines:

- Faculty of Education
- Faculty of Health Sciences
- Faculty of Humanities and Social Sciences
- Faculty of Law and Management
- Faculty of Science, Technology and Engineering

## **La Trobe University Council**

The principal governing body of the University is the Council. The Council is composed of the Chancellor, the Vice-Chancellor, the Chair of the Academic Board, 3 persons elected by and from the staff of the University, 2 persons elected by and from the enrolled students of the University, 6 persons appointed by the Governor in Council, 1 person appointed by the Minister administering the Act and 6 other persons appointed by the Council.

The Vice-Chancellor is the Chief Executive Officer of the University (section 26 of the Act), and is responsible to Council for the discharge of his or her powers, functions and duties.

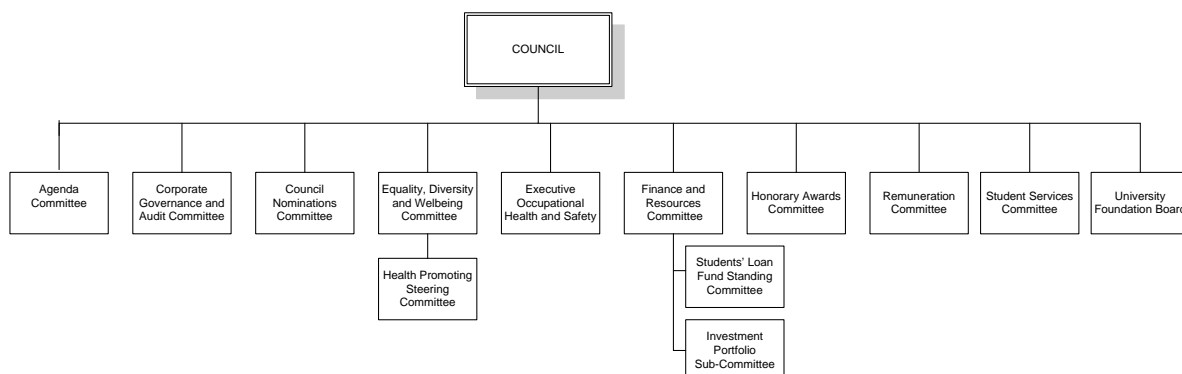
Under section 8 of the Act, the Council has the entire direction and superintendence of the University. Some of the Council's more important responsibilities and functions under the Act include:

- making Statutes and regulations for or with respect to all matters concerning the University (section 28);
- appointing and monitoring the performance of the Vice-Chancellor (section 8);
- approving the mission and strategic direction of the University (section 8);
- approving the annual budget and business plan of the University (section 8);
- overseeing and reviewing the management of the University and its performance (section 8);
- establishing the policy and procedural principles for the operation of the University (section 8);
- overseeing and monitoring the assessment and management risk across the University (section 8);
- overseeing and monitoring the academic activities of the University (section 8);
- approving and monitoring systems of control and accountability of the University, including those required to maintain a general overview of any entity over which the University has control within the meaning of section 3 of the Audit Act 1994 (section 8);
- approving any significant university commercial activities (section 8);
- conferring and granting degrees, diplomas and other academic awards to students (section 10).

The Council is also empowered under section 18 of the Act to delegate powers, authority, duties and functions to any member of the Council, or to any officer or committee of the University.



## Council and Sub-Committees



21 February 2011

### Membership of Council 2010

Mrs SJ Walton AO (*ex officio*) - Chancellor

Qualifications & experience: BA Syd, BEd La Trobe, DipEd MA Syd, FRGS, FACE, FAPC, FACL, MAICD, FAICD, qualifications and extensive experience in education, former Principal of Tintern Schools, Principal of St Catherine's School

Appointed to Council: 01/01/1993

Meetings attended in 2010: 9

Emeritus Professor J McKenzie (Council appointment) – Deputy Chancellor

Qualifications & experience: B.Sc (Hons), PhD (La Trobe), qualities and experience in leadership, research, teaching, mentoring and interaction with industry and the community

Appointed to Council: 01/01/2009

Appointed Deputy Chancellor on 13/02/2010

Meetings attended in 2010: 8

Professor PA Johnson (*ex officio*) – Vice-Chancellor

Qualifications & experience: MA, DPhil (Oxon), AcSS

Meetings attended in 2010: 8

Professor M Rimmer (*ex officio*) – Chair, Academic Board

Qualifications & experience: MA Oxf., MA Warw., FASSA

Meetings attended in 2010: 9

Professor A Clarke AC FAA FTSE (Governor-in-Council appointment) (part of year)

Qualifications and experience: BSc (Hons) (Melbourne, 1958) PhD (Melbourne, 1963). Distinguished career in Education, Research and Innovation and Public Service. Laureate Professor, School of Botany (The University of Melbourne). Board Member - Australian Research Centre for Urban Ecology – ARCUE (Board Member).

Advisory Position - The Nature Conservancy (Australian Advisory Board)

Appointed to Council 24/08/2010

Meetings attended in 2010: 3

Mr T De Domenico (Governor-in-Council appointment)

Qualifications and experience: Fellow of Australian Institute of Management. Member of Australian Institute of Company Directors. Deputy Chief Minister, ACT 1995-1997. Currently, Executive Director, Urban Development Institute (Vic)

Appointed to Council 8/09/2009

Meetings attended in 2010: 8

Mr A Eddy (Governor-in-Council appointment) (part of year)

Qualifications and experience: Bachelor of Commerce, (Melbourne 1980). Institute of Chartered Accountants in Australia – FCA 1983. Australian Society of Certified Practicing Accountants – FCPA 1986. Australian Institute of Company Directors - GAICD

Appointed to Council 19/10/2010

Meetings attended in 2010: 1

Ms N Griffin (Governor-in-Council appointment)

Qualifications & experience: BA *Monash*, FAICD, qualifications and experience in financial matters

Appointed to Council: 01/01/1998

Meetings attended in 2010: 9

Mr R Guy OAM (Governor-in-Council appointment)

Qualifications & experience: B.Appl.Sc (Melbourne), M.Sc.(London), former Chairman Bendigo Bank (1986-2006), former Director, Elders Rural Bank (1998-2005), MD Crystal Industries, Director Girton Grammar School

Appointed to Council: 10/02/2009

Meetings attended in 2010: 6

Ms J Williams (Governor-in-Council appointment)

Qualifications and experience: BEc, MSc, FAICD, Chief Executive of Australian Red Cross Blood Service, Chief Executive of Alfred Health (2004-2009), Chief Executive of Austin Health (1997-2004), Commissioner, Australian Commission on Safety and Quality in Health Care (2006-2008), Director Mental Health Research Institute (2002-2009), 1995 Victorian Business Woman of the Year – Public Sector Category

Appointed to Council: 01/01/2009

Meetings attended in 2010: 7

Ms J Gordon (Council appointment) (*part of year*)

Qualifications & experience: Graduate of the Australian Institute Company Directors (GAICD); Bachelor of Business & Information Technology (La Trobe University); Associate Diploma of Accounting, Bendigo TAFE, Australia.

Substantial experience in multinational IT environments. Former director of Societe Internationale de; Former Qantas Group Chief Information Officer; Currently Leighton Holdings Chief Information Officer.

Appointed to Council: 01/10/2009

Meetings attended in 2010: 6

Mr W Kelty AC (Council appointment)

Qualifications & experience: BEc La Trobe; industrial relations (former ACTU Secretary), economic policy, wage and superannuation reforms.

Appointed to Council: 02/06/08

Meetings attended in 2010: 7

Mr G McMahon (Council appointment)

Qualifications and experience: substantial business experience, formerly CEO of major airline, formerly President of Essendon FC

Appointed to Council: 05/06/2007

Meetings attended in 2010: 5

Dr G Sculthorpe (Council appointment) (*part of year*)

Qualifications & experience: PhD *La Trobe*, heritage and indigenous affairs background

Appointed to Council: 01/01/2003

Resigned as of 21/07/2010

Meetings attended in 2010: 3

Mrs A Kuypers (elected by academic staff: non-professorial representative)

Qualifications and experience: Grad Cert (Periop) RCN, GradDip (Clin Ed) LTU, RN, MRCNA, MACORN. Lecturer Nursing and Midwifery Albury Wodonga Campus

Appointed to Council 1/01/2010

Meetings attended in 2010: 7

Professor L Tilley (elected professorial staff member)

Qualifications & experience: PhD Biochemist (Uni of Sydney), Professor of Biochemistry, Director of Research, La Trobe Institute for Molecular Science, Deputy Director of the ARC Centre of Excellence for Coherent X-ray Science

Appointed to Council: 30/06/2009

Meetings attended in 2010: 7

Mr M Torney OAM (elected general staff member)

Qualifications & experience: BA (La Trobe), Accounting (RMIT), Member of CPA Australia, Director of Student Services, Awarded an OAM for services to students and student unions

Appointed to Council: 26/10/2009

Meetings attended in 2010: 8

Ms A Asad (elected by postgraduate students)

Qualifications and experience: Postgraduate student

Appointed to Council 1/01/2010

Meetings attended in 2010: 7

Mr L Batchelor (elected by undergraduate students)

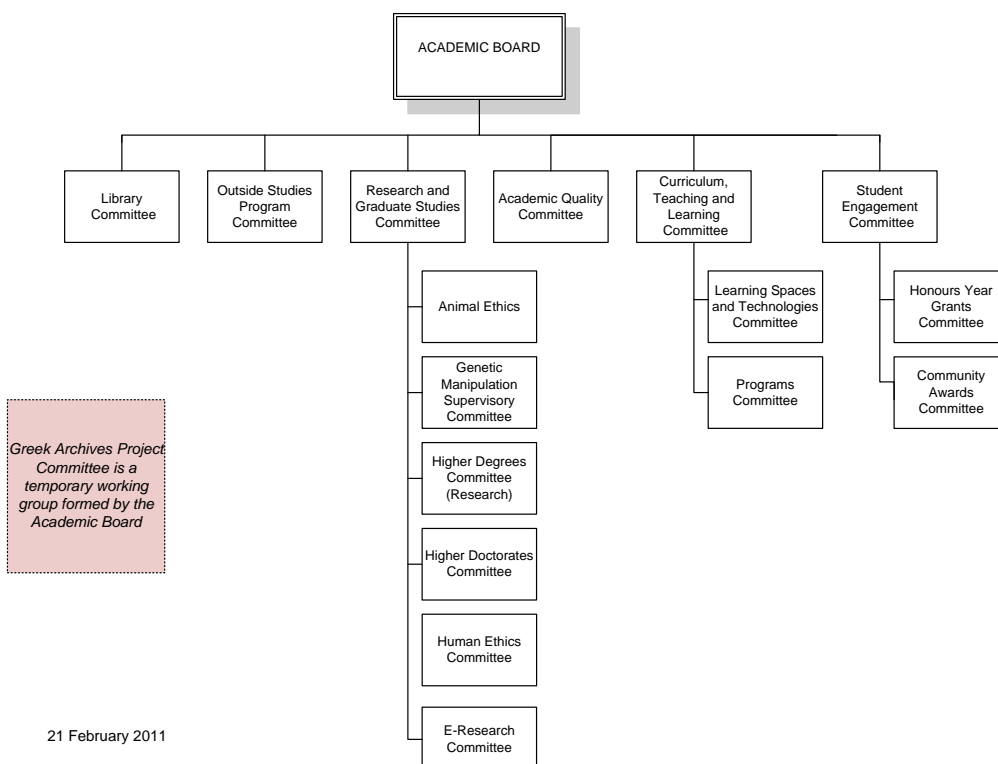
Qualifications and experience: Undergraduate student (Melbourne campus) La Trobe University Student. Representative Council President in October 2008.

Appointed to Council 1/01/2010

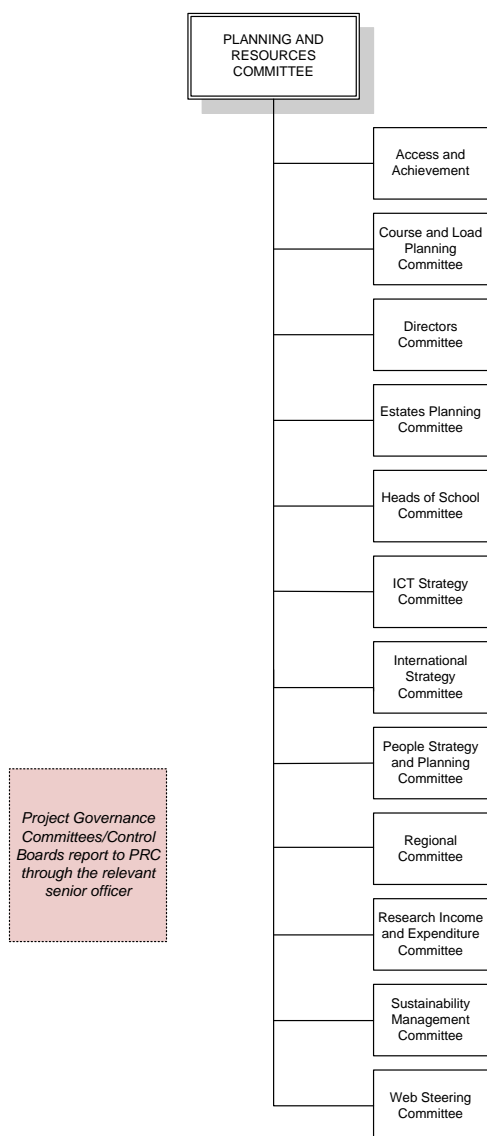
Meetings attended in 2010: 8

## Other University Committees

### Academic Board and Sub-Committees



## Planning & Resources Committee and Sub-Committees



21 February 2011

### Senior Officers

#### *The Visitor*

His Excellency the Governor of Victoria, Professor David de Kretser, AC, MBBS *Melb*, MD *Mon*, FRACP FAA FTSE

#### *The Chancellor*

Mrs SJ Walton, AO, BEd *La Trobe*, DipEd, MA *Syd*. FRGS, FACE, FACEA(V), FAPC

#### *The Deputy Chancellor*

Emeritus Professor J McKenzie, BSc (Hons), PhD *La Trobe*

#### *The Vice-Chancellor and President*

Professor PA Johnson, MA DPhil *Oxon*, AcSS



*Chair of the Academic Board*

Professor M Rimmer, MA Oxon, MA Warw., FASSA

*Deputy Vice-Chancellor*

Professor B Probert, BSc (Econs) London, PhD Lancaster, FASSA

*Deputy Vice-Chancellor (International and Development)*

Professor J Rosenberg, BSc (Hons) (Computer Science), PhD (Computer Science) Monash, FTSE, FACS, FAICD

*Deputy Vice-Chancellor (Research)*

Professor TC Brown, BSc (Hons) Monash, PhD Cambridge

*Pro Vice-Chancellor (Curriculum and Academic Planning)*

Professor T Angelo, BA CSUS, MA MEd Boston U, EdD Harvard

*Pro Vice-Chancellor (Educational Partnership & Quality)*

Dr JA Jackson, BEc Monash, DipEcStat UNE, MEc, DipEd, PhD Monash

*Pro Vice-Chancellor (Equity and Student Services)*

Dr K Ferguson, BAppSc(OT), MEd(Counselling), EdD La Trobe, MVAFT

*Pro Vice-Chancellor (Graduate Research)*

Professor A Brennan, MA St And., MA Calgary, B.Phil Oxon

*Pro Vice-Chancellor (Regional)*

Professor H Swerissen, GradDipPsych Curtin, MAppPsy Murdoch

*Pro Vice-Chancellor (Sustainability)*

Professor C Adams, BA Accountancy and Business Law Stirling, MSc Accounting and Finance London School of Economics, PhD Glasgow, CA, FCPA, FCCA

*Executive Director, Office of the Vice-Chancellor*

Mr D Ensor, BSc, HDipEdAd, MEd Witwatersrand

*Executive Director, Finance and Resource Planning/Chief Financial Officer*

Mr P Lodhiya, BCom, MBA, CA(NZ), CPA, GAICD

*Executive Director, Infrastructure and Operations*

Mr T Inglis, BEng Melb

*Executive Director, Marketing and Engagement*

Ms J Martin, BEd, MEd University of Tasmania, IABC, AMI (CPM), PRIA

*Executive Director, People and Culture*

Dr M Durur, PhD, MBA (HRM) UNE, GDPBS Deakin FAHRI, DSoLA

**Details of indemnity for members of Council and senior officers**

The University maintains indemnity cover for its Council Members and senior officers through Unimutual Limited:

AFS Licence Number 241142.

Key Protections are maintained for 'Professional Liability' and for 'Directors and Officers Liability'.

**Professional Liability Protection**

The protection period is 1 November 2010 to 31 October 2011:

Protection Number: LTU 11 PL.

The University retains the first \$50,000 for each and every claim.

Cover is limited to \$20,000,000 for each and every claim but limited to \$80,000,000 in the aggregate for the protection period (the \$80,000,000 aggregate is a combined single limit across professional liability, malpractice and general clinical trials).

Extension to the standard cover is endorsed for infringement of rights of intellectual property or breach of confidentiality.

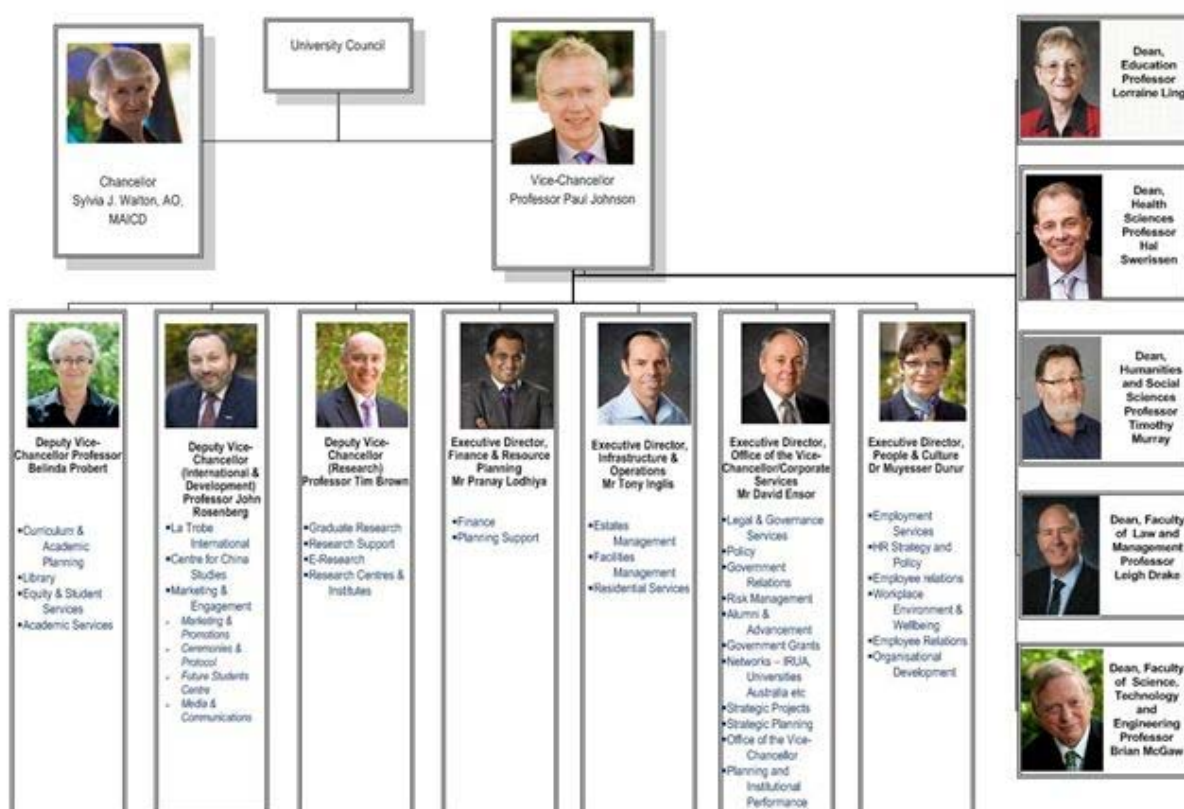
### ***Directors and Officers Liability Protection***

The protection period is 1 November 2010 to 31 October 2011 and has been maintained since 2 January 2003: Protection Number: LTU 11 DO.

The University retains the first \$10,000 for each and every claim.

Cover is limited to \$15,000,000 for any one claim and \$30,000,000 in the aggregate for the protection period.

### **Organisational Chart: Senior Management**



## Statutory Reporting

### Sustainability and Environmental Performance

#### La Trobe University's Sustainability Principles

The University will seek to develop responsible leaders, professionals and citizens by:

**Recognising** – that sustainability encompasses economic, social and environmental dimensions.

**Integrating** – sustainability across all operations, curriculum and research.

**Embedding** – sustainability in the culture and practices of the University through the broadest engagement with staff, students employers and partners in the community and in government.

**Becoming** – known as the leading sustainable university in Australia and a leader internationally.

Sustainability objectives were incorporated into the University's Operation Plan 2010 and Vision 2015. La Trobe University appointed Australia's first Pro Vice-Chancellor (Sustainability) during 2010.

The Office of the Pro Vice-Chancellor (Sustainability) has established social, environmental and economic sustainability performance indicators (KPIs) informed by the Global Reporting Initiative's G3 Sustainability Reporting Guidelines, global sector best practice and university sustainability benchmarking exercises in North America and the UK. Short, medium and long term targets have been set and will be included in the University's first sustainability report to be published in 2011, along with 2009 and 2010 performance data.

The reporting process will provide the University with a tool for planning, measuring, and being accountable for, sustainability performance across its operations, curriculum and research. Our aim is to embed continuous sustainability improvement within all aspects of the university's work. The work is informed by a Sustainability Management Committee, a Sustainability Forum and an External Sustainability Advisory Board.

La Trobe University has committed to the ten principles of the **UN Global Compact** and signed the **Talloires Declaration**. We are an Organizational Stakeholder of the **Global Reporting Initiative** and a member of the: **Globally Responsible Leadership Initiative (GRLI)** which seeks to promote globally responsible leadership and to develop the next generation of responsible leaders; the **North American Association for Advancement of Sustainability in Higher Education (AASHE)** and **Australian Campuses Towards Sustainability (ACTS)**.

In 2010, La Trobe University's application to the **Fair Trade Association of Australia (FTAANZ)** was successful. The recognition of La Trobe as 'Fair Trade' is an accolade to the hard work of staff and students and it underscores the University's role as a socially responsible institution.

We launched our *Indigenous Employment Strategy* which commits to additional employment opportunities for Indigenous Australians. We celebrate Aboriginal and Torres Strait Islander cultures at a number of events throughout the year including the observation of the National Day of Healing and the National Aboriginal and Islander Day of Commemoration (NAIDOC) week. We have produced a guide for Muslim students at the university which includes information on campus prayer facilities, food on and around campus, Islamic student groups and external community and religious supports available.

