



A GLOBAL UNIVERSITY OF TECHNOLOGY AND DESIGN

2013
ANNUAL
REPORT



Office of the Chancellor
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5 March 2014

The Hon Peter Hall MLC
Minister for Minister for Higher Education and Skills
2 Treasury Place
East 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 Annual Report of RMIT University for the year ended 31 December 2013.

The Annual Report was approved by the Council of RMIT University at its meeting on 4 March 2014.

Yours sincerely

A handwritten signature in blue ink that reads "J. E. Switkowski".

Dr ZE Switkowski
Chancellor

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RMIT University's 2013 Annual Report and previous reports
are available online at: www.rmit.edu.au/about/annualreport

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MISSION, VISION, GOALS AND VALUES

Mission of RMIT University

The University brings knowledge within reach through education and research to enrich and transform the futures of individuals, cities, industries and nations.

RMIT's Vision to 2015

RMIT will be a global university of technology and design. As a university of technology and design, RMIT will focus on creating solutions that transform the future for the benefit of people and their environments. We will collaborate with partners to ensure the global impact of our education and research, and we will reach out through our presence in cities across the world to make a difference.

Core Values

Creative

- RMIT creates opportunities for students and staff to explore, test and fulfil their potential.
- Imaginative curriculum and research solutions are sought, applied and rewarded.
- RMIT fosters a creative and inventive culture which values achievement.

Connected

- Students' aspirations, experience and needs are central to evaluating our performance and shaping improvement.
- Industry and community are active partners in our education and research.
- Global networks formed around knowledge, industries and cities underpin our operations.
- Collaboration and team work is encouraged and a sense of belonging for students and staff is supported.

Fair

- Learning opportunities support a diverse range of students, including those who may be disadvantaged.
- Respect for Indigenous cultures is reflected in our work.
- Intellectual freedom and tolerance are nurtured and debate encouraged.
- A physically, culturally and socially safe work and study environment is provided for all staff and students.
- Ethical, honest and open dealings characterise relationships with students, staff and partners.

Goals

To achieve our vision, we will be:

1. **Global** in attitude, action and presence, offering our students a global passport to learning and work.
2. **Urban** in orientation and creativity, shaping sustainable cities and drawing inspiration from the challenges and opportunities they provide.
3. **Connected** through active partnerships with professions, industries and organisations to support the quality, reach and impact of our education and research.

Passionate

- Building enthusiasm and a sense of achievement in our students and staff is a high priority.
- Excellence in teaching, scholarship, research and service is rewarded and supported.
- Cultural and social diversity is encouraged and celebrated.

Committed to making a difference

- Our graduates are creative, skilled, highly employable and purposeful.
- Knowledge and skills developed in our students and staff serve the needs of and bring benefits to individuals, cities, industries and nations.
- Our staff are constructive and agile in meeting the needs of individuals, cities, industries and nations.



CHANCELLOR'S STATEMENT

RMIT drafted a five year strategic plan in 2010 to achieve its goal of becoming a world-class global university of technology and design. The 2013 year saw strong progress as we lived up to our reputation as a modern global, urban, and connected university.

The University's strategic agenda is bold in ambition, demands constancy of purpose and careful execution, but allows for adaptation to the changing circumstances of national and global economies, government policies, the needs of students and their families, and the views of academic staff.

Given its 127-year history, this institution knows well the challenges of achieving and sustaining real best-in-class outcomes. And the 2013 academic year saw excellent progress along our strategic roadmap as so many of our staff and students set new levels in teaching, research and recognition.

In terms of operational metrics, this past year saw healthy increases in enrolments and revenues. Our annual revenues now approach \$1 billion. Consistent with our financial budget, operating margins were steady and cash flows strong, which supported increased investments in our campus infrastructure including research facilities and buildings, and in leading-edge technologies that encourage learning and community engagement through networking and collaboration. Our academic and administrative staff continue to be prudent fiscal managers.

With 82,000 students, of whom 24 per cent are offshore, RMIT University is Australia's largest and most internationalised tertiary institution. Our global strategy is reflected in our five campuses in Melbourne and Vietnam, our partner programs in Singapore, Hong Kong, mainland China, Indonesia, Sri Lanka, Spain, Belgium and Germany, and our new Centre established in Barcelona in June 2013.

In pursuing a reputation for research excellence, the University completed an especially successful year reflected in higher numbers of research grants, fellowships, awards and lifts in our evaluations and rankings. The recruitment of leading researchers continued successfully, as did the University's investment in state-of-the-art facilities.

Universities everywhere are being subjected to forces of change which can be threatening or merely bewildering. Online teaching and learning, shifts in higher education public policy, increasing regulatory burden, exchange rate and international student movements, competition from other countries, and sharp changes in skill needs and career options, combine to challenge the thinking of university executives and Councils. While remaining alert to unexpected shifts, and despite these challenges, at RMIT we believe we are well placed to take advantage of this reshaping of the university landscape to the benefit of our students and their families.

I would like to thank my colleagues on Council, which continued restructuring during the year resulting in an ongoing number of 12 members of Council and associated changes to our various committees.

Dr Jane Gilmour, Fran Thorn and Helmut Pekarek retired from Council at the end of the year, having played important roles in governing the institution during demanding times and, more recently, towards exceptional progress and pleasing outcomes. I thank them for their contributions and dedication to our University.

Finally, I would like to thank the Vice Chancellor, Professor Margaret Gardner AO, and members of her executive. The University continues to execute its academic and commercial plan with impressive results underpinning a wonderful reputation. Given our currently strong momentum, the talent within our organisation, and the goodwill of our staff, students and the wider community, we have every reason to look forward to the future with confidence.

Dr Ziggy Switkowski
Chancellor



VICE-CHANCELLOR'S STATEMENT

RMIT's Strategic Plan, *Transforming the Future*, focuses on the University's contribution as a global university of technology and design.

During 2013, RMIT's global presences and reach were all extended. RMIT received the Premier's Award for International Education Provider of the Year and the award for Excellence in International Education (University) at the inaugural Victorian International Education Awards. This is recognition of RMIT's global quality. With the University having 11,000 international students in Australia and 18,000 offshore (including 7,000 at RMIT Vietnam), RMIT is the most internationalised of all Australian universities.

The University opened a new centre in Barcelona to focus on postgraduate education, research and industry collaboration, commenced a new educational partnership in Indonesia with Universitas Pelita Harapan, and was the first Australian institution to receive funding from the EU to support a new research training network across Europe, with over \$5 million awarded to the Architecture, Design and Art Practice Training Research Network.

In 2013, RMIT launched its innovative Careers Toolkit – one of the most comprehensive suites of online career resources in Australia – in Melbourne, Singapore and Vietnam to support our students in the global job market.

Our graduates continue to be highly sought after by employers, with the 2013 QS World University Rankings placing the University 87th in the world in employer reputation. Our students also continued to be highly mobile internationally, with more than 1,500 Australian-based students taking part in international mobility programs in 2013, and 22 per cent of domestic completing students having undertaken an international study experience as part of their degree.

In research, RMIT won a total of \$15.16 million during 2013 in competitive peer-assessed research income through Australian Research Council grants, placing RMIT in the top three universities in Victoria in terms of research funding. The University also launched its \$10 million Green Engines Research Facility in Bundoora, opened the Australia-India Research Centre for Automation Software Engineering in Bangalore, and received two Victorian Postdoctoral Research Fellowships.

Work continued on delivering the University's \$800 million capital development program. In Vietnam, Academic Building 2 was opened, doubling the teaching space available on the Saigon South campus. The Swanston Academic Building, designed by RMIT alumnus Carey Lyon, was officially opened in April by Jacques Nasser AO – also an RMIT alumnus. This building has helped transform the education received by students at the Melbourne CBD campus, and both the Swanston Academic Building and the RMIT Design Hub have been recognised nationally and internationally with a range of architectural, construction and sustainability awards.

The Design Hub hosted its first major exhibition, *Dream the World Awake*, a major retrospective of the work of Walter Van Beirendonck supported by the generous philanthropy of Naomi Milgrom AO. RMIT Gallery continued to host a range of international exhibitions, including *Music, Melbourne & Me*, a celebration of 40 years of Mushroom Records. And more than 1,400 of our alumni attended a special showing at the National Gallery of Victoria of *Melbourne Now*, which included works of 120 RMIT alumni and staff.

While achieving these outcomes, RMIT has continued its record of strong financial performance. The Group's surplus was \$67.4 million on revenue of \$1.012 billion. EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) was 13.9 per cent.

In 2013, RMIT graduated 270 PhDs and a total of 24,456 students. Vibrant and dedicated staff alongside creative and committed students have worked to produce many successes and to transform the future of their communities, not only in Australia but also in Saigon, Hanoi, Hong Kong, Singapore, Shanghai and Kuala Lumpur. Doctoral students studied and worked in locations including Australia, Hyderabad, Bangalore and Ghent.

I am confident that the University will continue to build on its strong and distinctive contributions to Victoria, Australia and the world.

Professor Margaret Gardner AO
Vice-Chancellor and President

ABOUT RMIT

RMIT is a global university of technology and design, focused on creating solutions that transform the future for the benefit of people and their environments.

One of Australia's original educational institutions founded in 1887, RMIT University is now the nation's largest tertiary institution with more than 82,000 students. The University enjoys an international reputation for excellence in professional and vocational educational, applied and innovative research, and engagement with the needs of industry and the cities in which we are located.

RMIT is ranked in the top 15 among all Australian universities (2013 QS World University Rankings) and has a 5-Star QS ranking for excellence in higher education.

At the inaugural Victorian International Education Awards, RMIT received the Premier's Award for International Education Provider of the Year and the award for Excellence in International Education (University).

RMIT offers postgraduate, undergraduate and vocational programs, enabling students to have the option of work-relevant pathways between vocational and higher education qualifications. A range of scholarships is available to support education and research.

With three campuses in Melbourne (CBD, Brunswick and Bundoora), two in Vietnam (Hanoi and Ho Chi Minh City) and a centre in Barcelona, Spain, RMIT is a truly global university. RMIT also offers programs through partners in Singapore, Hong Kong, mainland China, Indonesia, Sri Lanka, Spain, Belgium and Germany, and enjoys research and industry partnerships on every continent.

From the design of curriculum to applied research, RMIT works closely with domestic and international partners to equip students with the knowledge and state-of-the-art skills that enable them to excel in their chosen professions. As a result, RMIT graduates are valued by employers around the world for their leadership skills and work readiness.

All RMIT educational programs include work or clinical experience, industry projects and internships, as well as opportunities for overseas study exchange, work placements and research, ensuring that graduates are equipped with the skills and insight that employers value in the ever-changing global economy.

RMIT's researchers are engaged alongside our partners world-wide in solving practical problems of our time. Our connections to industry partners, to governments, and to the urban communities within which we operate, are vital.

Our four Research Institutes (Design, Global Cities, Platform Technologies and Health Innovations), together with other research groups in the University, work within multidisciplinary teams to address the needs of industry and communities world-wide.

RMIT has been recognised by the Australian Research Council as being among the top five Australian universities for excellence in key research disciplines, with 85 per cent of our research outputs rated as world standard or above.

As part of a continuing \$800 million capital investment program, RMIT has recently completed several major projects, including the Design Hub and Swanston Academic Building, which have significantly enhanced the University's learning, teaching and research spaces.

RMIT University is a self-accrediting university established under Victorian Government legislation. RMIT's objects under its Act are to foster excellence in teaching, training, scholarship, research, consultancy, community service and other educational services and products. The University has the power to confer degrees, diplomas, certificates and other awards, and is a major provider of vocational education and training programs.

SENIOR OFFICERS



Vice-Chancellor and President

Professor Margaret Gardner AO
BEcon(Hons), PhD (Syd), DUniv (Griffith), FAIM, GAICD

Professor Gardner is Vice-Chancellor and President of RMIT University and all of its controlled entities. She also chairs the Boards of RMIT Vietnam, RMIT Vietnam Holdings and RMIT Spain.

Professor Gardner has had a prominent academic career, having held leadership positions at Griffith University and the University of Queensland.

She is President of the Board of Museums Victoria, Chair of the Office for Learning and Teaching's Strategic Advisory Committee, and a director of Universities Australia, Open Universities Australia, the Fulbright Commission Advisory Board and the Committee for Economic Development Australia (CEDA).



Deputy Vice-Chancellor Academic and Vice-President

Professor Gill Palmer
BSocSc(Hons) (Birm, UK), MSc(Industrial Admin) (LSE), PhD (London City), GAICD

Professor Palmer has previously worked in the UK at the London School of Economics, Cass Business School, the British Government's Commission on Industrial Relations and her own business consultancy. In Australia from 1984, she has held senior roles at the University of Wollongong, Queensland University of Technology and Monash University.

She has published in organisational sociology and employment relations, been President of the Australian and New Zealand Academy of Management and the Association of Industrial Relations Academics of Australia and New Zealand, and is currently on the European Quality Improvement System Committee and the International Advisory Committee of Singapore Institute of Management.



Chief Operating Officer and Vice-President Resources

Mr Steve Somogyi
MSc (Melb), SM (MIT), FIAA, FAICD, F Fin

Steve Somogyi was appointed to this role in 2006, having previously had extensive experience in the financial services and health care industries, including three years as executive member of the Australian Prudential Regulation Authority and many years in senior executive roles with National Mutual.

Mr Somogyi is a Fellow of the Institute of Actuaries of Australia, the Australian Institute of Company Directors and the Financial Services Institute of Australia.

He is a commissioner on the Safety, Rehabilitation and Compensation Commission, a director of ANZ Wealth companies, Guild Group companies and Spatial Vision Innovations, and a trustee of RMIT Foundation.



Pro Vice-Chancellor Business and Vice-President

Professor Ian Palmer
BA(Hons) (ANU), PhD (Monash), FASSA

Professor Palmer's leadership of the College of Business is informed by a distinguished academic career in Australia and overseas.

A previous President of the Australian and New Zealand Academy of Management (ANZAM) and foundation Chair of the Business Academic Research Directors Network, Professor Palmer was elected in 2008 to the US Academy of Management's Organizational Development and Change Division as Representative-at-Large. He was also appointed Chair of the Research Quality Framework Panel 10 for Economics, Commerce and Management, and to life membership of ANZAM.

Professor Palmer is the current Treasurer of the Australian Business Deans Council.



Pro Vice-Chancellor Design and Social Context and Vice-President

Professor Barbara de la Harpe
BSc(Hons) (RAU), GradDipEd, PhD (Curtin)

Professor de la Harpe has more than 20 years' experience in academic leadership roles. She has an international reputation and significant standing for her research and publication in the field of higher education. She is recognised as an authority in higher education curriculum and pedagogy, having made an original and distinguished contribution to learning and teaching practice.

Her contribution has been recognised through numerous awards including the Walter D Neal Award for excellence in educational research, an Australian College of Education prize for excellence in teaching, and a Citation for Outstanding Contributions to Student Learning. She is an ARC and OLT reviewer and serves on the Agideas Academic Advisory Board.