A new *Sustainable Travel Policy* has been produced to support our Vision 2015 goal to reduce travel and an *Energy Efficiency Policy* is being developed. In 2010, 25% of the University's electricity purchased was from renewable sources and we have committed to increase that proportion.

The **La Trobe Institute for Social and Environmental Sustainability** has established three themes for multi-disciplinary research:

- water, natural sciences and land management
- community resilience, health and social justice
- sustainability governance, measurement and corporate social responsibility.

Further details can be found at [www.latrobe.edu.au/sustainability](http://www.latrobe.edu.au/sustainability) and will be published in the University's Sustainability Report.

## **Application of Merit and Equity Principles**

The University is committed to promoting full and equal participation of all University students and staff and continues to strive to ensure that practices of the University are in accordance with current state and federal legislation regarding all areas related to human rights, anti-discrimination and equal opportunity. Policies, procedures and measures are in place to continuously monitor and initiate efforts towards the provision of a work and study environment that values equality of opportunity, cultural diversity and one which is free from sexual harassment, harassment and discrimination.

Equality and Diversity Awareness Programs have been designed and implemented in order to eliminate discrimination and ensure staff have a good understanding that a person's merit for a job, promotion, reclassification, etc is based on a neutral assessment of their ability to perform the work. In relation to merit based selection, the University makes every attempt to appoint the best available applicant for a position in open competition, where applicants are measured against established selection criteria without reference to irrelevant characteristics such as race, sex, disability, age, religious beliefs, etc. and adherence to set procedures promotes uniformity and fairness by removing the potential for bias and personal prejudice.

The University has affirmative actions aimed at providing equality of opportunity for women in the workplace; services and support for students and staff with disabilities and ongoing medical conditions; supporting and administering initiatives that support students from equity groups such as students from non-English speaking backgrounds, students from rural and isolated areas, students from low socio-economic status backgrounds, women in non-traditional fields of study, the provision of services and support for Aboriginal and Torres Strait Islander students, and continues to develop diversity initiatives for students and staff.

La Trobe University has been successful in being awarded the "Employer of Choice for Women" by the Equal Opportunity in the Workplace Agency (EOWA). EOWA's role is to administer the *Equal Opportunity for Women in the Workplace Act 1999*. La Trobe has been successful in receiving this citation every year since the inception of the awards in 2001.

## **Occupational Health and Safety Matters**

The University continued to provide an effective occupational health and safety program as part of the People and Culture Division's services. The program comprises the provision of services in the major areas of audits and inspections; delivery of internally and externally sourced training; development and review of policies and procedures; accident investigation services; workers' compensation management and rehabilitation support and employee assistance services.

The University Safety Policy, which was approved by Council Executive on 16 February 2000 and reviewed on 3 August 2009, is the primary statement of commitment and responsibilities. The Executive Occupational Health and Safety Committee, along with a network of health and safety consultative committees comprised predominantly at campus, faculty and organisational area level, continue to facilitate occupational health and safety throughout the University.

The University provides resources for occupational health and safety via the provision of expert advice and program coordination. Resources are also provided by line management for the day to day operations to enable health and safety requirements to be implemented. An extensive occupational health and training program was provided, ranging from managing specific hazards to general occupational health and safety awareness for employees.

## **Performance Indicators and Measurement in 2010**

The same performance indicators used in 2009 were chosen for 2010. These indicators are currently being reviewed as part of the updated safety systems. These indicators were chosen to reflect both negative outcomes (such as injuries and lost time) and positive outcomes, or initiatives which contribute to an overall

improvement in occupational health and safety. The number of compensable injuries and associated lost time is a preferred measure to the lost time injury frequency rate as it provides a clearer description.

*Workers compensation:*

- Number of lost time workers compensation claims
- Number of days lost due to compensable injury
- Number of notifiable injuries or occurrences
- WorkCover premium

*Occupational health and safety:*

- Number of zone committee meetings
- Number of new or revised procedures
- Number of audits conducted

The performance results for 2010 are presented in the following table.

<b><i>Performance Indicator</i></b>	<b><i>Result</i></b>
<i>Number of lost time workers compensation claims</i>	There were 11 lost time claims in 2010 compared to 9 in 2009. These claims covered a range of injury types and individual durations from 2 to 104 days.
<i>Number of days lost due to compensable injury</i>	There were 293 days lost due to injuries which occurred in 2010 compared with 163 days lost in 2009.  There was <b>one</b> significant claim with 104 lost days which impacted significantly on this figure for the year.
<i>Number of notifiable injuries or occurrences</i>	There were three incidents in 2010 that were notifiable under the Occupational Health and Safety Act.  <ol style="list-style-type: none"> <li>1. A student was found deceased after falling down the internal stairwell in the Glenn College South Wing. Police attended the scene and the University's critical incident management response was activated.</li> <li>2. A student jumped from a first floor balcony after being locked out of the building. The student was working late in an office when he went for a cigarette; however the door locked behind him. The student sustained a spinal injury and was taken by ambulance to the Austin Hospital.</li> <li>3. A contract security guard was found deceased at the Beechworth campus. The attending police advised that the person appeared to have died of natural causes.</li> </ol>
<i>WorkCover premium</i>	The confirmed WorkCover premium for 2010/2011 is \$776,877 (excl. GST) which represents a rate of 0.28 percent of remuneration. This rate is slightly lower than previous years (the rate was 0.36 percent in 2009/2010) and compares favourably with the industry rate.  By comparison, the average industry rate for the same period is 0.40 percent of remuneration.



<b>Performance Indicator</b>	<b>Result</b>
<i>Number of zone committee meetings</i>	<p>The Executive OH&amp;S Committee met four times in 2010.</p> <p>Amongst the 15 health and safety consultative committees, a total of 59 meetings were held in 2010.</p>
<i>Number of new or revised procedures</i>	<p>The Executive OH&amp;S Committee approved a major revision of policies and procedures in 2009, with the aim being to align policies and procedures in a risk management framework and in accordance with the University quality format.</p> <p>The process initiated in 2009 of the review and reformatting of existing policies, procedures and guidelines continued with 75% of the existing documents finalised. This occurred concurrently with the development and implementation of several new policies, procedures and guidelines.</p>
<i>Number of audits conducted</i>	<p>The Occupational Health and Safety Section conducted 8 internal audits related to LTU OHS Management Systems of selected areas in 2010. Areas audited were:</p> <ul style="list-style-type: none"> <li>• Children's Centre</li> <li>• Graduate School of Management</li> <li>• Dental and Oral Health</li> <li>• Faculty of Education (Melbourne Campus)</li> <li>• ICT</li> <li>• La Trobe International</li> <li>• School of Molecular Science</li> <li>• Visual Arts &amp; Design</li> </ul> <p>The non-compliances identified have either been resolved or an action plan for compliance put in place.</p>

#### **Other matters**

WorkSafe Inspectors visited on the following occasions:

1. On 3 February 2010 a WorkSafe visit was undertaken as part of an inspectorate review relating to compliance with the rehabilitation and return to work provisions of the Accident Compensation Act. WorkSafe identified one non-compliance in relation to the occupational rehabilitation program. The program did not contain the name of at least one occupational rehabilitation provider and this matter has since been corrected.
2. On 8 February 2010 a WorkSafe visit was undertaken in response to allegations of workplace bullying which were reported by a University employee to the WorkSafe Advisory Service. The matter relates to a current workplace dispute and information and documents were provided to the inspectors. The matter has been finalised as detailed below.
3. On 20 April 2010 officers from WorkSafe attended to follow up on the abovementioned complaint of workplace bullying (previous visit was 8 February 2010). During the visit WorkSafe advised that the complaint of bullying was not substantiated. However, an Improvement Notice was issued requiring the University to provide refresher training in relation to workplace bullying to staff in the division of Nursing and Midwifery. Training was subsequently conducted on the 9 and 18 June 2010.
4. On 24 June 2010 officers from WorkSafe attended to follow up on the abovementioned complaint of workplace bullying to confirm training was provided. The Improvement Notice was deemed to have been complied with.

5. On 15 September 2010 a WorkSafe Inspector visited the City Campus in response to an anonymous complaint regarding refurbishment works being performed at the time. The Inspector issued an Improvement Notice in relation to a power outlet being in close proximity to a hot water service tank. The Inspector confirmed on 21 October 2010 that compliance had been achieved.

Other relevant regulatory bodies visited on the following occasions:

1. On 17 March 2010 officers from the Dangerous Goods Branch of the Metropolitan Fire Brigade attended the Melbourne campus to review storage of dangerous goods and to enable fire crews to familiarise with the high risk storage areas. Advice was provided by the officers which has been acted upon.
2. On 9 July 2010 a representative from the Radiation Safety Section of the Health Department attended to conduct a routine inspection of the registration details of several radioactive sources.

### **University's Risk Management Strategy**

The University Council promotes a major emphasis on risk management as a key platform of corporate governance and a vital component of effective decision making. The Council's Corporate Governance and Audit Committee (CGAC) provides a strong oversight of risk management and compliance activities throughout the University. Activities in 2010 included examinations of adequacy of and compliance with legislative requirements and University's controls with respect to:

- Health and safety policies, procedures and practices;
- Financial policies, procedures and practices;
- Fraud and corruption controls assessments;
- Trade Practices Act
- Quality management;
- International agents;
- Student scholarships;
- Facilities security;
- Higher degree by research student data;
- Residential Services;
- Spot audits of budget units;
- Major projects, investments and tenders probity reviews and audits;
- Investigations into alleged misconduct by staff and students.

The University's Risk Management Office has responsibility for the delivery of key strategic and operational risk management programs. This includes:

#### ***Risk Management Office:***

- Conduct of strategic, operational, and major projects risk management;
- Ongoing development of the University Risk Profile and individual functional and project risk management, focusing on safety, financial, regulatory, reputational, business performance, people, stakeholder and technology risks;
- Development and implementation of complex and multidisciplinary risk treatment solutions;
- Development of improved governance frameworks for the University;
- Provision of probity advice;
- Conduct of investigations into alleged corruption;
- Development of new risk management tools;
- Research into emerging risk methodologies, causal relationships in critical infrastructure failures and characteristics of organisational and community resilience.

#### **Critical Incident Management**

- Critical incident management planning, training and exercising, including pandemic preparedness;

- Critical incident response, on campuses, for staff and students at remote locations within Australia and for overseas locations;
- Development and coordination of business continuity management arrangements for over one hundred critical business functions.

#### **Internal Audit Office:**

- Management of the annual Internal Audit Plan undertaken using co-sourced arrangements with private accounting and audit firms;
- Conduct of special investigations and forensic audits;
- Conduct of the fraud risk management program;
- Conduct of probity audits.

#### **Insurance Office:**

- Annual review of insurable assets and liabilities;
- Purchasing of general insurance covers;
- Management of self insurance provisions;
- Claims management;
- Liability reduction advisory service;
- Management of the TravelSafe@Latrobe service for assistance in safe and secure overseas travel for staff and students.

Risk management is undertaken using a University customized approach consistent with the Australian and New Zealand Standard (AS/NZS ISO 31000: 2009). Critical Incident Management and business continuity management is undertaken according to Australian Standards HB292:2006 and the Australian & New Zealand Standard for Business Continuity: management of disruption related risk AS/NZS5050.

Identification, assessment and progress on treatment of risk is reported to relevant management and to the Corporate Governance and Audit Committee at its quarterly meetings.

Risk management principles are also applied to Controlled Entities and to the appointment of directors to University Companies in which the University holds an investment.

#### **Other activities**


The Risk Management Unit has been a contributor to the development of a number of national and international standards.

Risk management principles are also applied to controlled Entities and to the appointment of directors to University Companies in which the University holds an investment.

#### **Summary of Extent and Nature of Risk of Associates and Commercial Ventures**

<b>Associate/Commercial Venture</b>	<b>Principle Objectives</b>	<b>Level of Financial Risk</b>	<b>Level of Reputational Risk</b>
Residential Services	Provision of student accommodation	Low	Medium/Significant
Medical Centre Developments Pty Ltd	Owner and landlord of Medical Centre Building	Medium	Low
La Trobe University Children's Centre	Provision of child minding services	Low	Medium
Campus Graphics	Printing services	Low	Low
LTU Cogeneration Plant	Production of electricity	Low	Low

I, Dr Carl A. Gibson certify that 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 audit committee verifies this assurance and that the risk profile of La Trobe University has been critically reviewed within the last 12 months.



Dr Carl A. Gibson  
Director Risk Management Unit  
La Trobe University  
17 February 2011

### **Conformity with the *Building Act 1993***

The University owns physical assets on six campuses – Bundoora, Bendigo, Mildura, Beechworth, Shepparton and Albury-Wodonga. The campus at Beechworth, being the oldest with converted buildings and some unused or restricted spaces, is the most difficult to maintain and keep updated in a state of compliance.

An established software program for maintenance and minor works management of the University's physical assets remains in operation, and is being used to provide work order, implementation and cost management functions.

In 2004 the University acquired the Argus Building property at 284-290 La Trobe Street, Melbourne. During 2008 the University Council determined not to proceed further with reconstruction works at this site. The University sold this property on 8<sup>th</sup> July 2010. Therefore this site is no longer part of La Trobe University's building portfolio.

### **Mechanisms established to ensure new buildings and works to existing buildings conform with building standards.**

An accredited building surveyor/certification consultant is appointed for each project as required.

Consultants are provided with a brief for each major project. This brief is divided into two sections, a project brief (actual description of individual project requirements and other specific issues) and a design brief (which includes statutory and code compliance, safety issues, etc. which are required for all projects).

There are procedures in place (eg. during the design and documentation stages) for the Occupational Health and Safety Unit, Equity and Access Unit, Maintenance Unit and other relevant units of the University to make comment on proposed new and existing building works.

### **Mechanisms to exempt works from application of the 10 year liability gap.**

Not applicable. The University has promulgated procedures which are required for private sector bodies with regard to Building Permit Accreditation, such as mandatory inspections of building works by a Building Surveyor and issue of occupancy permits (eg. this procedure was employed for 30 major projects each in excess of \$50,000.00 completed in 2011). This has been formalised as a standard procedure, even though a lower level accreditation scheme for Government bodies could be applied. Exclusions will include infrastructure projects (such as car parks, replacement of major equipment, site services, etc.), where an occupancy permit is not relevant or renovation projects which do not alter the use or structural integrity of buildings.

### **The number of major works (expenditure of more than \$50,000.00) which were completed in the year of the report.**

A total of 30 projects (with expenditure more than \$50,000.00) were completed in 2011.

**The number of major works (expenditure of more than \$50,000.00) which were not subject to the certification of plans, mandatory inspections of the works and issue of Occupancy Permits, including reasons for non-compliance and, where appropriate, the reason for NOT invoking the 10 year liability cap.**

Twenty eight projects were not subject to certification of plans or building surveyor involvement during construction. These projects involved:

- Engineering infrastructure upgrade (2)
- Site works infrastructure (1)
- Fit-out/Cosmetic upgrades (12)
- Building Services upgrades (3)
- Major Maintenance (2)
- Other (11) 8 x building compliance improvements 3 x security improvements

and therefore were not subject to Building Act 1993 authority or structural change requiring building surveyor inspections etc.

The other two projects were subject to certification of plans, mandatory inspections and issue of Occupancy Permits or Certificate of Final Inspection as appropriate.

**The mechanisms established for inspection reporting, scheduling and carrying out of rectification and maintenance works on existing buildings.**

The University complies with the Building Regulations 1993, Part 11 (eleven), which requires inspection of essential services at least annually, eg. :

- Legionella inspections as per the Victorian Regulations and the Australian Code.
- Lifts inspection as per the Australian Code.
- Fire services (detection and protection) and fire safety checks usually every 6 months. (Fire Detectors are 6 months, sprinklers are weekly, and fire indicator panels are monthly)

A schedule of major maintenance and major equipment replacement with cost estimates is maintained for purposes of regular capital renewal. A buildings conditions audit, maintenance and rectification summary for the Bundoora and Bendigo campuses was undertaken in 2010, and this report forms the basis to plan rectification and maintenance works. This Audit is currently being updated.

Preventative as well as breakdown maintenance programs are employed.

Safety inspections on physical assets are undertaken regularly and when required. An asbestos register is kept and updated with respect to abatement.

Quarterly co-ordination meetings are held between physical plant and OH&S staff to assess and prioritise work.

**The number of buildings which conform with the Building Standards (as defined by the guidelines)**

All buildings have been constructed to meet the Building Standards at the time of construction including full compliance for a Certificate of Occupancy on the Bundoora, Beechworth, Bendigo, Mildura, Shepparton and Albury/Wodonga campuses. As areas within existing buildings are refurbished, they are brought into conformity with the Building Act 1993 and its current regulations where required.

**The number of buildings brought into conformity in that financial year.**

All 30 projects for 2010 with expenditure more than \$50,000.000, requiring confirmed conformity (whether new or renovations to existing), conform to the current regulations.

**The year by which all buildings in the control of the University are expected to be brought into conformity.**

Not applicable. (The University is not aware of any major non-conformities).

In the case of the Beechworth Campus and the Kingsbury Centre/Mont Park Buildings on the Bundoora Campus, their Business Plan and Strategic Plan are in place. As buildings are upgraded and occupied, an accompanying plan to bring the respective physical areas into compliance is being instigated.



**The arrangements which have been established to ensure that only registered building practitioners are engaged for public sector works and that practitioners maintain their registration throughout the course of works and beyond where necessary.**

The University administers a standard conditions of contract which requires building and maintenance contractors to have appropriate insurances, to maintain safety standards in accordance with the codes of practice, to obtain all relevant permits and pay all fees, and to give all notices for statutory compliance. A schedule pursuant to the standard conditions requires the contractor for each project to nominate their insurer for Work Cover and Public Liability insurance, as well as the policy number and expiry date for the cover.

Maintenance contractors must have relevant accreditation according to the works to be performed. Checks are made once a year and accreditation must be current and for the full 12 months ahead. Checks on contractors for refurbishment projects are usually made as the project commences.

A contractor's register (including details of Public Liability and Work Cover) and a project register for small works contracts are kept and updated as new contractors are engaged. In addition, it is compulsory for all new contractors to attend a University Induction Course prior to commencement of work on site.

**The number of cases and circumstances where registered building practitioners became deregistered while engaged by the Department.**

Nil.

### **National Competition Policy and Competitive Neutrality Requirements**

The University's *Personal Outside Work Policy* and *Research Contracts, Grants, Consultancies, Collaborations and Joint Ventures Policy* provide for central University review of all tenders and proposals to ensure that they are adequately costed and that appropriate pricing decisions are made in compliance with competitive neutrality principles.

A *Trade Practices Compliance Guide* is published on the University's intranet.

### **Compliance with the *Educational Services for Overseas Students Act 2000***

The University complies with the requirements of the *Education Services for Overseas Students Act, 2000* (as amended in 2007) and the *National Code of Practice 2007* administered by the Commonwealth Department of Education, Employment and Workplace Relations (DEEWR) which is complementary to the State's legislative and administrative pre-conditions for CRICOS (Commonwealth Register of Institutions and Courses for Overseas Students) registration. In addition, the University complies with the *Universities Australia Code of Practice and Guidelines for Australian Universities for the Provision of Education to International Students*. The University successfully completed its re-registration on the CRICOS register for delivery in both Victoria and New South Wales as required by the Commonwealth Government as part of its response to concerns over the quality of providers of services to international students as was described in overseas media in 2009 and 2010. The University has now filled the position of international compliance manager position, based in La Trobe International, to support further development of the international compliance area, including any changes for registered providers resulting from the recommendations in the Baird Review of the ESOS Act which was released in early 2010.

### **Whistleblowers Protection Act 2001**

The following report is in accordance with the Annual Report Compliance Index proforma supplied by the Department of Education and Training under Clause WPA (Section 104) "Compliance with Whistleblowers Protection Act 2001."

The sections referred to below relate to Part 9 of the Whistleblowers Protection Act 2001. (WPA)

- a) La Trobe University has established “Whistleblowers Protection Act 2001 Detailed Procedures.” These procedures were established under Part 6 of the WPA and were approved by La Trobe University Council Executive Committee on May 15, 2002.
- b) During the year 2010 no disclosure was referred by La Trobe University to the Ombudsman for determination as to whether it is a public interest disclosure.
- c) During the year 2010 there were no disclosed matters referred to La Trobe University by the Ombudsman.
- d) No disclosed matters were referred by La Trobe University to the Ombudsman to investigate during the year 2010.
- e) No investigations of disclosed matters were taken over by the Ombudsman from La Trobe University to investigate during the year 2010.
- f) No requests were made under Section 74 of the Whistleblowers Protection Act 2001 during the year 2010 to the Ombudsman to investigate disclosed matters.
- g) There was no disclosed matter submitted to La Trobe University.
- h) There were no disclosed matters that were substantiated on investigation.
- i) There were no recommendations of the Ombudsman under the Whistleblowers Protection Act 2001 that relate to La Trobe University.

## **Grievance Procedures**

Internal grievance and complaint procedures for both staff and students are set out in La Trobe University Statute 39 “Reviews and Appeals” and its attendant Regulation.

Statute 39 provides for the appointment of a University Ombudsman abolished under the 2009 Statute and the establishment of a system within the University enabling certain acts, decisions or actions to be the subject of review or appeal. The functions of the University Ombudsman are to receive complaints or notices of grievances from staff and students and to resolve or attempt to resolve grievances or complaints either informally or formally.

The University Ombudsman is completely independent of the University administration and can only be dismissed by the University Council.

During the calendar year 2010, the Ombudsman dealt with 274 complaints from members of the University (staff/students).

## **Freedom of Information**

During 2010, the University received five (5) applications under the Victorian FOI legislation. Of these applications three (3) were provided with the full documents requested, two (2) were provided in part, and there were no claims where all documents requested were withheld.

### ***Freedom of Information Act 1982***

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

## **Categories of documents**

### **Description of Record Keeping Systems**

Records are created, received and maintained by the various agencies that are responsible for undertaking the business of the University. Policies, procedures and services are being developed by the Records & Archives Services Unit for University agencies to enable compliant record keeping with respect to industry standards and governing legislation.

Access to University records is managed in accordance with policy promulgated by the Planning & Resources Committee to protect the rights and interests of persons and agencies having dealings with the University and to conform to the provisions of the Freedom of Information Act and Privacy laws.

Disposal of University records is undertaken in accordance with the provisions of the Victorian Public Records Act and Standards issued by the Public Record Office Victoria.