Pro Vice-Chancellor Science, Engineering and Health and Vice-President

Professor Peter Coloe
BSc(Hons), PhD (Monash), FASM

Professor Coloe was appointed to this role in 2008. He served on Council from 1999 to 2008 and chaired the Academic Board from 2000 to 2008. A prolific researcher and a sought-after research supervisor, Professor Coloe has more than 160 publications and has been awarded three worldwide patents.

Professor Coloe has served as an advisor to the Federal Government's Biosecurity Australia risk assessment panel and the Victorian Government's biotechnology task force. He is a Fellow of the Australian Society for Microbiology, a member of the International Union of Microbiological Services, an ARC and NHMRC grants referee and serves on Microbiology Australia's Editorial Board.



Deputy Vice-Chancellor Research and Innovation and Vice-President

Professor David Adams
BSc(Hons), PhD (UNSW)

Professor Adams' research and teaching background is in biomedical sciences with a focus on membrane physiology and pharmacology. His research has been supported by national research funding for over 20 years, resulting in 170 refereed publications, and he has been awarded an ARC Australian Professorial Fellowship (2010–14).

Professor Adams has served on numerous NHMRC grant review panels and as a member of its Assigners Academy. He is a member of the ARC Executive Advisory Committee for Biological Sciences and Biotechnology, MS Research Australia's Research Management Council, the Australian Academy of Science's National Committee for Biomedical Sciences, and the editorial boards of four international scientific journals.



Deputy Vice-Chancellor International and Development and Vice-President

Mr John Barnes
BA (Monash), BEd (Deakin), GradDip BA (Swinburne), GradDip CSP (ACSA), MBA (RMIT)

John Barnes has had extensive involvement in tertiary education, particularly in vocational education. Prior to joining RMIT in 2012, he held senior management positions in TAFE institutes for 16 years, most recently as General Manager, Business Development at Kangan Institute of TAFE. He was appointed to the role of DVC I&D in July 2013.

Mr Barnes has extensive experience in developing industry-based vocational education, both in Australia and internationally. He is committed to strong educational outcomes in responding effectively to industry, student and government needs.

He is currently completing a Doctor of Education (Research) with the University of Melbourne.



Director TAFE and Vice-President

Mr Keith Cowlshaw
BAppSc(Applied Chemistry) (RMIT)

Keith Cowlshaw has a broad industry background in the textile industry. Prior to joining RMIT in 2005, he held a number of senior marketing and business management positions with DuPont, JGL Investments and ICI Fibres. He has had extensive experience working in overseas markets with a particular focus on Asia-Pacific countries.

At RMIT, Mr Cowlshaw has held the positions of Head of School, Fashion and Textiles, and Head of School, Design TAFE. He is especially interested in developing sustainable industry linkages through the connectivity of vocational education. He is currently completing a PhD exploring the relationship between industry policy and innovation.



University Secretary and Vice-President

Dr Julie Wells
BA, DipEd (University of WA), BA(Hons) (Murdoch University), PhD (Monash)

Dr Wells was appointed University Secretary in 2009, heading the Office of Governance and Planning which provides integrated support for university governance and for strategic, academic and business planning. She was previously Executive Director, Policy and Planning, and has served as Principal Policy Advisor to the Vice-Chancellor.

Dr Wells has extensive experience in tertiary education administration and management, and in public policy. Her background includes teaching and administrative roles in schools, TAFEs and universities, providing advice and support to federal and state parliamentarians, and leading the policy and research unit in NTEU's national office. She was a founding Board Member of the Council for the Humanities, Arts and Social Sciences.



President RMIT Vietnam and Vice-President RMIT University

Professor Joyce Kirk
BA (Syd), MA (UCan), MLitt (UNE), PhD (UTS), FALIA

Professor Kirk was appointed President RMIT Vietnam in 2012. Her expertise lies in university leadership and management with a focus on policy development and implementation, quality assurance and the student experience.

Previous positions include PVC Students at RMIT, where she led significant policy, service and ICT initiatives, and Dean of the Faculty of Humanities and Social Sciences at UTS, where she was also elected Chair of the Academic Board.

Before joining RMIT Vietnam she completed consultancies on pathways, academic management, promotion policies and governance for universities in three Australian states. She is a TEQSA registered expert and a reviewer for the HK Council for Accreditation of Academic and Vocational Qualifications.



President RMIT Europe and Vice-President RMIT University

Professor Colin Fudge
BArch(Hons), MA (Town and Regional Planning) (Sheffield), DSc (Bristol), FRIBA, MRTPI, FRSA

Professor Fudge was appointed President RMIT Europe in 2013. From 2008 to 2013 he held the role of PVC Design and Social Context.

Prior to that, he worked for the two universities in Bristol and the University of Cardiff (UK), Chalmers University and KTH Royal Institute of Technology (Sweden), the UK and Swedish governments, the Victorian government and European Commission.

Professor Fudge has contributed through interdisciplinary research on public policy and public health, sustainable cities, demographic change, and urban design. This has been recognised through the awarding of the Royal Professorship of Environmental Science by the Swedish Academy of Sciences and an Honorary Fellowship of the Royal Institute of British Architects.

ACADEMIC SCHOOLS AND RESEARCH INSTITUTES

As at 31 December 2013, RMIT University offered programs of study in 23 schools across three academic colleges.

College of Business

School	Head of School
Accounting	Professor Garry Carnegie
Business IT and Logistics	Professor Caroline Chan
Business TAFE	Ms Vicki Molloy
Economics, Finance and Marketing	Professor Timothy Fry
Graduate School of Business and Law	Professor Mark Farrell
Management	Associate Professor Rosalie Holian

College of Design and Social Context

School	Head of School
Architecture and Design	Professor Richard Blythe
Art	Professor Jeremy Diggle
Education	Professor Robert Strathdee
Fashion and Textiles	Associate Professor Robyn Healy
Global, Urban and Social Studies	Professor David Hayward
Media and Communication	Professor Martyn Hook
Property, Construction and Project Management	Professor Ron Wakefield

College of Science, Engineering and Health

School	Head of School
Aerospace, Mechanical and Manufacturing Engineering	Professor Aleksandar Subic
Applied Sciences	Professor Andrew Smith
Civil, Environmental and Chemical Engineering	Professor Chun Qing Li
Computer Science and Information Technology	Professor Athman Bouguettaya
Electrical and Computer Engineering	Professor Ian Burnett
Engineering TAFE	Mr Peter Ryan
Health Sciences	Professor Charlie Xue
Life and Physical Sciences	Ms Cheryl Underwood
Mathematical and Geospatial Sciences	Professor John Hearne
Medical Sciences	Professor David Pow

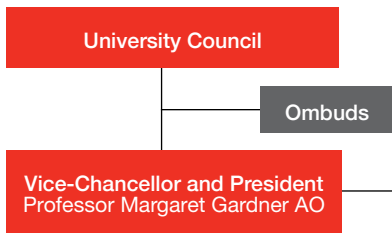
Research Institutes

RMIT University has four Research Institutes which unite researchers from across the University within multidisciplinary teams. These Institutes, together with other research groups in the University, are concerned with addressing the problems and needs of industry and communities world-wide.

Institute	Director
Design Research Institute	Professor Mark Burry
Global Cities Research Institute	Professor Paul James
Health Innovations Research Institute	Professor Peter McIntyre
Platform Technologies Research Institute	Professor Xinghuo Yu

ORGANISATIONAL CHART

This organisational chart provides a graphical representation of the management structure of RMIT University as at 31 December 2013. Up-to-date versions of the organisational chart are available on RMIT's website.



University Secretary and Vice-President Dr Julie Wells Oversight of the Governance and Planning office <ul style="list-style-type: none"> • Chancellery • Policy and Planning • Global Quality and Regulation • University Secretariat
Deputy Vice-Chancellor Research and Innovation and Vice-President Professor David Adams Research development <ul style="list-style-type: none"> • Research Office • Graduate Research • RMIT Research Institutes
Deputy Vice-Chancellor International and Development and Vice-President Mr John Barnes International and business development and communications <ul style="list-style-type: none"> • Advancement • Engagement • International • International Relations • RMIT International College
Chief Operating Officer and Vice-President Resources Mr Stephen Somogyi Campus infrastructure, human and financial resources <ul style="list-style-type: none"> • Financial Services • Human Resources • Information Technology Services • Internal Audit and Risk Management • Legal Services • Property Services • Web Services and Information Policy
Deputy Vice-Chancellor Academic and Vice-President Professor Gill Palmer Academic leadership to support the education provided to students through programs, systems and processes <ul style="list-style-type: none"> • Academic Registrar's Group • Office of Dean, Learning and Teaching • Office of Dean, Students • University Library • Global Management Hub including management oversight of: <ul style="list-style-type: none"> • RMIT Vietnam • RMIT Europe • Offshore activities of RMIT Training
Pro Vice-Chancellor Science, Engineering and Health and Vice-President Professor Peter Coloe Academic leadership and management of 10 Schools and the Bundoora campus <ul style="list-style-type: none"> • Aerospace, Mechanical and Manufacturing Engineering • Applied Sciences • Civil, Environmental and Chemical Engineering • Computer Science and Information Technology • Electrical and Computer Engineering • Engineering TAFE • Health Sciences • Life and Physical Sciences • Mathematical and Geospatial Sciences • Medical Sciences
Pro Vice-Chancellor Design and Social Context and Vice-President Professor Barbara de la Harpe Academic leadership and management of seven Schools and RMIT Hamilton <ul style="list-style-type: none"> • Architecture and Design • Art • Education • Fashion and Textiles • Global Studies, Social Science and Planning • Media and Communication • Property, Construction and Project Management
Pro Vice-Chancellor Business and Vice-President Professor Ian Palmer Academic leadership and management of six Schools <ul style="list-style-type: none"> • Accounting • Business IT and Logistics • Business TAFE • Economics, Finance and Marketing • Graduate School of Business and Law • Management
Director TAFE and Vice-President Mr Keith Cowlshaw TAFE planning and the Brunswick campus

STATISTICAL SNAPSHOT

Sector/Level Enrolments (headcounts)	2009	2010	2011	2012	2013*
Higher Education (HE)	50,472	53,350	55,178	56,724	59,313
Postgraduate Research	1,616	1,672	1,690	1,761	1,873
Postgraduate Coursework	10,332	10,805	10,625	9,984	9,836
Undergraduate	36,292	37,813	39,008	40,409	42,197
Sub Degrees	2,232	3,060	3,855	4,570	5,407
Open Universities	4,395	5,821	7,277	6,914	6,090
Australia					
Postgraduate	442	487	564	628	617
Undergraduate	3,953	5,334	6,713	6,282	5,473
Vocational Education and Training (VET)	21,132	20,554	19,667	17,935	16,200
Diploma and Advanced Diploma (AQF 5-6)	9,708	9,123	8,854	8,302	7,853
Certificates III and IV (AQF 3-4)	8,770	8,775	8,527	7,327	6,215
Certificates I and II (AQF 1-2)	1,194	1,453	1,099	1,029	912
VCE/VCAL	543	511	526	562	572
Other ¹	917	692	661	715	648
Foundation Studies	691	808	723	606	626
Total	76,690	80,533	82,845	82,179	82,229

Student Fee-Type Enrolments (HE and VET load in %)	2009	2010	2011	2012	2013*
Higher Education					
Government-funded	43	43	43	47	49
Australian fee-paying	7	6	6	5	5
International Onshore	21	22	22	20	18
International Offshore	19	18	17	16	16
Vietnam	10	11	12	12	11
Other	0	0	0	0	1
Vocational Education and Training					
Government-funded	71	71	72	73	77
Australian fee-paying	14	15	17	19	16
International Onshore	10	8	7	6	6
International Offshore	3	3	2	1	0
Other	2	3	2	2	1

Student Load	2009	2010	2011	2012	2013*
Student Load EFTSL (HE)	36,431	38,985	40,423	41,475	44,169
Student Contact Hours VET	8,405,487	8,241,993	7,959,312	7,842,106	7,054,268

Award Completions*	2009	2010	2011	2012	2013*
Higher Education	13,119	13,762	14,894	15,775	18,034
Postgraduate Research	249	207	231	233	297
Postgraduate Coursework	3,867	4,228	4,538	4,218	4,025
Undergraduate (incl Associate Degrees and Diplomas)	9,003	9,327	10,125	11,324	13,712
Vocational Education and Training	5,638	6,497	6,590	6,662	6,384
Total	18,757	20,259	21,484	22,437	24,418

Graduate Outcomes %	2009	2010	2011	2012	2013*
Higher Education					
Student satisfaction ²	66.0	79.4	80.4	79.2	78.3
Graduates in full-time employment	77.7	76.2	77.6	74.3	69.1
Graduates in further full-time study	12.3	13.7	13.7	13.5	16.1
Vocational Education and Training					
Student satisfaction	83.9	80.8	85.4	86.6	86.0
Graduates in employment	82.8	79.7	78.5	74.4	77.2
Graduates in further study	39.9	46.3	40.1	45.5	44.1

Global, Urban and Connected ³	2009	2010	2011	2012	2013*
Research					
Research income from international sources—total	\$1.9m	\$1.8m	\$3.3m	\$2.4m	\$2.8m
Research income from international sources—%	6.0%	6.3%	8.5%	6.5%	7.0%

Staff	2009	2010	2011	2012	2013*
HE International academic staff onshore	45.4%	45.8%	44.0%	45.2%	46.7%
HE Academic staff Level B and above holding PhDs	60.0%	65.0%	68.0%	74.6%	77.4%

Mobility	2009	2010	2011	2012	2013*
HE and VET global student mobility uptake	2.7%	2.9%	2.9%	3.0%	3.5%
HE UG completions with a mobility experience	10.8%	14.2%	15.3%	14.6%	16.4%
HE and VET International students EFTSL	40.6%	41.7%	41.9%	39.1%	38.2%
International student ranking in QS World University Rankings	4th	4th	6th	8th	12th

Selectivity	2009	2010	2011	2012	2013*
HE UG and PG selectivity of coursework students (applications per place)	9.8	9.1	8.6	10.5	11.1
HE UG selectivity of coursework students (applications per place)	4.1	3.6	3.5	3.2	3.3
RMIT's global reputation with employers (HE) ranking in QS World University Ranking	65th	76th	51st	75th	87th

Industry	2009	2010	2011	2012	2013*
Industry scholarships	\$1.3 m	\$2.1 m	\$3.0 m	\$6.6m	\$5.0m
Industry scholarships (student load EFTSL)	500.9	843.2	1,193.4	2,642.3	1,984.9
Commercial revenue from industry	\$32.2m	\$31.8m	\$35.0m	\$32.4m	\$30.7m
Industry scholarships as a % of load (EFTSL)	1.4%	2.2%	3.0%	6.4%	4.5%

* 2013 data is provisional as at February 2014. Finalised and audited data available mid-2014.