### **Principal Records Collections**

#### **(a) University Governance and Administration**

The Records & Archives Services Unit maintains a Corporate Information Program which manages the University's governance records and records from core central administrative functions which facilitate and support the central business processes performed by the University.

#### **(b) Other University-wide agencies**

Personnel records, including payroll, are managed by the People & Culture Division. Student records are managed by Student Administration in the Academic Services Division. Finance records are managed by the Finance Division. Building and grounds records are managed by the Infrastructure & Operations Division.

#### **(c) Faculties, Schools, Centres and Institutes**

These agencies generate and maintain records concerning courses, enrolments, student placements, academic progress and research matters, as well as their administrative responsibilities, including records of Faculty Boards, and their standing and *ad hoc* committees.

### **Material prepared under Part II of the FOI Act**

Copies of information required to be provided under FOI legislation can be obtained from the Managers of each of the following areas:

- Academic Services
- Research Services
- La Trobe International
- Equality and Diversity Centre
- Infrastructure & Operations Division
- Marketing and Engagement Division
- Office of the Executive Director (Office of the Vice-Chancellor)
- Governance, Planning & Policy Unit
- Risk Management Unit
- People & Culture Division
- Finance Division
- Library
- Information & Communications Technology Division
- Colleges (Chisholm, Glenn, Menzies)
- Faculty Offices
- Records & Archives Services

### **Procedure for access to documents**

A formal FOI enquiry can be directed in writing to:

Freedom of Information Officer  
La Trobe University  
Bundoora 3086

Enquiries of a general nature are directed to the FOI Officer.

Where access is granted to inspect, obtain or purchase material, arrangements will be made during office hours, Monday to Friday: 9 am to 5 pm.

The following access arrangements have been made by the University in relation to student and staff records. Requests for these documents need not be made under the provisions of the *Freedom of Information Act*:

- (a) The University will, upon request from a student, ex-student or an authorised body, issue a transcript of that person's academic record. A fee is charged for each copy supplied. A record may be withheld if the person requesting has any outstanding debt to the University.
- (b) On request to the Manager Student Information Services a student or former student may view his or her student file in the Student Centre.
- (c) On request to the Executive Director, People and Culture, a staff member may view his or her personal file in the Personnel Office under the supervision of the Executive Director, People and Culture, or their nominee.
- (d) Where a personal file properly contains a report submitted in confidence to the University, its existence should be drawn to the attention of the staff member, but the staff member may not peruse the report without the prior permission of the author.

#### **Correction of Personal Information**

If an applicant wishes to request access to his or her student or staff file such a request may be made under the rules stated above or may be made formally under the FOI Act with the accompanying charges. A request for correction or amendment of information may be made in writing and should specify:

- (a) an address to which notices may be sent to the person making the request,
- (b) the reasons why the person making the request believes the information to be incomplete, incorrect, out-of-date or misleading, and
- (c) the amendments he or she wishes made.

#### **Identification of Documents**

Requests under FOI for access to a document must contain sufficient detail concerning the document to enable the FOI Officer to identify the material required. If the exact title of the document is not known, information about the subject and the approximate date of the document sought should be indicated as precisely as possible.

#### **Charges**

Charges for access to documents will be in accordance with the *Freedom of Information (Access Charges) Regulations*. Charges will cover costs incurred for time spent in conducting a routine search for documents, the cost of supervising the inspection of documents and the cost of supplying copies of documents.

#### **Freedom of Information Officer**

There is an FOI Officer. The Executive Director (Office of the Vice-Chancellor) is the delegated FOI Principal Officer.

#### **Additional Information Available on Request**

Consistent with the requirements of the *Financial Management Act 1994*, La Trobe University has prepared material on the following items, details of which are available on request:

- statement regarding declarations of pecuniary interest;
- shares held beneficially by senior officers as nominees of a statutory authority or subsidiary;
- publications;
- changes in prices, fees, charges, rates and levies;
- major external reviews;
- major research and development activities;
- overseas visits undertaken;
- major promotional, public relations and marketing activities; and

- industrial relations issues.

Enquiries regarding details of the above should be addressed to:

Executive Director, Office of the Vice-Chancellor  
La Trobe University  
Bundoora 3086  
Telephone: +61 3 9479 1111

## **Compulsory Non-Academic Fees, Subscriptions and Charges**

### **Tertiary Education (Amendment) Act 1994**

#### **Compulsory Fees**

The University did not charge a General Service Fee to students for 2009 or 2010 because compulsory non-academic fees were specifically prohibited by the VSU legislation.

#### **Compulsory non academic fees**

The total amounts of general service fees collected by La Trobe University from students is detailed below by campus.

Albury/Wodonga	\$ nil
Bendigo	\$ nil
Bundoora	\$ nil
City	\$ nil
Mildura	\$ nil
Shepparton	\$ nil
Mt Buller	\$ nil

#### **Purposes for fees**

Nil.

#### **Names of organisations of students to which fees are available**

Nil.

#### **Purposes for which the organisations spend the money available**

Nil.

## **Consultancies**

### **Consultancies over \$100,000**

In 2010 there were twenty five consultants paid over \$100,000. These consisted of:

<b>Consultant</b>	<b>Amount</b>	<b>Future Commitments</b>	<b>Particulars of Consultancy</b>
Oakton Computing Pty Ltd	3,000,069.70	Nil	Student Systems Development
S1 Consulting & Software	1,164,957.95	Nil	Student Systems Development
Technology One	712,181.82	Nil	Student Systems Development
Ernst and Young	498,083.15	Nil	HR Consulting Services

Agile Recruitment	340,405.00	Nil	Recruitment Services
PriceWaterhouseCoopers	302,043.67	Nil	Accounting and Advisory Services
Greythorn	270,202.67	Nil	Systems Development
Access Testing P/L	217,683.50	Nil	Student Systems Development
Entity Solutions Services Pty Ltd	199,371.59	Nil	Student Systems Development
CSG Professional Solutions	195,075.00	Nil	Student Systems Development
Ipsos Public Affairs	192,549.00	Nil	Public Relations
Unique World Pty. Ltd.	190,469.19	Nil	Systems Development
Cyon Knowledge Computing	165,000.00	Nil	Student Systems Development
Kentcom Pty Ltd	160,325.00	Nil	Systems Development
Interpro Aust. Pty Ltd	146,890.00	Nil	Student Systems Development
The Grey Group	143,305.25	Nil	Strategic Development Advisory Services
A.R.M.S. (Global Pty. Ltd.	142,551.44	Nil	Systems Development
Fleming Job and Associates	142,551.44	Nil	Recruitment Services
Pageup People Pty. Ltd.	137,534.25	Nil	HR Systems Development
Corporate Internet Bus Info Sys	119,550.00	Nil	Systems Development
Right Now Technologies	118,812.00	Nil	Student Services
Nick Thorburn	109,694.09	Nil	Public Relations
Quantum Information Tech.	105,525.00	Nil	Student Systems Development
Mercer Human Resources Consulting	103,000.00	Nil	Recruitment Services
University of Melbourne	100,800.00		Academic Services
<b>TOTAL</b>	<b>8,974,484.49</b>	<b>Nil</b>	

#### **Consultancies under \$100,000**

The number of consultancies under \$100,000 engaged during 2010 was 286 costing a total of \$4,631,485.23.

#### **Statement that Public Funds Allocated to the Purposes Specified by the Government or Other Public Funding Body**

This statement is included in the Financial Statements which form a part of this Annual Report of Council. The Financial Statements (*see page C 1*) contain a Statement by Council Members and Principal Accounting Officer that:

'The amount of Commonwealth grants expended during the reporting period was for the purposes for which they were granted.'

This is supported by 'The Acquittal of Commonwealth Government Grants', also contained within the Financial Statements and representing the statement and audit of Grants received.

## Compliance Index

The annual report of **La Trobe University** is prepared in accordance with:

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

No.	Clause	Disclosure	Page(s)
<b>STANDING DIRECTIONS FOR THE MINISTER FOR FINANCE (SD)</b>			
<b>1</b>	SD 4.2(g)	Report of Operations contains general information about the entity and its activities, highlights for reporting period and future initiatives and is prepared on a basis consistent with financial statements pursuant to the <i>Financial Management Act, 1994</i> .	1-33 & pages 1-72 of the Financial Statements (FS)
<b>2</b>	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions	FS 2
<b>3</b>	SD 4.2(j)	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved	FS 2
<b>4</b>	SD 4.2(a)	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> <li>o Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements;</li> <li>o Financial Reporting Directions; and</li> <li>o Business Rules.</li> </ul>	FS 13
<b>5</b>	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> <li>o Balance Sheet;</li> <li>o Statement of Recognised Income and Expense;</li> <li>o Cash Flows Statement; and</li> <li>o Notes to the financial statements.</li> </ul>	FS 13-21
<b>6</b>	SD 4.2©	Signed and dated statement by Accountable Officer stating that financial statements: <ul style="list-style-type: none"> <li>o Present fairly the financial transactions during reporting period and the financial position at end of the period;</li> <li>o Were prepared in accordance with Standing Direction 4.2 © and applicable Financial Reporting Directions; and</li> <li>o Comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements.</li> </ul>	FS 13
<b>7</b>	SD 4.2(d)	Financial Statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than: <ul style="list-style-type: none"> <li>o \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and</li> <li>o \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000.</li> </ul>	FS 32
<b>8</b>	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission	FS 13
<b>9</b>	SD 4.5.5 (NEW)	Attestation on compliance with the Australian/New Zealand Risk Management Standard	25-26

<b>A-IFRS FINANCIAL REPORTING DIRECTIONS (FRD)</b>			
10	10	Disclosure Index	FS 23
11	11	Disclosure of Ex-gratia Payments	FS 37
12	07A	Early Adoption of Authoritative Accounting Pronouncements	n/a
13	17A	Long Service Leave Wage Inflation and Discount Rates	FS 30
14	19	Private Provision of Public Infrastructure	n/a
15	21A	Responsible Person and Executive Officer Disclosure in the Financial Report	FS 37
16	22B	Standard Disclosures in the Report of Operations	n/a
17	25	Victorian Industry Participation Policy in the Report of Operations	n/a
18	26A	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	n/a
19	102	Inventories	FS 25
20	104	Foreign currency	FS 32
21	106	Impairment of assets	FS 27
22	107	Investment properties	n/a
23	109	Intangible assets	FS 19
24	110	Cash Flow Statements	FS 19
25	112A	Defined benefit superannuation obligations	FS 60
26	113	Investments in Subsidiaries, Jointly Controlled Associates and Entities	FS 72
27	114	Financial Investments	FS 32
<b>DEPARTMENT OF EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS (DEEWR)</b>			
28	FRD 22B DEEWR	Analysis of the achievement of the entity's operational and budget objectives for the financial year; should include comparative analysis of indicators such as enrolments, graduations, student performance and satisfaction, staff profile, research performance and performance position	5-9
29	DEEWR	Information with respect to the governance and administrative structure of the university, specifically council members and occupants of senior officers.	12-19
30	DEEWR	Outline of student and staff grievance procedures and number of complaints made to and investigated by the Ombudsman	29
31	DEEWR	Details of information available on institution's website, including locations of current and previous Annual Reports	Back cover
32	DEEWR	Compliance of financial statements with the <i>Financial Statement Guidelines for Australian Higher Education Providers for 2007 Reporting Period</i> issued by DEST.	FS 25
<b>FINANCIAL MANAGEMENT ACT 1994 (FMA)</b>			
33 34 35 36 37	FMA 1994 49(a) 49 (b) 49 (c) 49 (d) 49 (e)	Financial Statements: <ul style="list-style-type: none"> <li>o Contain such information as required by the Minister;</li> <li>o Are prepared in a manner and form approved by the Minister;</li> <li>o Present fairly the financial transactions of the department or public body during the relevant financial year to which they relate;</li> <li>o Present fairly the financial position of the department or public body as at the end of that year; and</li> <li>o Are certified by the accountable officer in the manner approved by the Minister.</li> </ul>	FS 13
<b>GOVERNMENT RESPONSE TO THE REVIEW OF UNIVERSITY GOVERNANCE (RUG)</b>			
38	RUG	Statement outlining that public funds allocated to the University have been allocated to the purposes specified by the Government or other public funding body. Statement is audited by the Auditor-General.	FS 13
39	RUG	University Council's risk management strategy	24-26
40	RUG	Summary of financial performance of Associates and Commercial Ventures	n/a



<b>EDUCATION SERVICES FOR OVERSEAS STUDENTS ACT 2000 (ESOS)</b>			
<b>41</b>	ESOS (National Code 2007 – Sections C & D)	Statement indicating compliance with ESOS Act 2000 and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (National Code 2007)	28
<b>EDUCATION AND TRAINING REFORM ACT 2006 (ETRA)</b>			
<b>42</b>	ETRA 2006, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in the preceding financial year.	32
<b>DECISION OF PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE OF PARLIAMENT</b>			
<b>43</b>	PAEC (December 1997)	Financial and other information relating to institution's international operations	5-6

#### LIST OF LEGISLATION IN COMPLIANCE INDEX

1. **Financial Management Act 1994**  
<http://www.dms.dpc.vic.gov.au/>
2. **Australian equivalent to the International Financial Reporting Directions**  
<http://www.dtf.vic.gov.au/CA25713E0002EF43/pages/BFM-financial-reporting-policy-financial-reporting-directions>
3. **Standing Directions of the Minister for Finance issued under the Financial Management Act 1994**  
<http://www.dtf.vic.gov.au/CA25713E0002EF43/pages/bfm-financial-reporting-policy-financial-reporting-directions1>
4. **Australian Accounting Standards**  
<http://www.aasb.com.au/>
5. **Australian Accounting Standards Board**  
<http://www.aasb.com.au/>
6. **Education and Training Reform Act 2006**  
<http://www.dms.dpc.vic.gov.au/>
7. **Government response to the Review of University Governance**  
[http://www.eduweb.vic.gov.au/edulibrary/public/highered/RUG\\_GOVT\\_RESPONSE.pdf](http://www.eduweb.vic.gov.au/edulibrary/public/highered/RUG_GOVT_RESPONSE.pdf)
8. **Education Services for Overseas Students Act 2000**  
<http://www.comlaw.gov.au/>
9. **Higher Education Support Act 2003**  
<http://www.comlaw.gov.au/>
10. **Higher Education Funding Act 1988**  
<http://www.comlaw.gov.au/>
11. **Australian Research Council Act 2001**  
<http://www.comlaw.gov.au/>

2010

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# FINANCIAL STATEMENTS

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for the year ended  
31 December 2010

[www.latrobe.edu.au](http://www.latrobe.edu.au)

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## REPORT OF OPERATIONS

La Trobe University and its controlled entities recorded a Net Operating Surplus of \$101,193,000 for the year ended 31 December 2010 (2009 Surplus \$54,808,000), and an operating margin of 15%. The underlying result after removing the effect of abnormal one off items was a surplus of \$34,951,000, an underlying operating margin of .1%. This includes the operations of the controlled entities, being Medical Centre Developments Pty. Ltd. and La Trobe Innovations Pty. Ltd.

Significant impacts in the operations of the group during 2010 were:

1. The financial result is due to increases in the following revenue streams: Australian Government Capital Grants (\$65,356,000) and Student Fees (\$8,168,000). It should be noted that the increase in Australian Government Grants is due in the main to capital grants where the matching expenditure will be depreciated over a number of years.
2. The result is favourable in comparison to the budget result of \$51,002,000 surplus. Revenue of \$610,164,000 excluding deferred superannuation contribution reimbursements) is 5.2% or \$30,185,000 above budget of \$579,979,000. Total Expenditure (including tax but excluding deferred superannuation contributions) of \$508,971,000 is 3.7% or \$19,411,000 below budget of \$528,382,000. The University managed to constrain costs across most expenditure categories while increasing its revenue base.
3. On 2<sup>nd</sup> February 2011 Standard & Poor's Ratings Services affirmed its 'AA-/A-1+' ratings on La Trobe University. The outlook has remained stable. The rating reflects the University's solid reputation for teaching and research quality in its areas of excellence: Molecular Sciences, Life Sciences, Social Sciences and Humanities, and its supportive relationship with the Australian Commonwealth (AAA/Stable/A-1+) and Victorian State Government (AAA/Stable/A-1+).
4. Property, Plant and Equipment purchases increased from \$39,839,000 in 2009 to \$70,983,000 in 2010. The increase is largely due to the capital developments. During 2010 \$54,620,000 was spent on capital projects. Other expenditure on property, plant and equipment included: \$3,584,000 on the Library collection, \$7,080,000 on plant and equipment, \$3,477,000 on computer equipment and \$1,681,000 was spent on vehicles; the balance spent on other equipment. In addition \$7,735,000 worth of assets were disposed of or written off including the Argus building.

## KEY PERFORMANCE INDICATORS

Key Performance Indicators for the University for the past five years:

Year	Liquidity Ratio	Debt Service Coverage Ratio	Debt to Equity Ratio	Safety Margin 5 Year Rolling Percentage
2010	1.544	10.737	5.56%	6.25%
2009	1.505	7.304	7.12%	4.24%
2008	1.133	5.219	9.73%	1.51%
2007	1.180	4.940	9.63%	1.43%
2006	1.150	3.079	13.21%	1.80%

### Liquidity Ratio

The University's current liquidity ratio has marginally increased in comparison to 2009, mainly due to the increase in the investment portfolio balance. The University's target is a ratio of 2.0, but the University is satisfactorily placed to meet its current obligations. The ratio is a measure of short-term liquidity, which indicates the University's ability to meet its short term liabilities. It is derived by dividing current assets over current liabilities. The higher the ratio the greater the University's ability to cover its short-term obligations.

### Debt Service Coverage Ratio

The debt service coverage ratio has increased in 2010 due to the improved operating result. The University remains satisfactorily placed to service its current debts. The Ratio measures the ability of the University to meet its debt servicing obligations. A benchmark ratio of more than 1 would assure this capability. The ratio is calculated as (Operating Result + Depreciation + Interest expense) divided by (interest Payments + Principle Repayment on Loans + Finance Lease Payments).

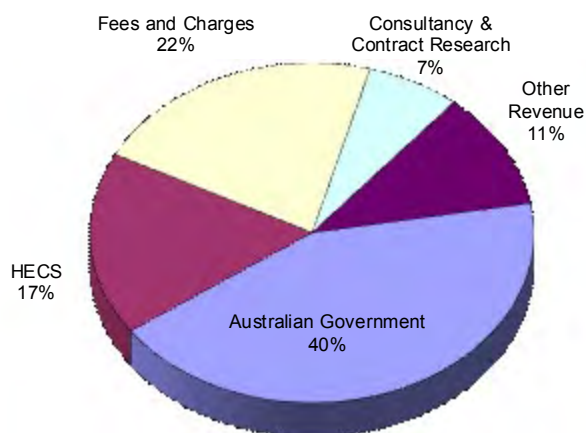
### Debt to Equity Ratio

The debt to equity ratio decreased in 2010 due to the improved financial result. The ratio measures the proportion of repayable debt funding to retained equity funding. The higher the debt to equity ratio, the greater the proportion of debt funding.

### Safety Margin

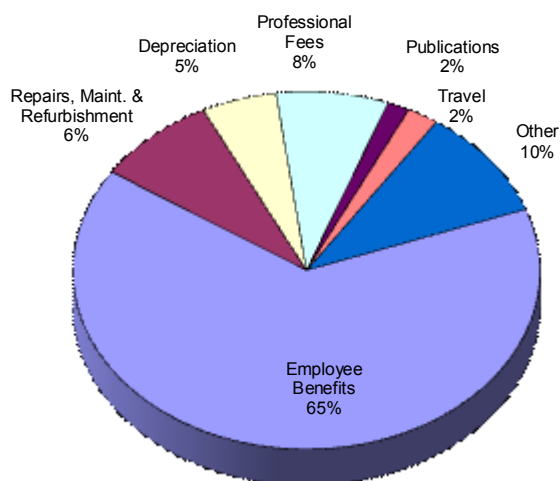
The safety margin has increased in 2010 and is 16.37% (2009 (10.10)%), increasing the 5 year rolling Safety Margin Percentage to 6.25% from 4.24% due to the improved 2010 financial result being higher than the average result for the 5 year period. The safety margin measures the ability of the University to contain its expenditure within the constraints of its available funding. This measure is derived by dividing the Net Operating Surplus/(Deficit) into the Total Annual Revenue. The higher the safety margin percentage, the better the University is able to contain its expenditure within the constraints of its funding. The rolling percentage provides a better basis for showing the performance over time.

### INCOME



- Combined operating revenues were \$610M (2009 \$532M). An increase of 15% on 2009.
- Fees and charges increased by \$8.17M (7%), due to increases in Overseas Full Fee Paying Student income.
- State and Local Government financial assistance decreased by \$2.81M (33%)
- Consultancy & Contract Research income decreased by \$0.44M (1%).
- Australian Government Financial Assistance and HECS increased by \$68.11M (23%) due to EIF Capital Grants.

### EXPENDITURE



- Expenditure on salaries increased by \$33.97M (11%), which is partially due to the EBA pay increase and also due to the increase in the number of employees in 2010. Total salaries were \$335M, which represents 66% of total expenditure (2009 63%).
1. Expenditure on repairs, maintenance, equipment hire and refurbishment categories increased by \$4.5M (12%).
  2. Expenditure on Professional Fees and Consulting expenditure increased by \$0.03M.
  3. Travel, Accommodation and Entertainment expenditure increased by \$0.64M (24%).
  4. Total Operating Expenditure increased by \$31.5M (7%) (2009 5%) (including deferred superannuation).



## CONSOLIDATED FIVE YEAR FINANCIAL SUMMARY

	2010 \$000	2009 \$000	2008 \$000	2007 \$000	2006 \$000
<b>REVENUE &amp; EXPENDITURE:</b>					
Trading Income	618,127	540,265	482,839	439,927	395,234
Trading Expenditure including tax	516,934	485,457	463,597	438,467	396,044
<b>Operating Result After Tax</b>	<b>101,193</b>	54,808	19,242	1,460	(810)
Abnormal Items <sup>(1)</sup>	(66,220)	(21,121)	(1,618)	-	(6,596)
<b>UNDERLYING SURPLUS/(DEFICIT) AFTER TAX AND ABNORMAL ITEMS</b>	<b>28,532</b>	33,687	17,624	1,460	(7,406)
<b>BALANCE SHEET:</b>					
Current Assets	176,000	150,554	134,627	115,932	91,117
Non-Current Assets	1,049,455	964,673	838,386	813,011	816,069
<b>TOTAL ASSETS</b>	<b>1,225,455</b>	1,115,227	973,013	928,943	907,186
Current Liabilities	107,672	100,480	118,578	102,836	79,517
Non-Current Liabilities	135,244	133,368	131,499	122,413	120,283
<b>TOTAL LIABILITIES</b>	<b>242,916</b>	233,848	250,077	225,249	199,800
<b>NET ASSETS</b>	<b>982,539</b>	881,379	722,936	703,694	707,386
Reserves	715,216	714,828	613,019	610,752	624,047
Accumulated Funds	267,323	166,551	109,917	92,942	83,339
<b>TOTAL EQUITY</b>	<b>982,539</b>	881,379	722,936	703,694	707,386
<b>CASH FLOWS:</b>					
Net Cash provided by Operating Activities	133,301	58,216	68,101	44,291	20,232
Net Cash (used in) Investing Activities	(89,176)	(46,378)	(45,909)	(40,656)	(20,431)
Cash Flows provided by (used in) Financing Activities	(7,628)	(7,623)	5,583	10,004	(3,853)
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>36,497</b>	4,215	27,775	13,639	(4,052)

1. The Abnormal Items for 2010 are primarily composed of capital grants that are part of income. The effect is removed from the Operating Result to provide an underlying University result.