N/A: Not yet available

UG: Undergraduate

PG: Postgraduate

¹ Non-award programs not elsewhere classified

² The 2011 and 2012 HE results are not comparable to previous years as there was a labelling change to the survey instrument.

³ This represents a subset of RMIT's Business Plan Indicators.

FINANCIAL PERFORMANCE

The consolidated 2013 net operating result for RMIT University and its subsidiaries was \$67.4 million, continuing the strong results of recent years. RMIT University's operating result was \$50.1 million or 5.4 per cent of revenue.

For the consolidated group, revenue increased to \$1,012.4 million from \$925.8 million. Expenditure increased to \$942.9 million in 2013 from \$874.4 million resulting in an Operating Result of \$67.4 million after income tax. Cash balances for the group totalled \$135.1 million.

The following comments refer to RMIT University only, unless specified otherwise.

Revenue increased to \$924.9 from \$860.7 million. Australian Government Financial Assistance – including HECS-HELP and VET FEE-HELP – increased to \$484.9 million from \$422.2 million. Commonwealth research grants increased to \$23.4 million from \$22.7 million.

TAFE-specific State Government grants totalled \$34.4 million, a decrease of \$22.5 million on 2012, due to the change in State Government funding arrangements. VET FEE-HELP revenue increased from \$7.9 million to \$16.2 million.

Course fees and charges increased to \$293.1 million from \$275.8 million, or 6.3 per cent.

International fee-paying student revenue increased by 5.1 per cent (or \$12.3 million) to \$250.6 million.

Other fees and charges increased by 41 per cent to \$25.5 million. Investment revenue decreased slightly to \$4.8 million from \$5.1 million due to the interest rate on funds invested in short-term deposits. RMIT's Council-approved investment policy ensures only high quality securities issued by prudentially safe institutions are utilised.

Income received from the Commonwealth for deferred superannuation benefits was higher than in 2012 as the estimated unfunded liability increased. This varies considerably from year to year but has no surplus impact as the revenue recognised is matched by corresponding expenditure.

Expenditure increased by 7.9 per cent to \$873.1 million in 2013 from \$809.4 million in 2012. This included a \$16 million transfer to RMIT Foundation for the purposes of scholarships. Excluding this transfer, the increase on 2012 is 6.5 per cent.

Employee benefits and on-costs increased by 0.9 per cent to \$511.7 million, excluding the effect of deferred superannuation benefits. Salary increases were incurred according to the enterprise bargaining agreement. The average number of full-time equivalent staff in 2013 was 3,568 – 31 lower, or 0.9 per cent, than the previous year.

Repairs and maintenance increased to \$15.1 million from \$11.7 million.

The operating result attributed to TAFE was a profit of \$1.7 million, compared to a loss of \$5.2 million in 2012. Revenue increased by 6.8 per cent to \$155.9 million. State Government funding decreased by 39.7 per cent or \$22.6 million. Total expenses increased by 2.2 per cent (\$3.3m) to \$154.2 million, with impairment of assets increasing by \$1.7 million and depreciation increasing by \$1.3 million.

The current ratio is 0.5. Current assets increased to \$156.8 million from \$139.9 million, with cash and cash equivalents increasing by \$9.4 million.

Current liabilities increased by \$34.0 million mainly due to increases in student fees paid in advance, accounts payable and accrued expenditures.

Capital expenditure was \$102.2 million, compared to \$160.7 million in 2012. Property-related capital expenditure was a large proportion of the total capital expenditure for the year.

In 2010 RMIT entered into an agreement with CBA for the provision of \$225 million in long term borrowings, with funds to be drawn down as per the agreement commencing Quarter 1, 2011. The total outstanding loan at the end of 2013 was \$110.0 million, providing a major source of funds for the capital works program.

From a subsidiaries perspective, RMIT Vietnam continued its strong and sustained growth. It continues to generate strong cash flows, with total revenue increasing by \$8.3 million or 16.7 per cent.

RMIT Training improved substantially on its operating result by trading at a profit of \$2.2 million compared to a loss of \$3.5 million in 2012. Revenue increased by \$3.0 million.

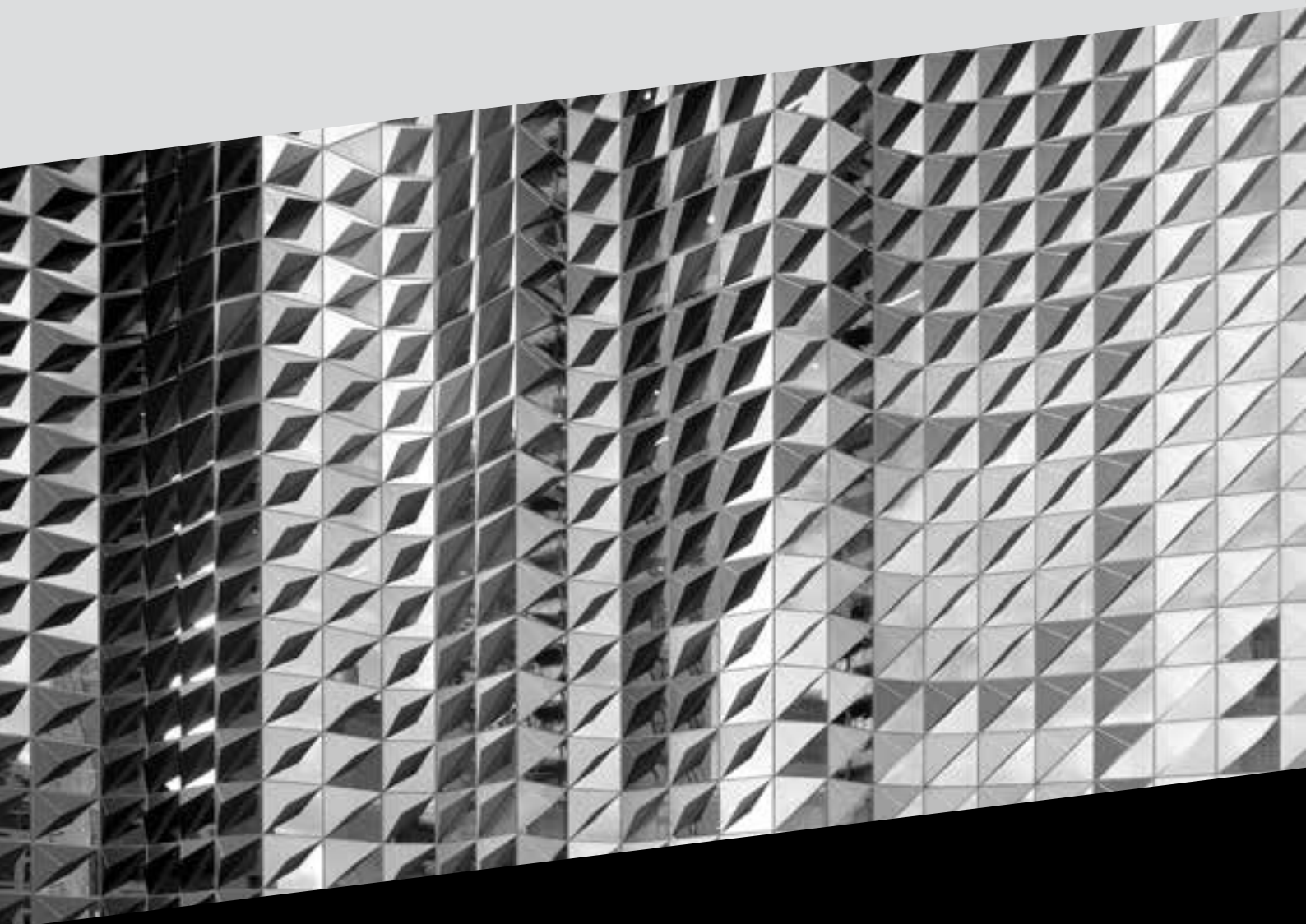
RMIT Foundation delivered an operating result of \$8.2 million compared to \$2.3 million in 2012.