Victorian Auditor-General's Office

## INDEPENDENT AUDITOR'S REPORT

### To the Council Members, La Trobe University

#### *The Financial Report*

The accompanying financial report for the year ended 31 December 2010 of the La Trobe University which comprises the statement of comprehensive income, balance sheet, statement of cash flows, statement of changes in equity, notes comprising a summary of significant accounting policies and other explanatory information, statement by principal accounting officer, and the statement by the accountable officer and chair of corporate governance & audit committee has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising the La Trobe University and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 39 to the financial statements.

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

The Council Members of the La Trobe University are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, including Australian Accounting Interpretations and the financial reporting requirements of the *Financial Management Act 1994* and for such internal control as the Council Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the La Trobe University and the consolidated entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Council Members, as well as evaluating the overall presentation of the financial report.

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

#### *Electronic Publication of the Audited Financial Report*

It is our understanding that the University intends to electronically present the audited financial report and auditor's report on its internet website. Responsibility for the electronic presentation of the financial report on the University's website is that of the Council Members of the University. The security and controls over the information on the website should be addressed by the University to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of the audited financial report on the University's website is beyond the scope of the audit of the financial report.





Victorian Auditor-General's Office

## Independent Auditor's Report (continued)

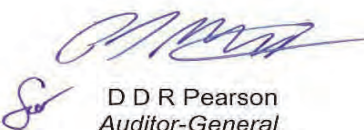
### *Independence*

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

### *Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of the La Trobe University and the economic entity as at 31 December 2010 and of their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE  
24 March 2011



D D R Pearson  
Auditor-General

# STATEMENT BY PRINCIPAL ACCOUNTING OFFICER AND COUNCIL MEMBERS for the year ended 31 December 2010

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## Statement by Principal Accounting Officer

In my opinion:

- (a) i) The financial report of La Trobe University and the economic entity (being the University and its controlled subsidiaries) present a true and fair view of the financial transactions of the University and the economic entity during the financial year ended 31 December 2010 and its financial position as at that date;
- ii) Australian Government financial assistance received during the financial year ended 31 December 2010 was expended for the purposes for which it was provided;
- iii) 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.
- (b) The financial report has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and other mandatory professional reporting requirements in Australia, the *Financial Management Act 1994* and Guidelines for the Preparation of Annual Financial Reports for the 2010 Reporting Year by Australian Higher Education Institutions as issued by the Commonwealth Department of Education, Employment and Workplace Relations. In addition, I am 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.

Mr Pranay Lodhiya  
Chief Financial Officer &  
Principal Accounting Officer

21 March 2011  
BUNDOORA

## Statement by the Accountable Officer and Chair, Corporate Governance & Audit Committee

In our opinion:

- (a) i) The financial report of La Trobe University and the economic entity (being the University and its controlled subsidiaries) present a true and fair view of the financial transactions of the University and the economic entity during the financial year ended 31 December 2010 and its financial position as at that date;
- ii) Australian Government financial assistance received during the financial year ended 31 December 2010 was expended for the purposes for which it was provided; and
- iii) 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.
- (b) The financial report has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and other mandatory professional reporting requirements in Australia, the *Financial Management Act 1994* and Guidelines for the Preparation of Annual Financial Reports for the 2010 Reporting Year by Australian Higher Education Institutions as issued by the Commonwealth Department of Education, Employment and Workplace Relations. In addition, I am 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 Vice-Chancellor and Chair, Corporate Governance & Audit Committee sign this declaration as delegates of, and in accordance with a resolution of, the Council of La Trobe University.

Professor Paul Johnson  
Vice-Chancellor &  
Accountable Officer

21 March 2011  
BUNDOORA

Ms Jennifer Williams  
Council Member  
Chair, Corporate Governance and Audit Committee

21 March 2011  
BUNDOORA



# STATEMENT OF COMPREHENSIVE INCOME

## for the year ended 31 December 2010

		Consolidated		LaTrobe University	
Notes		2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
<b>Revenue from Continuing Operations</b>					
Australian Government Financial Assistance					
	3	265,908	208,048	265,908	208,048
	3	94,961	85,392	94,961	85,392
	3	7,209	6,532	7,209	6,532
	4	5,673	8,483	5,673	8,483
		12,938	12,122	12,938	12,122
	5	126,172	118,004	126,172	118,004
	6	8,193	7,432	8,032	7,259
	7	42,172	42,613	42,172	42,613
	8	46,938	42,902	47,469	43,464
		<b>610,164</b>	<b>531,528</b>	<b>610,534</b>	<b>531,917</b>
	34b	7,963	8,737	7,963	8,737
		<b>618,127</b>	<b>540,265</b>	<b>618,497</b>	<b>540,654</b>
<b>Expenses from Continuing Operations</b>					
		(4,508)	(4,396)	(4,508)	(4,396)
	9	(334,612)	(300,644)	(334,612)	(300,644)
	11	(26,829)	(26,809)	(26,492)	(26,535)
		(11,240)	(12,023)	(11,240)	(12,023)
	14	(4,091)	(4,184)	(2,716)	(2,925)
	10	(32,265)	(26,991)	(37,238)	(31,993)
		(560)	(552)	(560)	(552)
		(40,171)	(40,140)	(40,132)	(40,103)
		(7,862)	(7,339)	(7,862)	(7,339)
		(2,427)	(3,784)	(2,427)	(3,784)
		(11,268)	(10,633)	(11,268)	(10,633)
	12	(57)	(93)	(57)	(93)
	16	8,980	6	8,980	6
	13	(41,224)	(38,253)	(41,162)	(38,159)
		<b>(508,134)</b>	<b>(475,835)</b>	<b>(511,294)</b>	<b>(479,173)</b>
	9, 34b	(7,963)	(8,737)	(7,963)	(8,737)
		<b>(516,097)</b>	<b>(484,572)</b>	<b>(519,257)</b>	<b>(487,910)</b>
		<b>102,030</b>	<b>55,693</b>	<b>99,240</b>	<b>52,744</b>
	15	(837)	(885)	-	-
		<b>101,193</b>	<b>54,808</b>	<b>99,240</b>	<b>52,744</b>
	30	-	103,636	-	100,829
		(34)	-	(34)	-
		<b>101,159</b>	<b>158,443</b>	<b>99,206</b>	<b>153,572</b>
		<b>101,159</b>	<b>158,443</b>	<b>99,206</b>	<b>153,572</b>

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



# BALANCE SHEET

for the year ended 31 December 2010

		Consolidated		La Trobe University	
Notes		2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	31(a)	150,095	113,598	147,152	111,265
Inventories	21	722	1,279	722	1,279
Trade and Other Receivables	18	14,328	18,030	14,294	18,012
Other Financial Assets at Fair Value Through Profit or Loss	19	4,623	4,475	3,912	3,853
Other Non-financial Assets	26	6,232	7,272	6,232	7,272
Non-current assets classified as held for sale	22	-	5,900	-	5,900
<b>Total Current Assets</b>		<b>176,000</b>	<b>150,554</b>	<b>172,312</b>	<b>147,581</b>
<b>Non-Current Assets</b>					
Trade and Other Receivables	18	76,587	68,624	76,587	68,624
Other Financial Assets	20	31,639	4,165	31,914	4,390
Property, Plant and Equipment	23	903,499	859,559	886,972	842,695
Intangible Assets	25	36,402	30,757	36,402	30,757
Other Non-financial Assets	26	1,328	1,568	1,277	1,506
<b>Total Non-Current Assets</b>		<b>1,049,455</b>	<b>964,673</b>	<b>1,033,152</b>	<b>947,972</b>
<b>Total Assets</b>		<b>1,225,455</b>	<b>1,115,227</b>	<b>1,205,464</b>	<b>1,095,553</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Payables		35,400	31,386	34,515	31,129
Interest-bearing Liabilities	27	8,213	8,973	4,365	4,197
Employee Benefits & Provisions	28	54,873	50,490	53,097	48,560
Other Liabilities	29	9,186	9,702	7,360	8,758
<b>Total Current Liabilities</b>		<b>107,672</b>	<b>100,551</b>	<b>99,337</b>	<b>92,644</b>
<b>Non-Current Liabilities</b>					
Interest-bearing Liabilities	27	46,605	53,474	35,543	39,784
Employee Benefits & Provisions	28	80,698	72,445	80,698	72,445
Other Liabilities	29	7,941	7,378	9,006	9,006
<b>Total Non-Current Liabilities</b>		<b>135,244</b>	<b>133,296</b>	<b>125,247</b>	<b>121,235</b>
<b>Total Liabilities</b>		<b>242,916</b>	<b>233,847</b>	<b>224,584</b>	<b>213,879</b>
<b>Net Assets</b>		<b>982,539</b>	<b>881,380</b>	<b>980,880</b>	<b>881,674</b>
<b>EQUITY</b>					
Reserves	30(a)	715,216	714,828	712,917	712,529
Retained Surplus	30(b)	267,323	166,552	267,963	169,145
<b>Total Equity</b>		<b>982,539</b>	<b>881,380</b>	<b>980,880</b>	<b>881,674</b>

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





# STATEMENT OF CASH FLOWS

## for the year ended 31 December 2010

		<b>Consolidated</b>		<b>La Trobe University</b>	
Notes		<b>2010</b>	2009	<b>2010</b>	2009
		<b>\$ 000</b>	<b>\$ 000</b>	<b>\$ 000</b>	<b>\$ 000</b>
<b>Cash Flows from Operating Activities</b>					
Australian Government					
CGS and Other DEEWR Grants		265,908	208,048	265,908	208,048
Higher Education Loan Programmes		94,961	85,392	94,961	85,392
State Government Grants		5,673	8,483	5,673	8,483
HECS HELP - Student Payments		12,938	12,122	12,938	12,122
OS-HELP (net)		7,209	6,532	7,209	6,532
Receipts from Student Fees and Other Customers		195,757	179,400	209,924	179,325
Investment Income Received		8,719	6,353	8,597	6,283
Payments to Employees		(321,824)	(305,925)	(321,822)	(305,925)
Payments to Suppliers (including GST)		(131,950)	(138,006)	(152,369)	(143,428)
Interest Paid		(4,091)	(4,184)	(2,716)	(2,925)
<b>Net cash provided by / (used in) operating activities</b>	31(b)	<b>133,301</b>	<b>58,215</b>	<b>128,304</b>	<b>53,907</b>
<b>Cash Flows from Investing Activities</b>					
Proceeds from Sale of Financial Assets		500	138	500	138
Proceeds from Sale of Property, Plant and Equipment		16,715	1,651	16,715	1,651
Payments for Property, Plant, Equipment and Intangibles		(78,643)	(48,004)	(77,850)	(47,924)
Payments for Financial Assets		(27,748)	(162)	(27,709)	(162)
<b>Net cash provided by / (used in) investing activities</b>		<b>(89,176)</b>	<b>(46,377)</b>	<b>(88,344)</b>	<b>(46,297)</b>
<b>Cash Flows from Financing Activities</b>					
Proceeds from Interest Bearing Liabilities		-	-	-	-
Repayment of Interest Bearing Liabilities		(7,628)	(7,623)	(4,073)	(3,957)
<b>Net cash provided by / (used in) financing activities</b>		<b>(7,628)</b>	<b>(7,623)</b>	<b>(4,073)</b>	<b>(3,957)</b>
<b>Net increase /(decrease) in Cash and Cash Equivalents</b>		<b>36,497</b>	<b>4,215</b>	<b>35,887</b>	<b>3,653</b>
<b>Cash and Cash Equivalents at Beginning of the Financial Year</b>		<b>113,598</b>	<b>109,383</b>	<b>111,265</b>	<b>107,612</b>
<b>Cash and Cash Equivalents at End of the Financial Year</b>	31(a)	<b>150,095</b>	<b>113,598</b>	<b>147,152</b>	<b>111,265</b>

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



# STATEMENT OF CHANGES IN EQUITY

## for the year ended 31 December 2010

	Notes	Reserves \$ 000	Retained Surplus \$ 000	Total \$ 000
<b>Consolidated</b>	30			
Balance as at 1 January 2009		613,019	109,917	722,936
Net Operating Result After Income Tax		-	54,808	54,808
Revaluation of Land, Buildings and Artworks		103,636	-	103,636
<i>Total Comprehensive Income</i>		<i>103,636</i>	<i>54,808</i>	<i>158,444</i>
Transfers to Reserves		21	(21)	-
Transfers from Reserves		(1,848)	1,848	-
Balance as at 31 December 2009		714,828	166,552	881,380
Balance as at 1 January 2010		714,828	166,552	881,380
Net Operating Result After Income Tax		-	101,193	101,193
Revaluation of Land, Buildings and Artworks		-	-	0
Gain/(Loss) on Available For Sale Financial Assets		(34)	-	(34)
<b>Total Comprehensive Income</b>		<b>(34)</b>	<b>101,193</b>	<b>101,159</b>
Transfers to Reserves		422	(422)	-
Transfers from Reserves		-	-	-
<b>Balance as at 31 December 2010</b>		<b>715,216</b>	<b>267,323</b>	<b>982,539</b>
<b>La Trobe University</b>	30			
Balance as at 1 January 2009		613,527	114,574	728,101
Net Operating Result After Income Tax		-	52,744	52,744
Revaluation of Land, Buildings and Artworks		100,829	-	100,829
<i>Total Comprehensive Income</i>		<i>100,829</i>	<i>52,744</i>	<i>153,573</i>
Transfers to Reserves		21	(21)	-
Transfers from Reserves		(1,848)	1,848	-
Balance as at 31 December 2009		712,529	169,145	881,674
Balance as at 1 January 2010		712,529	169,145	881,674
Net Operating Result After Income Tax		-	99,240	99,240
Revaluation of Land, Buildings and Artworks		-	-	0
Gain/(Loss) on Available For Sale Financial Assets		(34)	-	(34)
<b>Total Comprehensive Income</b>		<b>(34)</b>	<b>99,240</b>	<b>99,206</b>
Transfers to Reserves		422	(422)	-
Transfers from Reserves		-	-	-
<b>Balance as at 31 December 2010</b>		<b>712,917</b>	<b>267,963</b>	<b>980,880</b>

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



NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

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## 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of this financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes a separate financial report for La Trobe University as an individual entity and the consolidated entity consisting of La Trobe University and its subsidiaries.

### 1.1 Basis of Preparation

- a) This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the Commonwealth Department of Education, Employment, and Workplace Relations, the Financial Management Act 1994, and other State/Australian Government legislative requirements.
- b) *Historical cost convention*  
The financial report has been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss, and certain classes of property, plant and equipment.

### 1.2 Consolidation Principles

The consolidated financial report incorporates the assets and liabilities of all subsidiaries of La Trobe University ("parent entity") as at 31 December 2010 and the results of all subsidiaries for the year then ended. La Trobe University and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The subsidiary companies are as follows:

- i) La Trobe International Pty. Ltd. established in 1991. It has \$8 share capital and is wholly owned by the University. The operations of the company were transferred to the University as at 1 January 2007 and the company is now dormant.
- ii) Medical Centre Developments Pty. Ltd. was bought by the University on 2 December 2002, and has a contributed equity of \$3,500,001.
- iii) La Trobe Innovations Pty. Ltd. established in 2009, with a contributed equity of \$225,001. It is wholly owned by the University.

These companies have separately produced and lodged audited accounts in accordance with the Corporations Act 2001.



# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

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### 1.3 Revenue Recognition

- a) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.
- b) Government grants are recognised at their fair value when there is reasonable assurance that the grant will be received and the University has complied with the attached conditions. Such grants are treated as non-reciprocal transfers in accordance with AASB 1004 Contributions.

Government grants which have outstanding performance or return conditions are recognised in accordance with AASB 118 Revenue with reference to the percentage of completion method. Australian Government research project revenue is recognised in accordance with this standard. The stage of completion is measured by reference to total expenditure incurred to date compared with the funding provided. The University regards the receipt of such revenue as a reciprocal transfer as the University is required to provide the necessary services in return for grant funding. A liability is recognised in the Statement of Financial Position in respect of research project revenue which is unearned at the balance date. AASB 118 Revenue requires revenue to be recognised in the reporting periods in which the services are rendered.

- c) Fees and Charges revenue is recognised when received or when the University becomes entitled to receive it. Where revenue is received in advance for courses or programs to be delivered in the following year, the non-refundable portion of fees is treated as revenue in the year of receipt and the balance is treated as revenue in advance.
- d) Other revenue is recognised when received or when the University becomes entitled to receive it. Where revenue of a reciprocal nature is received in respect of services to be provided in the following year, such amounts have been deferred and disclosed as Revenue in Advance (Note 29).
- e) Trading revenue is generated from the sale of goods by the Commercial and Trading bodies.
- f) Interest from financial assets is brought to account when earned.

### 1.4 Trade and Other Receivables (Refer Note 18)

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables are due no later than 30 days.

The collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of Comprehensive Income.

### 1.5 Inventories (Refer Note 21)

Inventories on hand at balance date are shown at the lower of cost or net realisable value. This includes materials purchased for resale by the Commercial and trading bodies and Academic Services. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The basis adopted for inventory measurement is the First In First Out basis. A specific provision is made for obsolescent stock.

### 1.6 Cash and cash equivalents (Refer Note 31)

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

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

### 1.7 Property, Plant and Equipment (Refer Note 23)

- a) Land and buildings are shown at fair value assessed annually, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. 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, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

- b) Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised in the net result. Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve. Revaluation increments and decrements are offset against each other within a class of non-current assets

Land and buildings owned and/or controlled by the University were independently valued by the Valuer-General as at 31 December 2009. Land and buildings were valued at fair value and in accordance with: The Financial Management Act 1994; Australian Accounting Standards; and Victorian Government Policy. The resultant changes have been recorded through the Asset Revaluation Reserve.

- c) The Library collections of the University are recorded at cost. Donations are shown at fair value, being the written down replacement value based on an average cost index. The Albury Wodonga Campus library collection was capitalised in 1992 using an average replacement cost.

- d) Artworks are recorded at cost.

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

Land is 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:

Asset Type	2010 Depreciation Rate (%)	2009 Depreciation Rate (%)
Land	-	-
Buildings	2.5 ave	2.5 ave
Special Equipment	5	5
Passenger Vehicles	15	15
Plant & Equipment / Library Collection	10	10
Commercial Vehicles / Office Furniture & Equipment	10	10
Computer Equipment	20	20

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

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### 1.8 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation 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.

### 1.9 Non-current assets held for sale (Refer Note 22)

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities classified as held for sale are presented separately from other liabilities in the balance sheet.

### 1.10 Investments and other financial assets (Refer Notes 19 & 20)

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

#### *a) Financial assets at fair value through profit or loss*

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of balance date.

#### *b) Loans and receivables*

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

*c) Available-for-sale financial assets*

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

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

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in the Statement of Comprehensive Income as gains and losses from investment securities.

*Fair Value of Investments*

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

*Subsequent measurement*

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the Statement of Comprehensive Income within other income or other expenses in the period in which they arise.

Changes in the fair value of monetary security denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and on-monetary securities classified as available-for-sale are recognised in equity.

*Impairment*

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

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

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### **1.11 Intangible Assets (Refer Note 25)**

#### *a) Research and development*

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the Statement of Comprehensive Income as an expense when it is incurred.

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible and adequate resources are available to complete development.

The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the Statement of Comprehensive Income as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit.

#### *b) Computer Software Development*

Expenditure on software development activities, being the development of large computer systems, is capitalised if the product is technically and commercially feasible and adequate resources are available to complete development. The expenditure capitalised comprises all directly attributable costs, including costs of the base software, services, direct labour and an appropriate proportion of overheads. Other software development expenditure is recognised in the Statement of Comprehensive Income as an expense as incurred. Capitalised software development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit based on the assets useful life.

Licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives, which vary from 3-5 years.

### **1.12 Trade and Other Payables**

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

### **1.13 Interest Bearing Liabilities (Refer Note 27)**

Bank loans, Debenture loans and Commercial Bills are carried at their principal amount, and are secured by a charge on the University's revenue. Interest expense is accrued at the contracted rate and included in Payables.

Bonds are carried at their principal amount. Current Liabilities due within 12 months are carried at their nominal value, Non-Current Liabilities due beyond 12 months are discounted to their Net Present Value. Bond commitments are disclosed at their gross (nominal) value in Note 27.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

### **1.14 Financing Costs**

In 2010, all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset were capitalised as a result of the University's early adoption of the revised AASB 123: Borrowing Costs. All other financing costs are expensed.

**1.15 Employee Benefits (Refer Note 28)**

A liability for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave is recognised when it is probable that settlement will be required and they are capable of being measured reliably.

*(i) Wages and salaries*

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

*(ii) Annual leave and sick leave*

The liability for long-term employee benefits such as annual leave is recognised in current provisions for employee benefits as it is not due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. 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.

*(iii) Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the 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.

*(iv) Termination Benefits*

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

**1.16 Unfunded superannuation (Refer Note 34(c))**

In accordance with the 1998 instructions issued by the Commonwealth Department of Education, Employment and Workplace Relations (DEEWR) the effects of the unfunded superannuation liabilities of the University and its controlled entities were recorded in the Statement of Comprehensive Income and the Balance sheet for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

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 Balance Sheet under Employee Benefits 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 and its controlled entities.



# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

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AASB 119 Employee Benefits requires that the estimated present value of superannuation obligations recognised in the financial statements should be determined as at balance date. This financial report recognises the estimated superannuation obligations in respect of the State Superannuation Fund using an actuarial estimate as at 30 June 2010. As there is no net impact on the balance sheet or Statement of Comprehensive Income from these superannuation obligations (due to recognition of a corresponding receivable), the costs of providing an actuarial assessment at balance date (31 December 2010) outweigh the benefits. The University has therefore elected not to obtain an estimate of its superannuation obligations as at balance date. Consequently superannuation obligations (and corresponding receivable) are stated in the financial report based on estimates prepared 6 months in arrears.