In 2013, RMIT University made significant progress in the implementation of its Strategic Plan to 2015, *Transforming the Future*.

The Strategic Plan commits RMIT to be recognised as a global university of technology and design, focused on creating solutions that transform the future for the benefit of people and their environments. A key aspect in this vision is that we will collaborate with partners to ensure the global impact of our education and research, and will reach out through our presence in cities across the world to make a difference.

The University's Academic Plan, *Transforming the Student Experience*, concentrates on our high impact areas, and on our efforts to transform the lives of our students through pathway clusters and by delivering an education that builds professional and vocational capabilities. Also supporting the Strategic Plan is our Research Plan, *Impact Through Innovation*, which is focused on increasing the quality, scale and impact of our research activity and outcomes.

This Report highlights key achievements, activities and highlights for the University in 2013 against the three elements of our vision as encapsulated in the Strategic Plan.



GLOBAL

RMIT aims to be global in attitude, action and presence, offering our students a global passport to learning and work.

In 2013, RMIT's achievements as a global university of technology and design were recognised at the inaugural Victorian International Education Awards. The University was presented with two awards at a ceremony held at Government House: the Premier's Award for Victorian International Education Provider of the Year, and the award for Excellence in International Education – University.

As well, RMIT was a finalist in four other categories: Research Engagement; Excellence in Innovation in International Education; Student Experience; and Student Employability and Careers.

With 10,800 international onshore students and 17,600 offshore transnational students, RMIT is a recognised global leader in international education and Australia's largest tertiary institution.

RMIT's global standing was reflected in the 2013 QS World University Rankings:

- 12th in the world for the international profile of student cohort
- 28th in the world for the international profile of academic staff
- 87th in the world for employer reputation
- Among the world's top 100 universities for studies in Communication and Media, Computer Science and Information Systems, and Accounting and Finance.

In the QS Top 50 Under 50 index for 2013, RMIT was ranked 20th in the world among universities less than 50 years old. (RMIT was granted university status in 1992.)

RMIT also has a maximum 5-Star ranking in the QS international evaluation system for excellence in teaching, internationalisation, engagement, facilities, infrastructure and student employability.



Victorian Premier Denis Naphine and John Barnes, RMIT Deputy Vice-Chancellor International and Development, with the Premier's Award for Victorian International Education Provider of the Year.

RMIT's global reach includes:

- **Two campuses in Vietnam.** Since RMIT Vietnam was established in 2001 at the invitation of the Government of Vietnam, enrolments have grown to 6,825 at campuses in Ho Chi Minh City and Hanoi.
- **European centre.** RMIT has opened a postgraduate research and industry collaboration centre in Barcelona, Spain.
- **Offshore partnership programs.** RMIT enrolls 10,786 students through 18 partners in Singapore, Indonesia, Hong Kong, mainland China, Vietnam, Sri Lanka, Belgium, Spain and Germany.
- **New partnership in Indonesia.** RMIT has developed a significant education partnership with Universitas Pelita Harapan, based in Jakarta.

- **Onshore international students.** RMIT has 10,800 international students – 16 per cent of our Australian campus student population.
- **Student mobility.** RMIT places significant emphasis on providing opportunities to gain overseas industry and clinical experience. All students have the chance to participate in international experiences including student exchange, study tours, industry placements and research programs, as well as inter-campus opportunities at RMIT's Melbourne and Vietnam campuses. More than 1,500 Australian-based students took part in international mobility programs in 2013, and on average, 22 per cent of domestic undergraduates undertake an international study experience as part of their degree program.

As well, RMIT enjoys research and industry partnerships on every continent, and recorded many highlights in 2013:

Austria

RMIT has launched a joint PhD with the University of Applied Sciences Technikum Wien. Candidates will be based in Europe but will be enrolled at RMIT and will spend 3–9 months at RMIT Melbourne as part of their studies.

Bangladesh

Nursing midwives, educators and students have benefited from a research training course developed by an RMIT academic. The course, conducted in a rural area with a very high maternal mortality rate, aimed to empower nursing and health care workers in developing rigorous qualitative research projects that can provide real and practical benefits for their local communities.

Europe

- RMIT has become the first Australian institution to receive funding from the EU to support a new research training network. Funding of over \$5 million will go to the Architecture, Design and Art Practice Training Research (ADAPT-r) network, which aims to significantly increase European research capacity through a unique PhD practice research model developed by RMIT over the past 25 years. RMIT will work with a consortium of universities in Belgium, Slovenia, the UK and Denmark, and will involve 24 small to medium-sized businesses in its work.
- RMIT data and search experts have joined a major international project focused on the growing area of semantic data management. They will work with researchers from 12 institutions in 10 countries on the project, which is supported by the Marie Curie International Research Staff Exchange Scheme.
- Also in 2013, RMIT Training signed agreements with the Turkish Aviation Academy and the Joint Aviation Authorities Training Organisation in the Netherlands to deliver aviation English training and testing services in Turkey and across Europe.

Germany

- Games and business came together at an enterprise gamification symposium held at the European branch of RMIT's Games and Experimental Entertainment Laboratory (GEElab). In a collaboration with local partners, Bizplay featured speakers from the advertising and banking industries, as well as workshops demonstrating the role of game design and gamification in enterprise innovation, urban mobility servicing, health monitoring and TV programming.
- GEElab has also entered into a pre-research agreement with Pharma in Germany to develop a Wii video game to improve the health and quality of life of patients with diabetes and other chronic diseases.

- Artists from RMIT and Reutlingen University collaborated in a study of the nature of portraits in today's urbanised and digitalised society. Fine art and public art students and alumni undertook multiple drawing sessions via Skype, culminating in an exhibition at RMIT and screening at Federation Square.

India

- The RMIT-initiated Australia-India Research Centre for Automation Software Engineering (AICAUSE) was launched in Bangalore in December. The Centre – a collaboration with the ABB Group of Companies and the Victorian Government – has the potential to put Victoria at the forefront of global software engineering for advanced automation technologies.
- A joint PhD program between RMIT and the Indian Academy of Scientific and Innovative Research will provide academics and doctoral students with an opportunity to participate in research exchange programs in areas such as aerospace, bio-nanotechnology, electrical engineering, sensor technology and sustainable energy.
- RMIT's Centre of Advanced Materials and Industry Chemistry is collaborating on a \$6 million research project to boost clean fuel production in India and Australia and reduce both countries' reliance on imported fuels. The project is jointly funded by the Australian and Indian governments through the Australia-India Strategic Research Fund.

Indonesia

RMIT Training will expand its language proficiency training to Indonesia following the signing of an historic agreement with the country's aviation authorities. RMIT English Worldwide will train Indonesian examiners to conduct language testing, with a view to building Indonesia's self-sufficiency in managing language testing over time.

Middle East

RMIT Training has opened a regional office in Dubai to support local partners and customers of RMIT Publishing and RMIT English Worldwide. RMIT Training has been delivering Aviation English training and testing services across the Middle East including Jordan, Algeria, Oman and Qatar for several years. The RMIT English Language Test for Aviation, recognised by the International Civil Aviation Organisation, is one of the preferred tests in the region.

Pacific Islands

The United States Agency for International Development is supporting RMIT's Climate Change Adaptation Program in its work with seaports in the Pacific region to improve their capacity to respond to future climate change.

Singapore

Students in Singapore will have the chance to study RMIT's English Academic Passport language curriculum under a new agreement between RMIT English Worldwide and the Mastereign Enrichment Group. The courses will be offered as part of an after-school program to improve students' English. The signing in Singapore was attended by Christopher Rees, Senior Trade Commissioner

Spain

RMIT has expanded its presence to Europe by establishing a site in Barcelona to further develop the University's European education, research and student mobility activities. The centre will build on RMIT's ongoing and significant initiatives in Europe to date, including the vital role University researchers have played in the design and construction of the Temple Sagrada Familia in Barcelona.

United Arab Emirates

RMIT researchers undertook 3D scanning of important cultural, historic and natural tourism sites in Fujairah, with the aim of helping to save some of the emirate's archaeological treasures. Their data will create a baseline for measuring the effects of climate change on the ancient treasures over time.



RMIT Vice-Chancellor, Professor Margaret Gardner AO, with the Honourable Conseller Andreu Mas Colell, Minister for Economy and Knowledge in Catalonia, and Jane Hardy, Australian Ambassador to Spain, at the launch of RMIT Europe.



Courtyard at RMIT's new office in Barcelona.



The RMIT-initiated Australia-India Research Centre for Automation Software Engineering is developing software systems to remotely control robots, and has enabled students to gain expertise in the world-leading KNX building control system.

A retrospective of the work of internationally acclaimed Belgian designer and fashion maverick Walter Van Beirendonck was presented for the first time outside Europe at RMIT in 2013. *The Dream the World Awake* exhibition travelled to Australia from the Antwerp Fashion Museum thanks to the philanthropy of Naomi Milgrom AO, an Australian business leader and passionate supporter of major design, architecture and scientific initiatives.

A major international conference was held at Storey Hall in July, bringing together academia, urban governance, business, industry and the community to tackle the challenge of sustainability. Co-hosted by the UN Global Cities Programme and RMIT's Global Cities Research Institute, *People and the Planet* featured 130 presentations exploring human interaction with the planet across the integrated domains of culture, ecology, economics and politics.

RMIT aerospace engineering students won second prize in the Airbus *Fly Your Ideas* competition involving 618 teams from 80 countries. The UNESCO-backed competition encourages students to develop ideas for a more sustainable aviation industry. RMIT's Team CLiMA joined four other finalists at the A380 assembly line in France to present their ideas to a jury led by Airbus Executive Vice-President Engineering, Charles Champion.

Officials from APEC economies visited RMIT at Hamilton in western Victoria as part of a training program on food security and sustainable agriculture. The program was a collaboration between the Australian APEC Study Centre at RMIT, ITS Global and the Potter Rural Community Research Network at RMIT Hamilton, with support from AusAID. Agricultural policy officials visited from China, Chile, Indonesia, PNG, Peru, the Philippines, Thailand and Vietnam.

More than 600 Chinese students attended the Melbourne Chinese Graduate Careers Fair at RMIT, organised in conjunction with Austrade and Zhaopin.com, one of China's largest human resource service providers. The event showcased the calibre of Australian-educated Chinese graduates to top Chinese companies, with students attending from universities across Victoria and South Australia.

RMIT alumni are helping international students kickstart their global careers through a pilot mentorship program. The seven-month program partners final-year students seeking careers in China, Malaysia, Singapore or Vietnam with alumni working in the region. The new program is one of a range of mentoring programs offered at RMIT, pairing industry professionals with students to enhance their employability and leadership skills.

International centres at RMIT

- European Union Centre
- Australia APEC Study Centre
- Chinese Medicine Confucius Institute
- World Health Organization (WHO) Collaborating Centre for Traditional Medicine
- United Nations Global Compact Cities Programme
- Asia@RMIT

RMIT is also a research partner of UN Habitat Asia-Pacific.



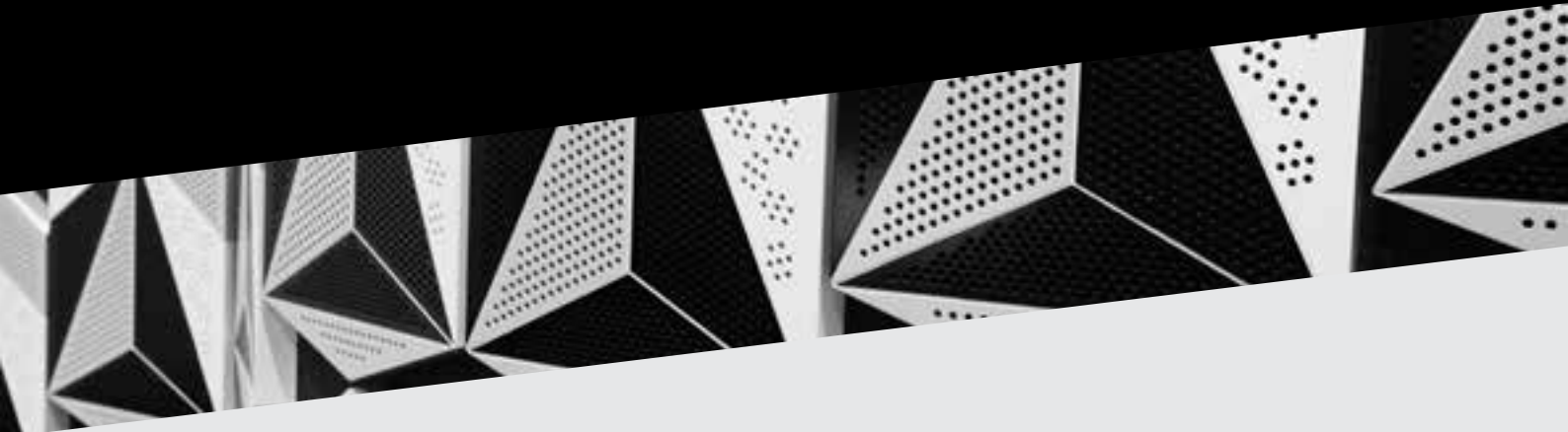
Professor Margaret Gardner AO signs a Memorandum of Understanding with Dr Raghunath Mashelkar, Chancellor of the Indian Academy of Scientific and Innovative Research.



Santoso Eddy Wibowo, Head of Indonesia's Human Resources Development on Transportation Agency, with RMIT Training CEO, Rachel Holthouse.



Walter Van Beirendonck: *Dream the World Awake* was the first major international event to be presented at RMIT Design Hub. Photo: Peter Bennetts.



RMIT Vietnam

RMIT now operates the largest international branch campus in the world in Vietnam, according to an independent report published in the UK. More than 6,500 graduates have emerged from the Vietnam campuses over the past decade.

A flagship new building was officially opened at RMIT Vietnam in 2013. The innovative \$US20 million Academic Building 2 has effectively doubled the teaching space at the Saigon South campus, with its 14,000 square metres over six levels able to accommodate up to 1,100 students at any one time. The design incorporates the latest in teaching and learning technology and allows for a range of flexible learning spaces.

Also in 2013, RMIT Vietnam hosted the *Questacon: Fascinating Science on the Move* exhibition from Australia's National Science and Technology Centre, as part of a number of events celebrating 40 years of diplomatic relations between Australia and Vietnam. To coincide with the exhibition, University staff displayed their research in a poster competition and participated with colleagues from local universities in a public discussion on sustainable development.