### **1.17 Leases (Refer Note 33.1)**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease. All lease agreements entered into by the University are operating leases.

### **1.18 Comparative Figures**

Where required comparative figures have been adjusted to facilitate comparison with the presentation for the current financial year.

### **1.19 Rounding of Amounts**

The University satisfies the requirements of Part 4.2(d) of the Directions of the Minister For Finance that accompany the Financial Management Act 1994 and accordingly amounts in the financial statements have been rounded to the nearest thousand dollars.

### **1.20 Taxation**

#### *a) Income Tax*

The University and its controlled entities are exempt from income tax in accordance with the provisions of Section 50-55 of the *Income Tax Assessment Act* with the exception of Medical Centre Developments Pty. Ltd. (MCD) and La Trobe Innovations Pty. Ltd. These companies were not able to obtain exemption from the imposition of Income Tax on its profits under section 50-55 of the Income Tax Assessment Act 1997, as amended.

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial report, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted at the time. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

**a) Income Tax (continued)**

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

**b) Goods and Services Tax (GST)**

The University is registered for, and accounts for GST on an accrual monthly 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 the Australian Tax Office at balance date is recognised in the balance sheet as a current asset within trade and other receivables.

### 1.21 New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2010 reporting periods. The University's assessment of the impact of these new Standards and Interpretations is set out below:

<b>Title</b>	<b>Application Date of Standard</b>	<b>Application date for University</b>
<b>AASB9</b> Financial Instruments	1 <sup>st</sup> January 2013	1 <sup>st</sup> January 2013
<b>Summary</b>  AASB 9 includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).  These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes from AASB 139 are described below.  (a) Financial assets are classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. This replaces the numerous categories of financial assets in AASB 139, each of which had its own classification criteria.  (b) AASB 9 allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.  (c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.		
<b>Impact on University</b> No financial impact. Potential change in disclosure requirements.		
<b>AASB 1053</b> Application of Tiers of Australian Accounting Standards	1 <sup>st</sup> July 2013	31 <sup>st</sup> December 2013
<b>Summary</b> This Standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements:  (a) Tier 1: Australian Accounting Standards (b) Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. The following entities apply Tier 1 requirements in preparing general purpose financial statements: (a) For-profit entities in the private sector that have public accountability (as defined in this Standard) (b) The Australian Government and State, Territory and Local Governments.		



# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

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The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements:

- (a) For-profit private sector entities that do not have public accountability
- (b) All not-for-profit private sector entities
- (c) Public sector entities other than the Australian Government and State, Territory and Local Governments.

### **Impact on University**

No financial impact. Potential change in disclosure requirements.

## **2 Capital & Reserves (Refer Note 30)**

### *a) Asset Revaluation Reserve*

The Asset Revaluation Reserve was created to record assets controlled by the University prior to 1 January 1989. Subsequent revaluations have been recorded against this reserve.

### *b) General Reserves*

These reserves were established to provide a source of funds for future development. The purposes for which these funds are reserved for includes, but is not limited to: capital development, maintenance, and asset acquisition and replacement programs.

### *c) Perpetual Funds*

These 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.

### *d) Available For Sale Reserve*

The Available For Sale Reserve was created to record the market movements of financial assets classified as available for sale.

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

		Consolidated		La Trobe University	
	Notes	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
<b>3. Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes</b>					
<b>(a) Commonwealth Grants Scheme and Other Grants</b>					
Commonwealth Grants Scheme #	38.1	153,542	136,806	153,542	136,806
Indigenous Support Program	38.1	549	468	549	468
Partnership & Participation Program *	38.1	953	1,134	953	1,134
Workplace Reform Program	38.1	541	1,670	541	1,670
Workplace Productivity Program	38.1	1,600	434	1,600	434
Learning & Teaching Performance Fund	38.1	-	2,485	-	2,485
Capital Development Pool	38.1	3,525	1,021	3,525	1,021
Superannuation Program	38.1	5,400	5,271	5,400	5,271
Diversity & Structural Adjustment fund	38.1	898	891	898	891
Improving the Practical Component of Teacher Ed.	38.1	418	150	418	150
Transitional Cost Program	38.1	358	1,007	358	1,007
<b>Total Commonwealth Grants Scheme and Other Grants</b>		<b>167,784</b>	<b>151,337</b>	<b>167,784</b>	<b>151,337</b>
# Includes the basic CGS grant amount, CGS-Regional Loading, CGS - Enabling Loading and CGS Advances for Future Years					
+ Includes amounts for Higher Education Equity Support Programme and Students with Disability Programme					
<b>(b) Higher Education Loan Programmes</b>					
HECS-HELP	38.2	94,961	85,392	94,961	85,392
FEE-HELP	38.2	7,209	6,532	7,209	6,532
<b>Total Higher Education Loan Programmes</b>		<b>102,170</b>	<b>91,924</b>	<b>102,170</b>	<b>91,924</b>
<b>(c) Scholarships</b>					
Australian Postgraduate Awards	38.3	3,036	2,375	3,036	2,375
International Postgraduate Research Scholarships	38.3	336	339	336	339
Commonwealth Education Costs Scholarships	38.3	1,137	1,374	1,137	1,374
Commonwealth Accommodation Scholarships	38.3	2,092	2,371	2,092	2,371
Indigenous Access Scholarships	38.3	72	75	72	75
<b>Total Scholarships</b>		<b>6,673</b>	<b>6,534</b>	<b>6,673</b>	<b>6,534</b>
<b>(d) DIISR Research</b>					
Joint Research Engagement Program	38.4	5,887	5,611	5,887	5,611
Research Training Scheme	38.4	11,412	11,650	11,412	11,650
Research Infrastructure Block Grants	38.4	2,612	2,511	2,612	2,511
Implementation Assistance Programme	38.4	64	126	64	126
Australian Scheme for Higher Education Repositories	38.4	-	233	-	233
Commercialisation Training Scheme	38.4	98	105	98	105
Sustainable Research Excellence in Universities		1,119	-	1,119	-
<b>Total DIISR Research</b>		<b>21,192</b>	<b>20,236</b>	<b>21,192</b>	<b>20,236</b>
<b>(e) Voluntary Student Unionism</b>					
VSU Transition Fund	38.5	-	1,009	-	1,009
Total VSU		-	1,009	-	1,009
<b>(f) Other Capital Funding</b>					
Better Universities Renewal Funding		-	16,535	-	16,535
Teaching and Learning Capital Fund		-	5,300	-	5,300
Education Investment Fund		61,900	-	61,900	-
<b>Total Other Capital Funding</b>	38.5	<b>61,900</b>	<b>21,835</b>	<b>61,900</b>	<b>21,835</b>
<b>(g) Australian Research Council</b>					
<b>(i) Discovery</b>					
Projects	38.6(a)	3,426	2,900	3,426	2,900
Indigenous	38.6(a)	-	18	-	18
Fellowships	38.6(a)	1,330	639	1,330	639
<b>Total Discovery</b>		<b>4,756</b>	<b>3,557</b>	<b>4,756</b>	<b>3,557</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

		Consolidated		La Trobe University	
	Notes	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
<b>3. Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes (continued)</b>					
<b>(ii) Linkages</b>					
Infrastructure	38.6(b)	67	577	67	577
International	38.6(b)	-	16	-	16
Projects	38.6(b)	1,647	1,390	1,647	1,390
<b>Total Linkages</b>		<b>1,714</b>	<b>1,983</b>	<b>1,714</b>	<b>1,983</b>
<b>(h) Other Australian Government financial assistance</b>					
Other Australian Government financial assistance		1,889	1,557	1,889	1,557
<b>Total Other Australian Government financial assistance</b>		<b>1,889</b>	<b>1,557</b>	<b>1,889</b>	<b>1,557</b>
<b>Total Australian Government financial assistance</b>		<b>368,078</b>	<b>299,972</b>	<b>368,078</b>	<b>299,972</b>
<b>Reconciliation</b>					
Australian Government Grants [a+c+d+e+f+g+h]		265,908	208,048	265,908	208,048
HECS-HELP - Australian Government Payments		94,961	85,392	94,961	85,392
Other Australian Government Loan Programmes [FEE-HELP]		7,209	6,532	7,209	6,532
<b>Total Australian Government financial assistance</b>		<b>368,078</b>	<b>299,972</b>	<b>368,078</b>	<b>299,972</b>
<b>(i) Australian Government Grants received - cash basis</b>					
CGS and Other DEEWR Grants		171,743	148,331	171,743	148,331
Higher Education Loan Programmes		98,939	90,077	98,939	90,077
Scholarships		6,453	7,252	6,453	7,252
DIISR research		21,191	20,236	21,191	20,236
Voluntary Student Unionism		-	1,009	-	1,009
Other Capital Funding		65,425	16,535	65,425	16,535
ARC grants - Discovery		4,756	4,048	4,756	4,048
ARC grants - Linkages		1,714	2,102	1,714	2,102
<b>Total Australian Government Grants received - cash basis</b>		<b>370,221</b>	<b>289,590</b>	<b>370,221</b>	<b>289,590</b>
OS-Help (Net)		1,160	974	1,160	974
Superannuation Supplementation		5,570	5,536	5,570	5,536
<b>Total Australian Government funding received - cash basis</b>		<b>376,951</b>	<b>296,099</b>	<b>376,951</b>	<b>296,099</b>
<b>4. State Government financial assistance</b>					
Specific Purpose Grants		5,673	8,483	5,673	8,483
<b>Total State Government financial assistance</b>		<b>5,673</b>	<b>8,483</b>	<b>5,673</b>	<b>8,483</b>
<b>5. Fees and Charges</b>					
<b>Course Fees and Charges</b>					
Fee-Paying Overseas Students		99,173	85,856	99,173	85,856
Continuing Education		8,852	14,226	8,852	14,226
Fee-Paying Domestic Postgraduate Students		4,112	3,305	4,112	3,305
Fee-Paying Domestic Undergraduate Students		944	1,448	944	1,448
Other Domestic Course Fees and Charges		4,541	4,615	4,541	4,615
<b>Total Course Fees and Charges</b>		<b>117,622</b>	<b>109,450</b>	<b>117,622</b>	<b>109,450</b>
<b>Other Fees and Charges</b>					
General Service Fees		404	415	404	415
Other Fees and Charges		8,146	8,139	8,146	8,139
<b>Total Other Fees and Charges</b>		<b>8,550</b>	<b>8,554</b>	<b>8,550</b>	<b>8,554</b>
<b>Total Fees and Charges</b>		<b>126,172</b>	<b>118,004</b>	<b>126,172</b>	<b>118,004</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

	Consolidated		La Trobe University	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Notes				
<b>6. Investment Income</b>				
<b>Financial Assets at Fair Value Through Profit or Loss</b>				
Interest Received on Funds Under Management	3,004	2,309	3,004	2,309
Realised Gain/(Loss) on Investment	(651)	(513)	(651)	(513)
Unrealised Gain/(Loss) on Investment	125	1,592	86	1,489
Interest Received - Other	5,591	2,302	5,469	2,232
Dividends	124	1,742	124	1,742
<b>Total Investment Income</b>	<b>8,193</b>	<b>7,432</b>	<b>8,032</b>	<b>7,259</b>
<b>7. Consultancy and Contracts</b>				
Consultancy	14,632	11,743	14,632	11,743
Contract Research	27,540	30,870	27,540	30,870
<b>Total Consultancy and Contracts</b>	<b>42,172</b>	<b>42,613</b>	<b>42,172</b>	<b>42,613</b>
<b>8. Other Revenue</b>				
Sales	7,249	7,083	7,249	7,083
Other Trading Revenue	7,216	3,698	7,216	3,698
<b>Total Trading Revenue</b>	<b>14,465</b>	<b>10,781</b>	<b>14,465</b>	<b>10,781</b>
Accommodation Revenue	19,099	19,187	19,630	19,749
Donations & Bequests	1,004	834	1,004	834
Scholarships & Prizes	684	876	684	876
Miscellaneous Revenue	11,686	11,224	11,686	11,224
<b>Total Other Revenue</b>	<b>46,938</b>	<b>42,902</b>	<b>47,469</b>	<b>43,464</b>
<b>9. Employee Benefits and Oncosts</b>				
<b>Academic</b>				
Salaries	143,351	136,403	143,351	136,403
Contributions to superannuation and pension schemes :				
- Emerging Cost	2,585	3,016	2,585	3,016
- Funded	19,859	17,606	19,859	17,606
Payroll Tax	7,632	7,047	7,632	7,047
Workers' Compensation	963	1,117	963	1,117
Long Service Leave	4,349	5,042	4,349	5,042
Annual Leave	(10,027)	(13,796)	(10,027)	(13,796)
Allowances	3,198	3,114	3,198	3,114
Other	1,149	(11,437)	1,149	(11,437)
<b>Total Academic</b>	<b>173,059</b>	<b>148,112</b>	<b>173,059</b>	<b>148,112</b>
<b>Non-academic</b>				
Salaries	116,042	107,695	116,042	107,695
Contributions to superannuation and pension schemes :				
- Emerging Cost	2,259	2,540	2,259	2,540
- Funded	17,293	15,842	17,293	15,842
Payroll Tax	6,588	6,100	6,588	6,100
Workers' Compensation	834	997	834	997
Long Service Leave	4,022	4,702	4,022	4,702
Annual Leave	9,454	8,881	9,454	8,881
Allowances	3,209	4,136	3,209	4,136
Other	1,852	1,639	1,852	1,639
<b>Total Non-academic</b>	<b>161,553</b>	<b>152,532</b>	<b>161,553</b>	<b>152,532</b>
<b>Total Academic and Non-academic Employee Benefits &amp; Oncosts</b>	<b>334,612</b>	<b>300,644</b>	<b>334,612</b>	<b>300,644</b>
Deferred Employee Benefits for Superannuation	7,963	8,737	7,963	8,737
<b>Total Employee Benefits &amp; Oncosts</b>	<b>342,575</b>	<b>309,381</b>	<b>342,575</b>	<b>309,381</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

	Consolidated		La Trobe University	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Notes				
<b>10. Buildings and Grounds</b>				
Operating Rental Lease Expense	5,979	7,192	5,979	7,192
Materials and Equipment	7,679	6,944	7,679	6,944
Occupancy Expenses	18,607	12,855	23,580	17,857
<b>Total Buildings and Grounds</b>	<b>32,265</b>	<b>26,991</b>	<b>37,238</b>	<b>31,993</b>
<b>11. Depreciation and Amortisation</b>				
<b>Depreciation</b>				
Buildings	11,599	12,053	11,262	11,779
Buildings - Leasehold Improvements	55	31	55	31
Plant and Equipment	4,342	3,643	4,342	3,643
Special Plant & Equipment	395	395	395	395
Office Furniture and Equipment	120	157	120	157
Passenger Vehicles	654	665	654	665
Commercial Vehicles	172	182	172	182
Computer Equipment	3,037	2,995	3,037	2,995
Library Collection	4,218	5,058	4,218	5,058
<b>Total Depreciation</b>	<b>24,592</b>	<b>25,179</b>	<b>24,255</b>	<b>24,905</b>
<b>Amortisation</b>				
Amortisation of Deferred Expenses	230	241	230	241
Amortisation of Intangible Assets	2,007	1,389	2,007	1,389
<b>Total Amortisation</b>	<b>2,237</b>	<b>1,630</b>	<b>2,237</b>	<b>1,630</b>
<b>Total Depreciation and Amortisation</b>	<b>26,829</b>	<b>26,809</b>	<b>26,492</b>	<b>26,535</b>
<b>12. Bad &amp; Impaired Debts</b>				
Bad Debts	47	133	47	133
Impaired Debts	10	(40)	10	(40)
<b>Total Bad &amp; impaired Debts</b>	<b>57</b>	<b>93</b>	<b>57</b>	<b>93</b>
<b>13. Other Categories of Expenditure</b>				
Scholarships, Grants & Prizes	5,252	3,796	5,252	3,796
Non-capitalised Equipment	5,776	7,394	5,776	7,394
Impairment Loss	678	-	678	-
Advertising, Marketing & Promotional Expenses	6,429	5,371	6,429	5,371
Motor Vehicles	525	442	524	441
Postage & Freight	1,241	1,134	1,241	1,134
Catering	1,528	1,098	1,528	1,098
Examiner Fees	228	254	228	254
Student Amenities	982	1,119	982	1,119
Research Participant Payments	660	599	660	599
Office Stationary & Supplies	2,045	1,877	2,045	1,877
Computing	8,104	6,094	8,104	6,094
Telecommunications	3,678	3,243	3,678	3,243
Miscellaneous Expense	4,098	5,832	4,037	5,739
<b>Total Other Categories of Expenditure</b>	<b>41,224</b>	<b>38,253</b>	<b>41,162</b>	<b>38,159</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

	Consolidated		La Trobe University	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Notes				
<b>14. Financing Costs</b>				
Interest on Interest-bearing Liabilities	4,091	4,184	2,716	2,925
<b>Total Financing Costs</b>	<b>4,091</b>	<b>4,184</b>	<b>2,716</b>	<b>2,925</b>
<b>15. Income Tax</b>				
Current Tax Benefit	(1,002)	989	-	-
Deferred Tax Expense	165	(104)	-	-
<b>Income Tax (Benefit)/Expense</b>	<b>(837)</b>	<b>885</b>	<b>-</b>	<b>-</b>
<b>Numerical Reconciliation of Income Tax (Benefit)/Expense to Prima Facie Tax (Benefit)/Expense</b>				
Operating Result From Continuing Operations Before Income Tax Expense	2,791	2,369	-	-
Tax at the Australian Tax Rate of 30%	837	885	-	-
Tax Effect of Amounts which are not Deductible (Taxable) in Calculating Taxable Income	-	-	-	-
<b>Income Tax (Benefit)/Expense</b>	<b>837</b>	<b>885</b>	<b>-</b>	<b>-</b>
<b>16. Sale of Assets</b>				
Proceeds from sale	16,715	1,651	16,715	1,651
Less carrying amount of assets sold	(7,735)	(1,645)	(7,735)	(1,645)
<b>Total Profit/(Loss) on sale of assets</b>	<b>8,980</b>	<b>6</b>	<b>8,980</b>	<b>6</b>
<b>17. Remuneration of Auditors</b>				
Victorian Auditor General (Audit of financial reports)	284	147	272	135
Other Auditors	59	90	59	90
	<b>343</b>	<b>237</b>	<b>331</b>	<b>225</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

	Notes	Consolidated		La Trobe University	
		2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
<b>18. Trade and Other Receivables</b>	1.4				
<b>Current</b>					
Deferred Government Contribution for Superannuation	34(c)	3,000	3,000	3,000	3,000
Goods & Services Tax		1,997	1,646	1,997	1,646
Debtors		9,624	13,721	9,590	13,703
Less Provision for Impaired Receivables		(293)	(337)	(293)	(337)
<b>Total Current Trade and Other Receivables</b>		<b>14,328</b>	<b>18,030</b>	<b>14,294</b>	<b>18,012</b>
<b>Non Current</b>					
Deferred Government Contribution for Superannuation	34(c)	76,587	68,624	76,587	68,624
<b>Total Non Current Trade and Other Receivables</b>		<b>76,587</b>	<b>68,624</b>	<b>76,587</b>	<b>68,624</b>
<b>Total Trade and Other Receivables</b>		<b>90,915</b>	<b>86,654</b>	<b>90,881</b>	<b>86,636</b>

### a) Impaired Receivables

As at 31 December 2010 current receivables of the University with a nominal value of \$293,000 (2009: \$337,000) were impaired. The amount of the provision was \$293,000 (2009: \$337,000). The individually impaired receivables relate to student debts, which are in unexpectedly difficult economic situations. It was assessed that the receivables are not expected to be recovered. The ageing of these receivables is as follows:

Over 6 months	293	337	293	337
	<b>293</b>	<b>337</b>	<b>293</b>	<b>337</b>

As of 31 December 2010, trade receivables of \$3,461,000 (2009: \$1,256,865) were past due but not impaired. These relate to a number of independent customers and students for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

3 to 6 months	1,634	406	1,634	406
Over 6 months	1,827	851	1,827	851
	<b>3,461</b>	<b>1,257</b>	<b>3,461</b>	<b>1,257</b>

### Movements in the provision for impaired receivables are as follows:

At 1 January	337	312	337	312
Provision for impairment recognised during the year	19	115	19	115
Receivables written off during the year as uncollectible	(63)	(90)	(63)	(90)
	<b>293</b>	<b>337</b>	<b>293</b>	<b>337</b>

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

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

## 19. Other Financial Assets at Fair Value Through Profit or Loss

### Current

Debentures at Fair Value Through Profit or Loss	1,189	984	1,189	984
Unit Trusts at Fair Value Through Profit or Loss	936	996	936	996
Aust. Listed Shares at Fair Value Through Profit or Loss	2,498	2,495	1,787	1,873
<b>Total Current Financial Assets at Fair Value Through Profit or Loss</b>	<b>4,623</b>	<b>4,475</b>	<b>3,912</b>	<b>3,853</b>
<b>Movement of Current Other Financial Assets</b>				
Opening Net Book Value	4,475	3,709	3,853	3,289
Additions	698	162	609	162
Disposals & Redemptions	(500)	(118)	(500)	(118)
Capital Gains/(losses)	(227)	(20)	(227)	(20)
Unrealised Gains/(Losses)	177	742	177	540
Closing Net Book Value	<b>4,623</b>	<b>4,475</b>	<b>3,912</b>	<b>3,853</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

Notes	Consolidated		La Trobe University	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
<b>20. Other Financial Assets</b>				
1.10				
<b>Non Current</b>				
Shares at Fair Value Through Profit or Loss *	4,215	4,165	4,490	4,390
Available-for-sale Financial Assets	27,424	-	27,424	-
<b>Total Non Current Other Financial Assets</b>	<b>31,639</b>	<b>4,165</b>	<b>31,914</b>	<b>4,390</b>
<b>Total Other Financial Assets</b>	<b>31,639</b>	<b>4,165</b>	<b>31,914</b>	<b>4,390</b>
<b>Movement of Non Current Other Financial Assets</b>				
Opening Net Book Value	4,165	4,454	4,390	4,579
Additions	27,050	-	27,100	-
Dividends	450	-	450	-
Realised Gains/(Losses)	24	-	24	-
Unrealised Gains/(Losses)	(50)	-	(50)	-
Disposals	-	(289)	-	(189)
Closing Net Book Value	<b>31,639</b>	<b>4,165</b>	<b>31,914</b>	<b>4,390</b>
* Shares at Fair Value Through Profit and Loss includes: VERNET Pty. Ltd. \$2,282,242; Bendigo Telco \$42,000; IDP Education Aust. Ltd. \$10,000; Australian Synchrotron \$2,000,000, La Trobe Innovations Pty Ltd \$125,000 and Miscellaneous shares \$31,000.				
<b>21. Inventories</b>				
1.5				
<b>Current</b>				
Commercial and Trading Activities	722	1,279	722	1,279
<b>Total Inventories</b>	<b>722</b>	<b>1,279</b>	<b>722</b>	<b>1,279</b>
<b>22. Non-current Assets classified as held for sale</b>				
Argus Land & Building	-	5,900	-	5,900
<b>Total Non-current assets held for resale</b>	<b>-</b>	<b>5,900</b>	<b>-</b>	<b>5,900</b>
<b>Reconciliation of Non-current assets held for resale</b>				
Opening Value	5,900	-	5,900	-
Revaluation increment/(decrement)	-	(17,481)	-	(17,481)
Carrying Value of Assets Sold	(5,900)	-	(5,900)	-
Transfers from Property, Plant and Equipment	-	23,381	-	23,381
Closing Value	<b>-</b>	<b>5,900</b>	<b>-</b>	<b>5,900</b>
<b>23. Property, Plant And Equipment</b>				
1.7				
<b>Freehold Land</b>				
At Independent Valuation 2009	299,669	299,669	299,669	299,669
	<b>299,669</b>	<b>299,669</b>	<b>299,669</b>	<b>299,669</b>
<b>Buildings</b>				
At cost	9,164	-	9,164	-
Less Accumulated Depreciation	(121)	-	(121)	-
	<b>9,043</b>	<b>-</b>	<b>9,043</b>	<b>-</b>
At Independent Valuation 2009	470,760	470,760	453,896	453,896
Less Accumulated Depreciation	(11,676)	(235)	(11,339)	(235)
	<b>459,084</b>	<b>470,525</b>	<b>442,557</b>	<b>453,661</b>
<b>Total Buildings - Written Down Value</b>	<b>468,127</b>	<b>470,525</b>	<b>451,600</b>	<b>453,661</b>



# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

	Consolidated		La Trobe University	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
<b>23. Property, Plant And Equipment (continued)</b>				
Work in progress at cost	62,076	25,199	62,076	25,199
<b>Buildings - Leasehold Improvements at cost</b>	<b>2,980</b>	<b>1,528</b>	<b>2,980</b>	<b>1,528</b>
Less Accumulated Depreciation	(323)	(268)	(323)	(268)
Written Down Value	2,657	1,260	2,657	1,260
<b>Plant and Equipment at cost</b>	<b>58,157</b>	<b>51,916</b>	<b>58,157</b>	<b>51,916</b>
Less Accumulated Depreciation	(27,601)	(26,221)	(27,601)	(26,221)
Written Down Value	30,556	25,695	30,556	25,695
<b>Special Plant and Equipment at cost</b>	<b>7,893</b>	<b>7,893</b>	<b>7,893</b>	<b>7,893</b>
Less Accumulated Depreciation	(5,767)	(5,372)	(5,767)	(5,372)
Written Down Value	2,126	2,521	2,126	2,521
<b>Office Furniture and Equipment at Cost</b>	<b>2,311</b>	<b>2,938</b>	<b>2,311</b>	<b>2,938</b>
Less Accumulated Depreciation	(1,724)	(2,405)	(1,724)	(2,405)
Written Down Value	587	533	587	533
<b>Passenger Motor Vehicles at cost</b>	<b>3,766</b>	<b>4,457</b>	<b>3,766</b>	<b>4,457</b>
Less Accumulated Depreciation	(915)	(995)	(915)	(995)
Written Down Value	2,851	3,462	2,851	3,462
<b>Commercial Motor Vehicles at cost</b>	<b>2,195</b>	<b>1,996</b>	<b>2,195</b>	<b>1,996</b>
Less Accumulated Depreciation	(922)	(818)	(922)	(818)
Written Down Value	1,273	1,178	1,273	1,178
<b>Computer Equipment at cost</b>	<b>23,005</b>	<b>20,147</b>	<b>23,005</b>	<b>20,147</b>
Less Accumulated Depreciation	(10,434)	(12,242)	(10,434)	(12,242)
Written Down Value	12,571	7,905	12,571	7,905
<b>Library Collection at cost</b>	<b>141,063</b>	<b>137,478</b>	<b>141,063</b>	<b>137,478</b>
Less Accumulated Depreciation	(123,091)	(118,873)	(123,091)	(118,873)
Written Down Value	17,972	18,605	17,972	18,605
<b>Collectors Items At Cost</b>	<b>3,034</b>	<b>3,007</b>	<b>3,034</b>	<b>3,007</b>
<b>Total Property, Plant and Equipment at Cost and Valuation</b>	<b>1,086,073</b>	<b>1,026,988</b>	<b>1,069,209</b>	<b>1,010,124</b>
<b>Less Accumulated Depreciation</b>	<b>(182,574)</b>	<b>(167,429)</b>	<b>(182,237)</b>	<b>(167,429)</b>
<b>Written Down Value</b>	<b>903,499</b>	<b>859,559</b>	<b>886,972</b>	<b>842,695</b>

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Land and Buildings were independently valued by the Valuer-General as at 31 December 2009 at fair value.

The portion of the land occupied at the Albury/Wodonga campus is jointly shared with the Wodonga Institute of Technical and Further Education (TAFE). Title to this land is with the Ministry of Education (valued at \$ 1,400,000 in 2002) and is recorded in the Wodonga Institute of TAFE's accounts.

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

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## 24. Reconciliation of Property, Plant & Equipment

### a) Consolidated 2010

	Freehold Land at cost	Freehold Land at independent valuation	Buildings at cost	Buildings at independent valuation	Work in progress at cost
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2010	-	299,669	-	470,525	25,199
Additions	-	-	4,633	-	49,987
Disposals	-	-	69	-	-
Transfers	-	-	4,498	-	(13,110)
Revaluation increment/(decrement)	-	-	-	-	-
Depreciation expense	-	-	(157)	(11,441)	-
Carrying amount at 31/12/2010	-	<b>299,669</b>	<b>9,043</b>	<b>459,084</b>	<b>62,076</b>

	Buildings - Leasehold Improvements at cost	Plant and Equipment at cost	Special Plant and Equipment at cost	Office Furniture and Equipment at cost	Passenger Motor Vehicles at cost
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2010	1,260	25,695	2,521	533	3,462
Additions	287	7,080	-	227	1,287
Disposals	-	(404)	-	(52)	(1,246)
Transfers	1,165	2,527	-	(1)	1
Revaluation increment/(decrement)	-	-	-	-	-
Depreciation expense	(55)	(4,342)	(395)	(120)	(653)
Carrying amount at 31/12/2010	<b>2,657</b>	<b>30,556</b>	<b>2,126</b>	<b>587</b>	<b>2,851</b>

	Commercial Motor Vehicles at cost	Computer Equipment at cost	Library Collection at cost	Collectors Items at cost	Total
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2010	1,178	7,905	18,605	3,007	859,559
Additions	394	3,477	3,584	27	70,983
Disposals	(165)	(37)	-	-	(1,835)
Transfers	40	4,262	1	-	(617)
Revaluation increment/(decrement)	-	-	-	-	-
Depreciation expense	(174)	(3,036)	(4,218)	-	(24,591)
Carrying amount at 31/12/2010	<b>1,273</b>	<b>12,571</b>	<b>17,972</b>	<b>3,034</b>	<b>903,499</b>

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

**24. Reconciliation of Property, Plant & Equipment (continued)**

**b) La Trobe University 2010**

	Freehold Land at cost	Freehold Land at independent valuation	Buildings at cost	Buildings at independent valuation	Work in progress at cost
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2010	-	299,669	-	453,661	25,199
Additions	-	-	4,633	-	49,987
Disposals	-	-	69	-	-
Transfers	-	-	4,498	-	(13,110)
Revaluation increment/(decrement)	-	-	-	-	-
Depreciation expense	-	-	(157)	(11,104)	-
Carrying amount at 31/12/2010	-	<b>299,669</b>	<b>9,043</b>	<b>442,557</b>	<b>62,076</b>

	Buildings - Leasehold Improvements at cost	Plant and Equipment at cost	Special Plant and Equipment at cost	Office Furniture and Equipment at cost	Passenger Motor Vehicles at cost
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2010	1,260	25,695	2,521	533	3,462
Additions	287	7,080	-	227	1,287
Disposals	-	(404)	-	(52)	(1,246)
Transfers	1,165	2,527	-	(1)	1
Revaluation increment/(decrement)	-	-	-	-	-
Depreciation expense	(55)	(4,342)	(395)	(120)	(653)
Carrying amount at 31/12/2010	<b>2,657</b>	<b>30,556</b>	<b>2,126</b>	<b>587</b>	<b>2,851</b>

	Commercial Motor Vehicles at cost	Computer Equipment at cost	Library Collection at cost	Collectors Items at cost	<b>Total</b>
	\$ 000	\$ 000	\$ 000	\$ 000	<b>\$ 000</b>
Carrying amount at 1/1/2010	1,178	7,905	18,605	3,007	842,695
Additions	394	3,477	3,584	27	70,983
Disposals	(165)	(37)	-	-	(1,835)
Transfers	40	4,262	1	-	(617)
Revaluation increment/(decrement)	-	-	-	-	-
Depreciation expense	(174)	(3,036)	(4,218)	-	(24,254)
Carrying amount at 31/12/2010	<b>1,273</b>	<b>12,571</b>	<b>17,972</b>	<b>3,034</b>	<b>886,972</b>

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

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**24. Reconciliation of Property, Plant & Equipment (continued)**

**a) Consolidated 2009**

	Freehold Land at cost	Freehold Land at independent valuation	Buildings at cost	Buildings at independent valuation	Work in progress at cost
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2009	7	183,736	10,373	461,101	32,112
Additions	-	-	3,809	-	20,686
Disposals	-	-	-	(83)	-
Transfers	(7)	7	(13,876)	14,860	(27,599)
Revaluation increment/(decrement)	-	115,926	-	6,394	-
Depreciation expense	-	-	(306)	(11,747)	-
Carrying amount at 31/12/2009	-	<b>299,669</b>	-	<b>470,525</b>	<b>25,199</b>

	Buildings - Leasehold Improvements at cost	Plant and Equipment at cost	Special Plant and Equipment at cost	Office Furniture and Equipment at cost	Passenger Motor Vehicles at cost
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2009	1,339	21,858	2,916	648	3,483
Additions	-	6,332	-	104	1,698
Disposals	(48)	(137)	-	(17)	(1,037)
Transfers	-	1,285	-	(45)	(17)
Revaluation increment/(decrement)	-	-	-	-	-
Depreciation expense	(31)	(3,643)	(395)	(157)	(665)
Carrying amount at 31/12/2009	<b>1,260</b>	<b>25,695</b>	<b>2,521</b>	<b>533</b>	<b>3,462</b>

	Commercial Motor Vehicles at cost	Computer Equipment at cost	Library Collection at cost	Collectors Items at cost	<b>Total</b>
	\$ 000	\$ 000	\$ 000	\$ 000	<b>\$ 000</b>
Carrying amount at 1/1/2009	1,390	8,604	18,270	3,011	748,848
Additions	310	1,507	5,393	-	39,839
Disposals	(339)	(5)	-	(4)	(1,670)
Transfers	(1)	794	-	-	(24,599)
Revaluation increment/(decrement)	-	-	-	-	122,320
Depreciation expense	(182)	(2,995)	(5,058)	-	(25,179)
Carrying amount at 31/12/2009	<b>1,178</b>	<b>7,905</b>	<b>18,605</b>	<b>3,007</b>	<b>859,559</b>

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

**24. Reconciliation of Property, Plant & Equipment (continued)**

**b) La Trobe University 2009**

	Freehold Land at cost	Freehold Land at independent valuation	Buildings at cost	Buildings at independent valuation	Work in progress at cost
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2009	7	183,736	10,373	447,973	32,112
Additions	-	-	3,809	-	20,686
Disposals	-	-	-	(83)	-
Transfers	(7)	7	(13,876)	14,861	(27,599)
Revaluation increment/(decrement)	-	115,926	-	2,383	-
Depreciation expense	-	-	(306)	(11,473)	-
Carrying amount at 31/12/2009	-	<b>299,669</b>	-	<b>453,661</b>	<b>25,199</b>

	Buildings - Leasehold Improvements at cost	Plant and Equipment at cost	Special Plant and Equipment at cost	Office Furniture and Equipment at cost	Passenger Motor Vehicles at cost
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Carrying amount at 1/1/2009	1,339	21,858	2,916	648	3,483
Additions	-	6,332	-	104	1,698
Disposals	(48)	(137)	-	(17)	(1,037)
Transfers	-	1,285	-	(45)	(17)
Revaluation increment/(decrement)	-	-	-	-	-
Depreciation expense	(31)	(3,643)	(395)	(157)	(665)
Carrying amount at 31/12/2009	<b>1,260</b>	<b>25,695</b>	<b>2,521</b>	<b>533</b>	<b>3,462</b>

	Commercial Motor Vehicles at cost	Computer Equipment at cost	Library Collection at cost	Collectors Items at cost	<b>Total</b>
	\$ 000	\$ 000	\$ 000	\$ 000	<b>\$ 000</b>
Carrying amount at 1/1/2009	1,390	8,604	18,271	3,011	735,721
Additions	310	1,507	5,393	-	39,839
Disposals	(339)	(5)	-	(4)	(1,670)
Transfers	(1)	794	(1)	-	(24,599)
Revaluation increment/(decrement)	-	-	-	-	118,309
Depreciation expense	(182)	(2,995)	(5,058)	-	(24,905)
Carrying amount at 31/12/2009	<b>1,178</b>	<b>7,905</b>	<b>18,605</b>	<b>3,007</b>	<b>842,695</b>

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

		<b>Consolidated</b>		<b>La Trobe University</b>	
	Notes	<b>2010 \$ 000</b>	<b>2009 \$ 000</b>	<b>2010 \$ 000</b>	<b>2009 \$ 000</b>
<b>25. Intangible Assets</b>					
<b>Computer Software at cost</b>	1.11	<b>48,789</b>	49,995	<b>48,789</b>	49,995
Less Accumulated Amortisation		(12,387)	(19,238)	(12,387)	(19,238)
<b>Net Book Value</b>		<b>36,402</b>	30,757	<b>36,402</b>	30,757
<b>Movement of Intangible Assets</b>					
Opening Net Book Value		30,757	22,657	30,757	22,657
Additions - Software Development Costs		7,652	9,489	7,652	9,489
Disposals		-	-	-	-
Amortisation charge		(2,007)	(1,389)	(2,007)	(1,389)
<b>Closing Net Book Value</b>		<b>36,402</b>	30,757	<b>36,402</b>	30,757
<b>26. Other Non-financial Assets</b>					
<b>Current</b>					
Prepayments		6,232	7,272	6,232	7,272
<b>Total Current Other Non-financial Assets</b>		<b>6,232</b>	7,272	<b>6,232</b>	7,272
<b>Non Current</b>					
Deferred Tax Asset	26 (a)	51	62	-	-
Prepaid licence fee - Sports Facilities		244	244	244	244
Prepaid licence fee - Co- Generation Plant		399	399	399	399
Legal costs - Biotechnology Building		71	71	71	71
Austin Health Centre		2,000	2,000	2,000	2,000
<b>Total</b>		<b>2,765</b>	2,776	<b>2,714</b>	2,714
Less Accumulated Amortisation		(1,437)	(1,208)	(1,437)	(1,208)
<b>Total Non Current Other Non-financial Assets</b>		<b>1,328</b>	1,568	<b>1,277</b>	1,506
<b>Total Other Non-financial Assets</b>		<b>7,560</b>	8,840	<b>7,509</b>	8,778
<b>(a) Deferred Tax Assets</b>					
<b>The balance comprises temporary differences attributable to:</b>					
<b>Amounts recognised in operating result</b>					
Tax Losses		51	62	-	-
<b>Total Amounts recognised in operating result</b>		<b>51</b>	62	-	-
Set-off of Deferred Tax Liabilities of		-	-	-	-
Prepayments pursuant to set-off provisions		-	-	-	-
<b>Net Deferred Tax Assets</b>		<b>51</b>	62	-	-
<b>27. Interest-bearing Liabilities</b>					
<b>Current</b>					
Secured	1.13				
Debenture Loans		753	708	753	708
Commercial Bills		3,612	3,489	3,612	3,489
Bonds		3,848	4,776	-	-
<b>Total Current Secured Interest Bearing Liabilities</b>		<b>8,213</b>	8,973	<b>4,365</b>	4,197
<b>Total Current Interest Bearing Liabilities</b>		<b>8,213</b>	8,973	<b>4,365</b>	4,197

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

Notes	Consolidated		La Trobe University	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
<b>27. Interest-bearing Liabilities (continued)</b>				
<b>Non-Current</b>				
Secured				
Debenture Loans	7,825	8,577	7,825	8,577
Commercial Bills	27,718	31,207	27,718	31,207
Bonds	11,062	13,690	-	-
Total Non-Current Secured Interest Bearing Liabilities	46,605	53,474	35,543	39,784
<b>Total Non-Current Interest Bearing Liabilities</b>	<b>46,605</b>	<b>53,474</b>	<b>35,543</b>	<b>39,784</b>
<b>Total Interest Bearing Liabilities</b>	<b>54,818</b>	<b>62,447</b>	<b>39,908</b>	<b>43,981</b>

The debenture loans and commercial bills have fixed interest rates and terms. They are secured by a charge over the University's revenue via a security trust deed. The bonds are fixed term, scheduled for maturity on 30 June 2014 and have a fixed interest rate and are secured by the Medical Centre Pty Ltd's assets including the Medical Centre building.

## a) Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non-current interest bearing liabilities are:

<b>Current</b>				
Security Trust Deed				
Cash and Cash Equivalents	150,000	150,000	150,000	150,000
	150,000	150,000	150,000	150,000
Floating Charge				
Cash and Cash Equivalents	2,943	2,333	-	-
Trade and Other Receivables	12	7	-	-
	2,955	2,340	-	-
<b>Total Current Assets Pledged as Security</b>	<b>152,955</b>	<b>152,340</b>	<b>150,000</b>	<b>150,000</b>
<b>Non-Current</b>				
First Mortgage				
Buildings	16,527	16,864	-	-
Other Non-Financial Assets	1,568	2,131	-	-
	18,095	18,995	-	-
<b>Total Non-Current Assets Pledged as Security</b>	<b>18,095</b>	<b>18,995</b>	<b>-</b>	<b>-</b>
<b>Total Assets Pledged as Security</b>	<b>171,051</b>	<b>171,335</b>	<b>150,000</b>	<b>150,000</b>

## 28. Employee Benefits & Provisions

1.15

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

Deferred Tax Liabilities	1,776	1,930	-	-
Employee Benefits				
- Annual Leave	14,827	13,243	14,827	13,243
- Long Service Leave	2,894	2,706	2,894	2,706
- Deferred Benefits for Superannuation	3,000	3,000	3,000	3,000
- Redundancies	9	161	9	161
Subtotal	22,506	21,040	20,730	19,110

### Current provisions expected to be settled after more than 12 months

Employee benefits				
- Annual leave	10,445	8,918	10,445	8,918
- Long service leave	21,922	20,532	21,922	20,532
Subtotal	32,367	29,450	32,367	29,450
<b>Total current provisions</b>	<b>54,873</b>	<b>50,490</b>	<b>53,097</b>	<b>48,560</b>

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

		Consolidated		La Trobe University	
Notes	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000	
<b>28. Employee Benefits &amp; Provisions (continued)</b>					
<b>Non-Current Provisions</b>					
Employee Benefits					
- Long Service Leave	4,120	3,821	4,120	3,821	
- Deferred Benefits for Superannuation	34(b) 76,578	68,624	76,578	68,624	
<b>Total Non-Current Provisions</b>	<b>80,698</b>	<b>72,445</b>	<b>80,698</b>	<b>72,445</b>	
<b>Total Provisions</b>	<b>135,571</b>	<b>122,935</b>	<b>133,795</b>	<b>121,005</b>	
<b>a) Movements in Other Provisions</b>					
Movements in each class of provision during the financial year, other than employee benefits, are set out below:					
<b>Current Other Provisions</b>					
Carrying amount at start of year	161	12,511	161	12,511	
Unused amounts reversed	(152)	(12,350)	(152)	(12,350)	
Carrying amount at end of year	9	161	9	161	
<b>b) Deferred Tax Liabilities</b>					
<b>The balance comprises temporary differences attributable to:</b>					
<b>Amounts recognised in operating result</b>					
Prepayments	471	639	-	-	
<b>Total Amounts recognised in operating result</b>	<b>471</b>	<b>639</b>	<b>-</b>	<b>-</b>	
Set-off of Deferred Tax Liabilities of Prepayments pursuant to set-off provisions	1,306	1,290	-	-	
<b>Net Deferred Tax Liabilities</b>	<b>1,777</b>	<b>1,929</b>	<b>-</b>	<b>-</b>	
<b>29. Other Liabilities</b>					
<b>Current</b>					
Fees & Charges Received in Advance	1.3(c) 3,450	5,177	3,450	5,177	
Government Financial Assistance Received in Advance	1.3(b) 3,473	2,366	3,473	2,366	
Revenue Received in Advance:	1.3(d)				
- Property Lease Revenue	63	63	63	63	
- Medical Centre Ground Lease	297	297	297	297	
- Other	1,007	1,034	1,007	1,034	
Bonds and Deposits	1,038	765	1,038	765	
Current Account Creditors	(142)	-	(1,968)	(944)	
<b>Total Current Other Liabilities</b>	<b>9,186</b>	<b>9,702</b>	<b>7,360</b>	<b>8,758</b>	
<b>Non-current</b>					
Revenue Received in Advance:	1.3(d)				
- Property Lease Revenue	5,571	5,571	5,571	5,571	
- Medical Centre Ground Lease	2,370	1,807	3,435	3,435	
<b>Total Non-Current Other Liabilities</b>	<b>7,941</b>	<b>7,378</b>	<b>9,006</b>	<b>9,006</b>	
<b>Total Other Liabilities</b>	<b>17,127</b>	<b>17,080</b>	<b>16,366</b>	<b>17,764</b>	



NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

		Consolidated		La Trobe University	
Notes		2010 \$ 000	2009 \$ 000	'2010 \$ 000	2009 \$ 000
<b>30. Reserves and Retained Surpluses</b>					
<b>a) Reserves</b>					
Property, Plant, and Equipment Revaluation Reserve	2(a)	700,216	700,216	697,917	697,917
General Reserves	2(b)	13,410	12,988	13,410	12,988
Perpetual Funds	2(c)	1,624	1,624	1,624	1,624
Available For Sale Reserve	2(d)	(34)	-	(34)	-
Total Reserves		715,216	714,828	712,917	712,529
<b>Movements</b>					
<b>Property, Plant, and Equipment Revaluation Reserve</b>					
<b>Freehold Land</b>					
Freehold Land as at 1 January	1.7(b)	264,509	148,583	264,509	148,583
Transfer from Asset Held For Resale		-	-	-	-
Revaluation Increment/(decrement)		-	115,926	-	115,926
Freehold Land as at 31 December		264,509	264,509	264,509	264,509
<b>Buildings</b>					
Buildings as at 1 January		343,281	355,571	340,982	356,079
Revaluation Increment/(decrement)		-	(12,290)	-	(15,097)
Buildings as at 31 December		343,281	343,281	340,982	340,982
Other classes of assets as at 31 December		92,426	92,426	92,426	92,426
Balance at 31 December		700,216	700,216	697,917	697,917
<b>General Reserves</b>					
Balance at 1 January		12,988	14,815	12,988	14,815
Opening Balance From Acquired Operations		-	-	-	-
Transfers from Accumulated Funds		422	21	422	21
Transfers to Accumulated Funds		-	(1,848)	-	(1,848)
Balance at 31 December		13,410	12,988	13,410	12,988
<b>Perpetual Funds</b>					
Balance at 1 January		1,624	1,624	1,624	1,624
Transfers from Accumulated Funds		-	-	-	-
Transfers to Accumulated Funds		-	-	-	-
Balance at 31 December		1,624	1,624	1,624	1,624
<b>Available For Sale Reserve</b>					
Balance at 1 January		-	-	-	-
Net movements in financial assets classified as Available For Sale		(34)	-	(34)	-
Balance at 31 December		(34)	-	(34)	-
<b>b) Retained Surplus</b>					
Movements in Retained Surplus were as follows:					
Retained Surplus at 1 January		166,552	109,917	169,145	114,574
Net Operating Result		101,193	54,808	99,240	52,744
Transfers to Reserves		(422)	(21)	(422)	(21)
Transfers from Reserves		-	1,848	-	1,848
Retained Surplus at 31 December		267,323	166,552	267,963	169,145

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

Notes	Consolidated		La Trobe University	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000

### 31. Notes to the Statement of Cash Flows

#### a) Reconciliation of Cash

For the purposes of the Cash Flow Statement, La Trobe University considers cash to include cash on hand and in banks, and investments in money market instruments which are so near to maturity that there is no significant risk of change in value due to changes in interest. Cash at the end of the year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

Cash Assets	51,903	4,080	48,960	1,747
Deposits At Call	98,192	109,518	98,192	109,518
Cash Assets	150,095	113,598	147,152	111,265

#### b) Reconciliation of Net Cash Inflow from Operating Activities to Operating Result

<b>Net Operating Result After Income Tax</b>	<b>101,193</b>	54,808	<b>99,240</b>	52,744
<b>Non Cash Flow Items in Operating Result</b>				
Depreciation & Amortisation	26,829	26,809	26,492	26,535
(Gain)/Loss on Sale of Plant and Equipment	(8,980)	(6)	(8,980)	(6)
Bad & Doubtful Debts	15,111	108	47	108
Non-Cash Donations	(246)	(346)	(246)	(346)
Capitalised Financing Costs	-	-	-	-
Capital (Gain)/Loss on Investments	(698)	(742)	(609)	(540)
Income Tax Benefit	837	885	-	-
<b>Net cash inflow from operating activities before changes in assets and liabilities</b>	<b>134,045</b>	81,515	<b>115,945</b>	78,495
<b>Changes in Assets and Liabilities</b>				
Increase/(Decrease) in Other Current Liabilities	46	(10,739)	(1,398)	(11,346)
(Increase)/Decrease in Inventories	557	1,639	557	1,639
(Increase)/Decrease in Trade and Other Receivables	(19,325)	(13,034)	(4,245)	(13,064)
(Increase)/Decrease in Other Non-Financial Assets	1,040	(2,363)	1,040	(2,363)
Increase/(Decrease) in Payables	3,919	6,248	3,386	5,598
Increase/(Decrease) in Provision for Employee Benefits	12,790	(5,281)	12,790	(5,281)
(Increase)/Decrease in Deferred Expenses	229	229	229	229
<b>Net Cash Inflow from Operating Activities</b>	<b>133,301</b>	58,215	<b>128,304</b>	53,907

#### c) Cash at bank and on hand

These are interest bearing with a weighted average interest rate of 5.01% (2009 - 3.79%).

#### d) Deposits at call

The deposits are bearing floating interest rates between 5.55% and 7.00% (2009 - 2.18% and 11.89%).

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

## 32. Financial Risk Management

### 32.1 Accounting Policies and Terms and Conditions

Recognised Financial Instruments	Note	Accounting Policies	Terms and Conditions
<b>Financial Assets</b>			
Trade and Other Receivables	18	Accounts receivable are carried at amounts due. The collection of debts is assessed at balance date and specific provisions are made for any impairment.	Accounts receivable are on 30 day terms.
Investment Portfolio	31	Investments are shown at net recoverable value. The carrying amount of all investments is reviewed annually to ensure it is not in excess of the recoverable amount. Investments maturing in less than or greater than 12 months are shown as current assets and non-current assets respectively.	Funds held in investment portfolios are managed by the Funds Managers: Investment Funds Management (IFM) and Victorian Funds Management Corporation (VFMC).
Shares in Other Corporations	20	Shares are shown at the lower of cost or net recoverable value.	
Debentures	19	Debentures are shown at the lower of cost or net recoverable value.	
Units in Unit Trusts	19	Units are shown at the lower of cost or net recoverable value.	
<b>Financial Liabilities</b>			
Payables and Other Liabilities	29	Liabilities are recognised for amounts to be paid in the future for goods or services received whether or not billed to the University.	Creditors are normally settled within 30 days.
Debenture Loans	27	Debenture Loans are carried at their principal amount. Interest expense is accrued at the contracted rate and included in Creditors and Accruals.	Debenture loans are secured by a charge on the University's revenue.
Commercial Bills	27	Commercial Bills are carried at their principal amount. Interest expense is accrued at the contracted rate and included in Creditors and Accruals.	Commercial Bills are secured by a charge on the University's revenue.
Bond Securities	27	Bond Securities are carried at their principal amount. Interest expense is accrued at the contracted rate and included in Creditors and Accruals.	Bond Securities are secured by the assets of Medical Centre Developments Pty. Ltd.

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

**32.2 The Following Table Details the Economic Entities Exposure to Interest Rate Risk as at 31 December 2010**

**Table 1. 2010**

Financial Instruments	Note	Variable Interest Rate	Non Interest Bearing	Fixed Interest Rate maturing in:			Carrying Amount	Weighted Average Effective Interest Rate
				1 year or less \$000	Over 1 year to 5 years \$000	More than 5 years \$000		
		\$000	\$000				\$000	%
<b>Financial Assets</b>								
Cash & Cash Equivalents	31(a)	150,095					150,095	5.18
Trade and Other Receivables	18		14,328				14,328	N/A
Debentures	19	1,189					1,189	7.11
Units in Unit Trusts	19		936				936	N/A
Listed Shares	19		2,498				2,498	N/A
Shares in Other Corporations	20		4,215				4,215	N/A
Long Term Managed Funds	20		27,424				27,424	N/A
Deferred Receivable for Superannuation	18 34(b)		79,587				79,587	N/A
<b>Total Financial Assets</b>		<b>151,284</b>	<b>128,988</b>	-	-	-	<b>280,272</b>	
<b>Financial Liabilities</b>								
Payables			35,400				35,400	N/A
Fees & Charges Received In Advance	29		3,450				3,450	N/A
Government Financial Assistance Received In Advance	29		3,473				3,473	N/A
Other Revenue Received In Advance	29		9,308				9,308	N/A
Bonds & Deposits	29		1,038				1,038	N/A
Debenture Loans	27			753	3,375	4,450	8,578	6.17
Commercial Bills	27			3,489	12,438	15,280	31,207	6.72
Bond Securities	27			3,848	11,061	-	14,909	7.98
Deferred Benefits for Superannuation	18 34(b)		79,587				79,587	N/A
<b>Total Financial Liabilities</b>		-	<b>132,256</b>	<b>8,090</b>	<b>26,874</b>	<b>19,730</b>	<b>186,950</b>	

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

**32.2 The Following Table Details the Economic Entities Exposure to Interest Rate Risk as at 31 December 2009**

**Table 1. 2009**

Financial Instruments	Note	Variable Interest Rate	Non Interest Bearing	Fixed Interest Rate maturing in:			Carrying Amount	Weighted Average Effective Interest Rate
				1 year or less \$000	Over 1 year to 5 years \$000	More than 5 years \$000		
		\$000	\$000		\$000	\$000	\$000	%
<b>Financial Assets</b>								
Cash & Cash Equivalents	31(a)	113,598					113,598	5.33
Trade and Other Receivables	18		18,030				18,030	N/A
Debentures	19	984					984	7.50
Units in Unit Trusts	19		996				996	N/A
Listed Shares	19		2,291				2,291	N/A
Shares in Other Corporations	20		4,165				4,165	N/A
Deferred Receivable for Superannuation	18 34(b)		71,624				71,624	N/A
<b>Total Financial Assets</b>		<b>114,582</b>	<b>97,106</b>	-	-	-	<b>211,688</b>	
<b>Financial Liabilities</b>								
Payables			31,386				31,386	N/A
Fees & Charges Received In Advance	29		5,177				5,177	N/A
Government Financial Assistance Received In Advance	29		2,366				2,366	N/A
Other Revenue Received In Advance	29		8,772				8,772	N/A
Bonds & Deposits	29		765				765	N/A
Debenture Loans	27			708	3,236	5,341	9,285	6.17
Commercial Bills	27			3,489	12,973	18,234	34,696	6.72
Bond Securities	27			4,776	13,690	-	18,466	7.98
Deferred Benefits for Superannuation	18 34(b)		71,624				71,624	N/A
<b>Total Financial Liabilities</b>		-	<b>120,090</b>	<b>8,973</b>	<b>29,899</b>	<b>23,575</b>	<b>182,537</b>	

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

### 32.3 Net Fair Values

The aggregate net fair values of financial assets and financial liabilities are as follows:

Financial Instrument	Note	Total carrying amount		Aggregate net fair value	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000
Financial Assets					
Cash & Cash Equivalents	31(a)	150,095	113,598	150,095	113,598
Trade and Other Receivables	18	14,328	18,030	14,328	18,030
Debentures	19	1,189	984	1,189	984
Units in Unit Trusts	19	936	996	936	996
Listed Shares	19	2,498	2,291	2,498	2,291
Shares in Other Corporations	20	4,215	4,165	4,215	4,165
Long Term Managed Funds	20	27,424	-	27,424	-
Deferred Receivable for Superannuation	18 34(c)	79,587	71,624	79,587	71,624
Total Financial Assets		280,272	211,688	280,272	211,688
Financial Liabilities					
Payables		35,400	31,386	35,400	31,386
Fees Received In Advance	29	3,450	5,177	3,450	5,177
Government Grants Received In Advance	29	3,473	2,366	3,473	2,366
Other Revenue Received In Advance	29	9,308	8,772	9,308	8,772
Bonds & Deposits	29	1,038	765	1,038	765
Debenture Loans	27	8,578	9,285	8,578	9,285
Commercial Bills	27	31,207	34,696	31,207	34,696
Bond Securities	27	14,909	18,466	14,909	18,466
Deferred Benefits for Superannuation	18 34(c)	79,587	71,624	79,587	71,624
Total Financial Liabilities		186,950	182,537	186,950	182,537

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

	Note	2010 \$000	Level 1 * \$000	Level 2 * \$000	Level 3* \$000
<b>Financial Assets</b>					
Debentures	19	1,189	1,189	-	-
Units in Unit Trusts	19	936	936	-	-
Listed Shares	19	2,498	2,498	-	-
Shares in Other Corporations	20	4,215	73	4,142	-
Long Term Managed Funds	20	27,424	27,424	-	-
<b>Total</b>		<b>36,262</b>	<b>32,120</b>	<b>4,142</b>	<b>-</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

	Note	2009 \$000	Level 1 \$000	Level 2 \$000	Level 3 \$000
<b>Financial Assets</b>					
Debentures	19	984	984	-	-
Units in Unit Trusts	19	996	996	-	-
Listed Shares	19	2,291	2,291	-	-
Shares in Other Corporations	20	4,165	73	4,092	-
<b>Total Financial Assets</b>		<b>8,436</b>	<b>4,344</b>	<b>4,092</b>	-

\* As per AASB7 Level 1 financial assets are those with quoted prices in active markets; Level 2 are those with quoted prices but other observable inputs into the fair value; and Level 3 are those financial assets with no observable market data.

## 32.4 Risk Management

The University's operational activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The University's overall risk management program focuses on minimizing potential adverse effects on financial performance due to the unpredictability of financial markets. Foreign exchange deals are entered into by the University to hedge certain exposures to foreign currency transactions and the University adopts numerous methods to measure each type of risks 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 Risk Management Unit. The University has written policies for overall risk management, as well as specific policies covering financial risk.

### a) Market Risk

#### *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 investment is susceptible to market volatility which affects the fair value of the investments. The diversity of the investment portfolio adopted by the University minimizes its susceptibility to market risk. All investments are held at quoted prices.

#### *Sensitivity Analysis on Price Risk*

Financial Asset	Amount ('000)	Profit or Loss Effect on Price Move of 10% ('000)
Listed Shares	2,498	+/- 250

#### *Interest Rate Risk*

The objective of managing interest risk is to minimise and control the risks of losses due to interest rate changes and to take advantage of potential profits. Interest risk is managed by monitoring the outlook for interest rates and holding cash in cheque and cash management accounts at two banking institutions. It should be noted that all the interest bearing liabilities of the University are on fixed rates and therefore bear no interest rate risk.

#### *Sensitivity analysis on interest risk:*

INTEREST RATE EXPOSURE	Current Rate	Amount	Annual return at Current Rate	Rates move by:		
				1%	2%	3%
				Possible effect/	Possible effect/	Possible effect/
				Profit or Loss	Profit or Loss	Profit or Loss
	(%)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Cash Assets	5.18%	150,095	7,775	+/- 1,501	+/- 3,002	+/- 4,503
Debentures	7.11%	984	70	+/- 10	+/- 20	+/- 30
<b>Possible effect movement in interest income in profit or loss</b>				+/- 1,511	+/- 3,022	+/- 4,533

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

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

### *Foreign Exchange Risk*

The University has minor exposure to foreign exchange movements via foreign purchases of library materials. The University manages the foreign exchange risk by hedging the purchases using participating forward exchange contracts. As at 31<sup>st</sup> December 2010 the University had the following outstanding contracts:

Amount ('000)	Currency	Maturity Date	AUD on Commencement ('000)	AUD as at 31/12/2010 ('000)
2,500	USD	6/12/2011	2,490	2,460
200	GBP	6/12/2011	321	304
290	EUR	29/11/2011	408	379
<b>Total AUD</b>			<b>3,219</b>	<b>3,143</b>

### **b) Credit Risk**

Credit risk represents the loss that would be recognized if counter parties failed to perform as contracted. The credit risk on financial assets of the University has been recognized in the Balance Sheet in arriving at their Carrying Amount. The University adopts the ageing analysis to measure its credit risk and is not materially exposed to any individual debtor.

### **c) 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 on call. The balance of the working capital portfolio is maintained at an amount sufficient to meet the University's operational needs for three months.

Liquidity risk is managed by the University through a five year and weekly cash flow analysis and monthly analysis of account movements. Analytical procedures such as calculating the current ratio are also used for comparisons to a predetermined satisfactory benchmark ratio range.

## **32.5 Financial Facilities**

	<b>2010 \$000</b>	<b>2009 \$000</b>
The University has access to the following lines of credit:		
<b>Total facilities:</b>		
Debenture Loans	<b>8,578</b>	9,285
Commercial Bills	<b>31,207</b>	34,696
Bond Securities	<b>14,909</b>	18,466
<b>Facilities Utilised at Balance Date:</b>		
Debenture Loans	<b>8,578</b>	9,285
Commercial Bills	<b>31,207</b>	34,696
Bond Securities	<b>8,578</b>	18,466
<b>Facilities Not Utilised at Balance Date:</b>		
Debenture Loans	-	-
Commercial Bills	-	-
Bond Securities	-	-



# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

## 33. Commitments for Expenditure

	Notes	Consolidated		La Trobe University	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000
<b>33.1 Lease Commitments</b>					
Operating Leases	1.17				
- not later than 1 year		2,012	1,204	6,935	6,128
- later than 1 year and not later than 2 years		1,354	729	6,278	5,655
- later than 2 years and not later than 5 years		898	248	8,283	12,557
- later than 5 years		-	-	-	-
		<b>4,264</b>	<b>2,181</b>	<b>21,496</b>	<b>24,337</b>
<b>33.2 Capital Expenditure Commitments</b>					
Building Works Contracted but not provided for and payable:					
- not later than 1 year		20,063	36,524	20,063	36,524
- later than 1 year and not later than 2 years		1,288	63,811	1,288	63,811
- later than 2 years and not later than 5 years		248	80,484	248	80,484
- later than 5 years		-	-	-	-
		<b>21,599</b>	<b>180,819</b>	<b>21,599</b>	<b>180,819</b>

## 34. 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.

	Notes	Consolidated		La Trobe University	
		2010 \$000	2009 \$000	2010 \$000	2009 \$000
<b>Summary of Superannuation Scheme Payments</b>					
UniSuper Defined Benefit Division (DBD)		28,516	24,443	28,516	24,443
UniSuper Accumulation Super (1)		9,731	8,188	9,731	8,188
Victorian Superannuation Board (Unfunded – Emerging)		5,758	5,758	5,758	5,758
		<b>44,005</b>	<b>38,389</b>	<b>44,005</b>	<b>38,389</b>

### (a) UniSuper Limited

UniSuper is a multi employer superannuation fund operated by UniSuper Limited as the Corporate Trustee and 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 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) level 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 for 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 didn't account for any surpluses or shortfalls in the defined benefit fund in its accounts. As a consequence of changes to clause 34 of the UniSuper Trust Deed in November 2008, UniSuper have advised that both the Defined Benefit Plan and Investment Choice Plan are defined as Multi Employer 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 2010 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 16 May 2003 and comply with the rules governing the Trust Deed. Employer contributions for the year totalled \$28,516,055.52 (2009 \$24,443,395). 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 \$9,691,539.95 (2009 \$8,970,257) additional contributions on behalf of the employee. Outstanding employer contributions as at 31 December 2010 totalled \$nil (2009 \$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% 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 in scheme (a). Where UniSuper Accumulation Super (1) is the only scheme the current contribution rate is 9%. Employer contributions for the year totalled \$9,731,388 (2009 \$8,188,478). There were no outstanding employer contributions as at 31 December 2010 (2009 \$nil). There are no loans to fund members.

#### **(b) Victorian Superannuation Board**

La Trobe University has, in its staffing profile, a number of employees who are members of the State Superannuation Fund. Amounts reported herein relate to unfunded superannuation liabilities as determined by the above mentioned fund. Employees contributed to this fund on an ongoing basis, but La Trobe 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. As payments occur the liability decreases. Please note that the Fund has been 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.

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

Prior to 1 January 1998 the notional share of the State Superannuation Fund's unfunded liabilities attributable to La Trobe University were disclosed by way of a note to the accounts. As from 1 January 1998 the Department of Treasury and Finance has determined that this 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 receivable from the Commonwealth Government.

The change in the method of accounting for the unfunded superannuation liability was shown as an adjustment of \$50,702,000 to the Accumulated Funds of the University at the beginning of the 1998 year. This treatment is in accordance with Australian Accounting Standards. This adjustment at 1 January 1998 was offset by the corresponding adjustment of the equivalent receivable from the Commonwealth Government.

The increase in the liability and the receivable of \$7,963,000 during the 2010 year (2009 \$8,737,000) is taken up in Operating Expenditure and Operating Revenue respectively. There is no financial impact on the operating result for the year as a result of these changes. While the Net Assets has not altered with these changes, both the Total Assets and Total Liabilities have increased by \$7,963,000 (2009 \$8,737,000).

During 2010 La Trobe University's contributions to the scheme totalled \$4,825,546 (2009 \$5,758,196). There were no outstanding employer contributions as at 31 December 2010 (2009 \$nil). There are no loans to the University.

The policy adopted for calculating employer contributions is based on the advice of the scheme's trustees, but generally for 2010 the contribution rate represents 79.2% (79.2% 2009) of pensions payable.

	Notes	2010 \$000	2009 \$000
The relevant accounting transactions are detailed below:			
<b>a) Statement of Comprehensive Income Items</b>			
Salary Related Expenditure – increase/(decrease) in superannuation liability		7,963	8,737
Miscellaneous Income – increase/(decrease) in amount receivable for superannuation		7,963	8,737
Amounts relate to the overall increase in the outstanding superannuation Liability and the corresponding receivable from \$71,624,000 at 30 June 2009 to \$79,587,000 at 30 June 2010 as determined by the Fund.			
<b>b) Amounts Receivable from the Commonwealth Government</b>			
Current	18	3,000	3,000
Non-Current	18	76,587	68,624
Total		<u>79,587</u>	<u>71,624</u>
The current receivable was determined using the average increase in employer contributions for the last 10 years.			
<b>c) Unfunded Superannuation Liability</b>			
Current	28	3,000	3,000
Non-Current	28	76,587	68,624
Total		<u>79,587</u>	<u>71,624</u>
The current liability was determined using the average increase in employer contributions for the last 10 years.			

**35. Contingent Assets & Liabilities**

**35.1 Contingent Liabilities**

**University Entities**

La Trobe University, being the parent entity, will continue to support La Trobe International Pty. Ltd., La Trobe Innovation Pty. Ltd., and Medical Centre Developments Pty. Ltd. for the foreseeable future to enable the companies to pay their debts as and when they fall due (2009 \$nil).

**35.2 Contingent Assets**

There are no contingent assets (2009 \$nil).

**36. Subsequent Events**

There are no material subsequent events.

**37. Key Management Personnel Disclosures**

**37.1 Responsible Persons**

In accordance with the directions of the Minister of Finance under the *Financial Management Act 1994*, following disclosures are made:

**(a) Responsible Minister**

The Honourable Bronwyn Pike MP – Minister for Skills and Workforce Participation until 2<sup>nd</sup> December 2010

The Honourable Peter Hall MP – Minister for Higher Education and Skills

**(b) The names of each person holding the position of Member of Council during the financial year:**

S. Walton, AO	J. Williams	N. Griffin	A. Asad
P. Johnson	M. Torney	G. McMahon	L. Batchelor
M. Rimmer	J. McKenzie	B. Kelty, AC	A. Clarke, AC
L. Tilley	J. Gordon	G. Sculthorpe	A. Eddy
R. Guy OAM	T. De Domenico	A. Kuypers	

**(c) Other Responsible Persons**

P. Lodhiya, Chief Financial Officer

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

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(d) **Remuneration of Responsible Persons**

	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>
Total remuneration received, or due and receivable, by Responsible Persons from the University amounted to:	<b>1,565</b>	1,611

	<b>Number of Responsible Persons</b>	
	<b>2010</b>	<b>2009</b>

Number of Responsible Persons whose income from the University and any related parties was within the following bands:

\$ 0 - \$ 9,999	<b>6</b>	5
\$ 10,000 - \$ 19,999	<b>2</b>	3
\$ 40,000 - \$ 49,999	<b>1</b>	1
\$ 130,000 - \$ 139,999	-	-
\$ 140,000 - \$ 149,999	<b>1</b>	1
\$ 150,000 - \$ 159,999	<b>1</b>	1
\$ 180,000 - \$ 189,999	-	1
\$ 240,000 - \$ 249,999	<b>1</b>	-
\$ 260,000 - \$ 269,999	-	1
\$ 270,000 - \$ 279,999	-	1
\$ 290,000 - \$ 299,999	<b>1</b>	-
\$ 600,000 - \$ 609,999	<b>1</b>	-
\$ 730,000 - \$ 739,999	-	1

Responsible Persons who received no remuneration (Staff, Student and Community representatives)	<b>6</b>	8
-------------------------------------------------------------------------------------------------	----------	---

Remuneration paid to the Responsible Ministers is reported in the Annual Report of the Department of Premier and Cabinet. Other relevant interests are declared in the Register of Member Interests, which each Member of Parliament completes.

(e) **Other transactions of Responsible Persons and Related Parties:**

Information in relation to transactions with the subsidiary entities Medical Centre Developments Pty. Ltd. and La Trobe Innovation Pty. Ltd. are as follows:

	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>
<b>Medical Centre Developments Pty. Ltd.</b>		
Paid Rental, Trustee, and Bond fees (GST exclusive)	5,004	5,002
Net Receivable from Medical Centre Developments	2,035	1,157
<b>La Trobe Innovation Pty. Ltd.</b>		
Payment for administration services	-	34
Net Receivable from La Trobe Innovation	30	-

Administration services provided to the subsidiary entities Medical Centre Developments Pty. Ltd. and La Trobe Innovation Pty. Ltd. are under normal commercial terms and conditions.

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

### 37.2 Executive Officers Remuneration

The number of University Executive Officers (other than Responsible Persons) who exceeded \$100,000 during the year are shown in the first 2 columns in the table below in their relevant income bands. The base remuneration of Executive Officers receiving more than \$100,000 total remuneration are shown in the third and fourth columns. Base remuneration is exclusive of allowances. Bonus payments depend on the terms of individual employment contracts.

Remuneration Income Band	Total Remuneration		Base Remuneration	
	2010	2009	2010	2009
\$ 100,000 - \$ 109,999	1	-	4	-
\$ 110,000 - \$ 119,999	5	1	13	1
\$ 120,000 - \$ 129,999	7	2	17	3
\$ 130,000 - \$ 139,999	5	6	17	6
\$ 140,000 - \$ 149,999	18	4	5	5
\$ 150,000 - \$ 159,999	12	9	3	16
\$ 160,000 - \$ 169,999	4	10	2	8
\$ 170,000 - \$ 179,999	2	7	3	7
\$ 180,000 - \$ 189,999	5	8	2	8
\$ 190,000 - \$ 199,999	4	9	3	9
\$ 200,000 - \$ 209,999	1	5	1	8
\$ 210,000 - \$ 219,999	4	4	1	2
\$ 220,000 - \$ 229,999	-	5	1	1
\$ 230,000 - \$ 239,999	2	3	1	2
\$ 240,000 - \$ 249,999	1	2	1	2
\$ 250,000 - \$ 259,999	1	1	-	1
\$ 260,000 - \$ 269,999	2	1	7	-
\$ 270,000 - \$ 279,999	-	1	-	5
\$ 280,000 - \$ 289,999	2	-	-	3
\$ 290,000 - \$ 299,999	3	1	1	-
\$ 300,000 - \$ 309,999	1	1	1	-
\$ 310,000 - \$ 319,999	-	2	-	2
\$ 320,000 - \$ 329,999	1	1	-	1
\$ 330,000 - \$ 339,999	1	2	1	1
\$ 340,000 - \$ 349,999	1	1	1	-
\$ 350,000 - \$ 359,999	-	2	-	-
\$ 370,000 - \$ 379,999	2	-	-	-
\$ 380,000 - \$ 389,999	-	2	-	-
\$ 420,000 - \$ 429,999	-	1	-	1
\$ 450,000 - \$ 459,999	-	1	-	-
<b>TOTAL NUMBERS</b>	<b>85</b>	<b>92</b>	<b>85</b>	<b>92</b>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Total remuneration for the year of Executive Officers	<b>15,469</b>	19,238	<b>13,557</b>	17,757

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS for the year ended 31 December 2010

## 38. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

### 38.1 DEEWR-CGS and Other DEEWR Grants

	Parent entity (HEP) only			
	Commonwealth Grants Scheme#		Indigenous Support Program	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programs)	146,461	132,051	549	468
Net accrual adjustments	7,081	4,755	-	-
<b>Revenue for the year</b>	<b>153,542</b>	<b>136,806</b>	<b>549</b>	<b>468</b>
Surplus/(deficit) from the previous year	-	1,283	-	-
<b>Total revenue including accrued revenue</b>	<b>153,542</b>	<b>138,089</b>	<b>549</b>	<b>468</b>
Less expenses including accrued expenses	(153,542)	(138,089)	(549)	(468)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Includes the CGS Basic Grant Amount, CGS-Regional Loading, CGS-Enabling Loading and CGS Advances for Future Years

	Parent entity (HEP) only			
	Partnership and Participation Program*		Workplace Reform Program	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	953	1,134	-	1,670
Net accrual adjustments	-	-	541	-
<b>Revenue for the year</b>	<b>953</b>	<b>1,134</b>	<b>541</b>	<b>1,670</b>
Surplus/(deficit) from the previous year	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>953</b>	<b>1,134</b>	<b>541</b>	<b>1,670</b>
Less expenses including accrued expenses	(953)	(1,134)	(541)	(1,670)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>

\* Includes Additional Support for Student Disabilities, Disability Performance Funding and HE Equity Support Programme

	Parent entity (HEP) only			
	Workplace Productivity Program		Learning & Teaching Performance Fund	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,600	1,500	-	2,485
Net accrual adjustments	-	(1,066)	-	-
<b>Revenue for the year</b>	<b>1,600</b>	<b>434</b>	<b>-</b>	<b>2,485</b>
Surplus/(deficit) from the previous year	-	-	-	(41)
<b>Total revenue including accrued revenue</b>	<b>1,600</b>	<b>434</b>	<b>-</b>	<b>2,444</b>
Less expenses including accrued expenses	(1,600)	(434)	-	(2,444)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

**38. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (Continued)**

**38.1 DEEWR-CGS and Other DEEWR Grants (Continued)**

	Parent entity (HEP) only			
	Capital Development Pool		Superannuation Program	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	3,525	1,021	5,570	5,536
Net accrual adjustments	-	-	(170)	(265)
<b>Revenue for the year</b>	<b>3,525</b>	<b>1,021</b>	<b>5,400</b>	<b>5,271</b>
Surplus/(deficit) from the previous year	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>3,525</b>	<b>1,021</b>	<b>5,400</b>	<b>5,271</b>
Less expenses including accrued expenses	(3,525)	(1,021)	(5,400)	(5,271)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Parent entity (HEP) only			
	Diversity & Structural Adjustment Fund		Improving Practical Comp of Teacher Education	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	898	891	418	568
Net accrual adjustments	-	-	-	(418)
<b>Revenue for the year</b>	<b>898</b>	<b>891</b>	<b>418</b>	<b>150</b>
Surplus/(deficit) from the previous year	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>898</b>	<b>891</b>	<b>418</b>	<b>150</b>
Less expenses including accrued expenses	(898)	(891)	(418)	(150)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Parent entity (HEP) only			
	Transitional Cost Program		Total	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	638	1,007	160,613	148,331
Net accrual adjustments	(280)	-	7,172	3,006
<b>Revenue for the year</b>	<b>358</b>	<b>1,007</b>	<b>167,784</b>	<b>151,337</b>
Surplus/(deficit) from the previous year	-	-	-	1,242
<b>Total revenue including accrued revenue</b>	<b>358</b>	<b>1,007</b>	<b>167,784</b>	<b>152,579</b>
Less expenses including accrued expenses	(358)	(1,007)	(167,784)	(152,579)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

## 38. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (Continued)

### 38.2 Higher Education Loan Programmes

	Parent entity (HEP) only			
	HECS-HELP		FEE-HELP	
	(Australian Government payments only)			
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	91,730	83,546	7,209	6,532
Net accrual adjustments	3,231	1,846	-	-
Revenue for the year	94,961	85,392	7,209	6,532
Surplus/(deficit) from the previous year	-	-	-	-
Total revenue including accrued revenue	94,961	85,392	7,209	6,532
Less expenses including accrued expenses	(94,961)	(85,392)	(7,209)	(6,532)
Surplus/(deficit) for reporting year	-	-	-	-

	Parent entity (HEP) only			
	OS-HELP		Total	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,160	974	100,099	91,051
Net accrual adjustments	-	-	3,231	1,846
<b>Revenue for the year</b>	<b>1,160</b>	<b>974</b>	<b>103,330</b>	<b>92,897</b>
Surplus/(deficit) from the previous year	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>1,160</b>	<b>974</b>	<b>103,330</b>	<b>92,897</b>
Less expenses including accrued expenses	(1,160)	(974)	(103,330)	(92,897)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 38.3 Scholarships

	Parent entity (HEP) only			
	Australian Postgraduate Awards		International Postgraduate Research Scholarships	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	3,036	2,375	336	339
Net accrual adjustments	-	-	-	-
<b>Revenue for the year</b>	<b>3,036</b>	<b>2,375</b>	<b>336</b>	<b>339</b>
Surplus/(deficit) from the previous year	-	742	-	187
<b>Total revenue including accrued revenue</b>	<b>3,036</b>	<b>3,117</b>	<b>336</b>	<b>526</b>
Less expenses including accrued expenses	(2,902)	(3,117)	(336)	(526)
<b>Surplus/(deficit) for reporting year</b>	<b>134</b>	<b>-</b>	<b>-</b>	<b>-</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

### 38. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (Continued)

#### 38.3 Scholarships (Continued)

	Parent entity (HEP) only			
	Commonwealth Education		Commonwealth	
	Cost Scholarships		Accommodation Scholarships	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	16	1,660	5	2,804
Net accrual adjustments	1,121	(286)	2,087	(433)
<b>Revenue for the year</b>	<b>1,137</b>	<b>1,374</b>	<b>2,092</b>	<b>2,371</b>
Surplus/(deficit) from the previous year	-	422	-	567
<b>Total revenue including accrued revenue</b>	<b>1,137</b>	<b>1,796</b>	<b>2,092</b>	<b>2,938</b>
Less expenses including accrued expenses	(1,137)	(1,796)	(2,092)	(2,938)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Parent entity (HEP) only			
	Indigenous Access		Total	
	Scholarships			
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	72	75	3,465	7,252
Net accrual adjustments	-	-	3,209	(718)
<b>Revenue for the year</b>	<b>72</b>	<b>75</b>	<b>6,674</b>	<b>6,534</b>
Surplus/(deficit) from the previous year	-	-	2	1,921
<b>Total revenue including accrued revenue</b>	<b>72</b>	<b>75</b>	<b>6,676</b>	<b>8,455</b>
Less expenses including accrued expenses	(72)	(75)	(6,539)	(8,453)
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>136</b>	<b>2</b>

#### 38.4 DIISR Research

	Parent entity (HEP) only			
	Joint Research		Research Training	
	Engagement Program		Scheme	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	5,887	5,492	11,412	11,768
Net accrual adjustments	-	-	-	(118)
<b>Revenue for the year</b>	<b>5,887</b>	<b>5,611</b>	<b>11,412</b>	<b>11,650</b>
Surplus/(deficit) from the previous year	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>5,887</b>	<b>5,611</b>	<b>11,412</b>	<b>11,650</b>
Less expenses including accrued expenses	(3,015)	(5,611)	(11,412)	(11,650)
<b>Surplus/(deficit) for reporting year</b>	<b>2,872</b>	<b>-</b>	<b>-</b>	<b>-</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

## 38. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (Continued)

### 38.4 DIISR Research (Continued)

	Parent entity (HEP) only			
	Systemic Infrastructure Initiative		Research Infrastructure Block Grants	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	2,612	2,511
Net accrual adjustments	-	-	-	-
<b>Revenue for the year</b>	-	-	2,612	2,511
Surplus/(deficit) from the previous year	-	-	-	828
<b>Total revenue including accrued revenue</b>	-	-	2,612	3,339
Less expenses including accrued expenses	-	-	(2,612)	(3,339)
<b>Surplus/(deficit) for reporting year</b>	-	-	-	-

	Parent entity (HEP) only			
	Regional Protection Grants		Implementation Assistance Programme	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	64	126
Net accrual adjustments	-	-	-	-
<b>Revenue for the year</b>	-	-	64	126
Surplus/(deficit) from the previous year	-	-	-	-
<b>Total revenue including accrued revenue</b>	-	-	64	126
Less expenses including accrued expenses	-	-	(64)	(126)
<b>Surplus/(deficit) for reporting year</b>	-	-	-	-

	Parent entity (HEP) only			
	Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	233	98	105
Net accrual adjustments	-	-	-	-
<b>Revenue for the year</b>	-	233	98	105
Surplus/(deficit) from the previous year	-	50	-	182
<b>Total revenue including accrued revenue</b>	-	283	98	287
Less expenses including accrued expenses	-	(283)	(27)	(287)
<b>Surplus/(deficit) for reporting year</b>	-	-	71	-

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

**38. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (Continued)**

**38.4 DIISR Research (Continued)**

	Parent entity (HEP) only			
	Sustainable Research Excellence in Universities		Total	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,119	-	21,191	20,236
Net accrual adjustments	-	-	-	(118)
<b>Revenue for the year</b>	<b>1,119</b>	<b>-</b>	<b>21,191</b>	<b>20,118</b>
Surplus/(deficit) from the previous year	-	-	(1)	1,060
<b>Total revenue including accrued revenue</b>	<b>1,119</b>	<b>-</b>	<b>21,190</b>	<b>21,177</b>
Less expenses including accrued expenses	(896)	-	(18,025)	(21,297)
<b>Surplus/(deficit) for reporting year</b>	<b>223</b>	<b>-</b>	<b>3,164</b>	<b>(120)</b>

**38.5 Voluntary Student Unionism and Other Capital Funding**

	Parent entity (HEP) only			
	VSU Transition Fund		Education Investment Fund	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	1,009	61,900	-
Net accrual adjustments	-	-	-	-
<b>Revenue for the year</b>	<b>-</b>	<b>1,009</b>	<b>61,900</b>	<b>-</b>
Surplus/(deficit) from the previous year	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>-</b>	<b>1,009</b>	<b>61,900</b>	<b>-</b>
Less expenses including accrued expenses	-	(1,009)	(9,116)	-
<b>Surplus/(deficit) for reporting year</b>	<b>-</b>	<b>-</b>	<b>52,784</b>	<b>-</b>

	Parent entity (HEP) only			
	Better Universities Renewal Funding		Total	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	16,535	61,900	17,544
Net accrual adjustments	-	-	-	-
<b>Revenue for the year</b>	<b>-</b>	<b>16,535</b>	<b>61,900</b>	<b>17,544</b>
Surplus/(deficit) from the previous year	16,535	13,964	16,535	13,964
<b>Total revenue including accrued revenue</b>	<b>16,535</b>	<b>30,499</b>	<b>78,435</b>	<b>31,508</b>
Less expenses including accrued expenses	(18,693)	(13,964)	(27,809)	(14,973)
<b>Surplus/(deficit) for reporting year</b>	<b>(2,158)</b>	<b>16,535</b>	<b>50,626</b>	<b>16,535</b>

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

## 38. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (Continued)

### 38.6 Australian Research Council Grants

#### (a) Discovery

#### Parent entity (HEP) only

	Projects		Fellowships	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	3,445	3,391	1,330	639
Net accrual adjustments	(19)	-	-	-
<b>Revenue for the year</b>	<b>3,426</b>	<b>3,391</b>	<b>1,330</b>	<b>639</b>
Surplus/(deficit) from the previous year	1,840	2,064	639	-
<b>Total revenue including accrued revenue</b>	<b>5,266</b>	<b>5,455</b>	<b>1,969</b>	<b>639</b>
Less expenses including accrued expenses	(4,222)	(3,615)	(962)	-
<b>Surplus/(deficit) for reporting period</b>	<b>1,044</b>	<b>1,840</b>	<b>1,007</b>	<b>639</b>

#### Parent entity (HEP) only

	Indigenous		Total	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	18	4,775	4,048
Net accrual adjustments	-	-	(19)	-
<b>Revenue for the year</b>	<b>-</b>	<b>18</b>	<b>4,756</b>	<b>4,048</b>
Surplus/(deficit) from the previous year	25	69	2,504	2,134
<b>Total revenue including accrued revenue</b>	<b>25</b>	<b>87</b>	<b>7,260</b>	<b>6,181</b>
Less expenses including accrued expenses	-	(62)	(5,184)	(3,677)
<b>Surplus/(deficit) for reporting year</b>	<b>25</b>	<b>25</b>	<b>2,076</b>	<b>2,504</b>

#### (b) Linkages

#### Parent entity (HEP) only

	Infrastructure		International	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	67	577	-	16
Net accrual adjustments	-	-	-	-
<b>Revenue for the year</b>	<b>67</b>	<b>577</b>	<b>-</b>	<b>16</b>
Surplus/(deficit) from the previous year	577	551	16	-
<b>Total revenue including accrued revenue</b>	<b>644</b>	<b>1,128</b>	<b>16</b>	<b>16</b>
Less expenses including accrued expenses	(857)	(551)	(3)	-
<b>Surplus/(deficit) for reporting year</b>	<b>(213)</b>	<b>577</b>	<b>13</b>	<b>16</b>

NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS  
for the year ended 31 December 2010

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**38. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (Continued)**

**38.6 Australian Research Council Grants (Continued)**

**(b) Linkages (Continued)**

	Parent entity (HEP) only			
	Projects		Total	
	2010 \$ 000	2009 \$ 000	2010 \$ 000	2009 \$ 000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,647	1,509	1,714	2,102
Net accrual adjustments	-	-	-	-
Revenue for the year	1,647	1,509	1,714	2,102
Surplus/(deficit) from the previous year	1,166	951	1,757	1,501
Total revenue including accrued revenue	2,813	2,461	3,471	3,603
Less expenses including accrued expenses	(1,628)	(1,295)	(2,488)	(1,846)
Surplus/(deficit) for reporting year	1,185	1,166	983	1,757

# NOTES TO AND FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

## for the year ended 31 December 2010

### 39. Particulars Relating To Entities In The Economic Entity's Accounts

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1.2:

#### a) Contribution of Subsidiary Commercial Entities to Operating Surplus

ENTITY	COUNTRY OF INCORPORATION	CONTRIBUTION TO CONSOLIDATED OPERATING SURPLUS		OWNERSHIP INTEREST	
		2010 \$000	2009 \$000	2010 %	2009 %
La Trobe International Pty Ltd	Australia	-	-	100	100
La Trobe Innovations Pty. Ltd.	Australia	1	45	100	100
Medical Centre Developments Pty Ltd	Australia	1,954	2,020	100	100
<b>Total</b>		<b>1,955</b>	<b>2,065</b>		

#### b) Financial Performance of Subsidiary Commercial Entities

Name	La Trobe International Pty. Ltd. *	La Trobe Innovations Pty. Ltd.	Medical Centre Developments Pty. Ltd.	<b>Total</b>
Domicile	Australia	Australia	Australia	

#### Income Statement

<b>Total Revenue</b>	<b>2010</b>	<b>\$ 000</b>	-	39	5,126	5,165
Total Revenue	2009	\$ 000	-	103	5,072	5,175
<b>Total Expenditure</b>	<b>2010</b>	<b>\$ 000</b>	-	38	2,335	2,373
Total Expenditure	2009	\$ 000	-	38	2,186	2,224
<b>Tax</b>	<b>2010</b>	<b>\$ 000</b>	-	-	837	837
Tax	2009	\$ 000	-	20	866	886
<b>Operating Result</b>	<b>2010</b>	<b>\$ 000</b>	-	1	1,954	1,955
Operating Result	2009	\$ 000	-	45	2,020	2,065

#### Balance Sheet

<b>Working Capital</b>	<b>2010</b>	<b>\$'000</b>	-	425	(5,591)	(5,166)
Working Capital	2009	\$'000	-	374	(3,886)	(3,512)
<b>Physical Assets</b>	<b>2010</b>	<b>\$'000</b>	-	-	16,527	16,527
Physical Assets	2009	\$'000	-	-	16,864	16,864
<b>Total Assets</b>	<b>2010</b>	<b>\$'000</b>	-	784	21,050	25,396
Total Assets	2009	\$'000	-	470	21,335	25,396
<b>External Borrowings</b>	<b>2010</b>	<b>\$'000</b>	-	-	14,910	14,910
External Borrowings	2009	\$'000	-	-	18,465	18,465
<b>Total Liabilities</b>	<b>2010</b>	<b>\$'000</b>	-	286	19,606	19,892
Total Liabilities	2009	\$'000	-	248	21,846	22,094
<b>Equity</b>	<b>2010</b>	<b>\$'000</b>	-	498	1,444	1,942
Equity	2009	\$'000	-	222	(511)	(289)

\* Dormant company

La Trobe University  
Victoria 3086 Australia  
▶ **latrobe.edu.au**



#### **Acknowledgements**

The Annual Report 2010 was prepared by Legal and Governance Services. The Financial Statements were prepared by Finance and Resource Planning.

The Annual Report is also available online at:

▶ [latrobe.edu.au/about/management/governance](http://latrobe.edu.au/about/management/governance)

April 2011