The University hosted a number of other visits by Australian government and university officials during the year. These included a delegation of four federal parliamentarians, a group of 18 senior government officials, the Speaker of the House of Representatives, a trade mission from the Victorian Government and a delegation from Charles Darwin University.

For the first time, student entrepreneurs from RMIT Vietnam have won the RMIT Business Plan Competition. The TixZone team was awarded the \$25,000 first prize for their innovative idea to create an efficient, secure online ticketing system for event organisers. Prize money to all winners totalled more than \$100,000.

One of the biggest programs of its type in Australia, the competition is open to vocational, undergraduate and postgraduate students across all campuses. More than 3,300 students have taken part since 2001, with many past competitors now running successful businesses.

RMIT Vietnam researchers are working on a groundbreaking tool that will help businesses in South-East Asia prioritise security threats to better protect their organisations from cyber-attacks. The project aims to develop a new budgetary framework for use by small and medium enterprises, which are the biggest targets of opportunistic attacks worldwide.

RMIT's long-standing relationship with Vietnam is bearing fruit, with a growing number of visitors travelling between Vietnam and Melbourne for executive education. In a new program in 2013, executives from HCMTV, a major Vietnamese television network, visited Melbourne for strategy and management training.

For five years RMIT has conducted the Asia Region Law Enforcement Management Program at its Hanoi site, for senior police representatives from ASEAN countries and beyond. The program is the result of a long-standing partnership with the Australian Federal Police and the Vietnamese police service, in cooperation with other police forces.

Also in 2013, RMIT Vietnam collaborated with the Australian Department of Immigration and Border Protection to deliver English training courses for Vietnamese Immigration officers and Border Guard officers.

The 4th International Conference on Information Systems Management and Evaluation was held at RMIT Vietnam in May. The conference attracted 70 participants from Australia, India, Indonesia, Lithuania, Malaysia, Namibia, the Netherlands, New Zealand, Romania, South Africa, Sweden, Thailand and the USA.



RMIT Vietnam's Academic Building 2 – designed by Pentago Spowers International – reflects the design ethos of RMIT's other landmark buildings in Melbourne.



Official opening of Academic Building 2: RMIT Vietnam President, Professor Joyce Kirk; RMIT Vice-Chancellor, Professor Margaret Gardner AO; Director General of the Vietnam Ministry of Education and Training's Representative Office, Do Quoc Anh; Director of Ho Chi Minh City Department of Home Affairs, Truong Van Lam.



Nguyen Khoa Bang, Nguyen Thao Vy and Nguyen Trung Duc, winners of the RMIT Business Plan Competition, with RMIT Pro Vice-Chancellor Business, Professor Ian Palmer.

URBAN

RMIT aims to be urban in orientation and creativity, shaping sustainable cities and drawing inspiration from the challenges and opportunities they provide.

The University's built infrastructure embodies its strategic vision, representing the future of urban campus excellence through the Capital Development Program. The centrepiece of the \$800 million program, the Swanston Academic Building (SAB) designed by RMIT alumnus Carey Lyon, was officially opened in April by Jacques Nasser AO – also an RMIT alumnus.

Both SAB and the Design Hub (designed by alumnus Sean Godsell and opened in 2012), have received outstanding industry reception, winning a variety of prestigious awards representing national and international recognition of the University's contribution to innovative and world-leading urban design.

The design and construction excellence of SAB was recognised with a prestigious 2013 National Architecture Award; the Australian Construction Achievement Award (presented to contractor Brookfield Multiplex); the 2013 Victorian Architecture Award (Public Architecture – New category); and the Australian Institute of Architects' National Award for Public Architecture.

On an international level, the facility was shortlisted for the World Building of the Year Award and highly commended in the World Architecture Festival.

In recognition of its environmentally sustainable design and outstanding sustainability features, SAB also won the Victorian Premier's Sustainability Award (Infrastructure and Buildings category). The award highlighted that the building is a practical demonstration of RMIT's commitment to sustainability and design excellence.

The Design Hub was awarded a 2013 National Architecture Award; an international Architizer A+ Award (Higher Education Institutions and Research Facilities category); an International Architecture Award from the Chicago Athenaeum Museum of Architecture and Design; and a Green Architecture Award from the European Centre for Architecture Art Design and Urban Studies.



Professor Margaret Gardner AO; Chairman of BHP Billiton, Jacques Nasser AO; RMIT Chancellor, Dr Ziggy Switkowski; and Director of Lyons Architects, Carey Lyon, at the launch of the Swanston Academic Building.



Ryan Smith, Minister for Environment and Climate Change (left) presents the Premier's Sustainability Award for the Swanston Academic Building to RMIT's Executive Director Property Services, Darren McKee.

At the Victorian Architecture Awards, the Design Hub was recognised with the William Wardell Award for Public Architecture and the Colorbond Award for Steel Architecture.

For RMIT, these buildings are a key part of its aim to reshape the RMIT Quarter of the Melbourne CBD and to support new paradigms in education and research.

The Bundoora campus has also been enhanced through a Spine project designed to provide a critical link for the encouragement of sustainable transport. The access way supports pedestrians and cyclists and allows for improved connectivity across the campus on both sides from Plenty Road, and with public transport and nearby amenities.

RMIT continued to support a range of education and research initiatives in the area of innovation, urban development and sustainability:

- A landmark RMIT project has received two national awards, recognising its contribution to ending chronic homelessness in Australia. *Journey to Social Inclusion*, designed jointly by RMIT and Sacred Heart Mission, was awarded the National Homelessness Services Achievement Award by the federal Ministry for Housing and Homelessness, and the Excellence in Ending Homelessness (Adults) award from the Council to Homeless Persons.
- The use of government guarantees to support investment in affordable rental housing has been examined in RMIT research, part of a larger study that aims to design a guarantee scheme suitable for Australian housing conditions. The review of seven schemes in Europe and the US was released ahead of a major Think Tank in Melbourne that brought together experts from Australia, the UK and Switzerland.
- The creative work of 120 RMIT alumni and staff dominated *Melbourne Now*, one of the biggest and most ambitious exhibitions ever undertaken by the National Gallery of Victoria. The exhibition featured the latest in art, design, architecture, fashion and dance produced in Melbourne and celebrated the art and culture that has shaped this city.

- In January, the then Prime Minister Julia Gillard launched RMIT's Centre for Innovative Justice, supporting its research with a grant of \$300,000. The Centre is dedicated to finding innovative solutions to complex problems that manifest in the justice system, with a focus on dispute resolution, therapeutic jurisprudence and restorative justice.
A report by the Centre to the Productivity Commission's Access to Justice inquiry found that innovation is needed in the way lawyers charge and provide services to make the legal system more accessible for those with limited means.
- The then Federal Health Minister, Tanya Plibersek, launched RMIT's new dental health training facility in August. The clinical simulation learning space at the Royal Dental Hospital of Melbourne gives RMIT the most comprehensive vocational dental education facilities in Australia, enabling students undertake "real life" patient care procedures in a safe and controlled setting.
- Research into sustainable automotive technologies has been boosted with the launch of RMIT's \$10 million Green Engines Research Facility at Bundoora campus. The world-class facilities will be open to the local and international automotive industry, supporting leading-edge experiments on alternative fuels for advanced and more efficient internal combustion engines. The dedicated test facility – the first of its kind in the Asia-Pacific region – were designed in collaboration with Sweden's Chalmers University of Technology and Volvo engineering staff.
- Melbourne's trams were transformed into moving works of art by RMIT-trained artists for the Melbourne Festival. Of the eight trams in the Art Trams project, four were created by RMIT alumni and student artists. The artists were selected from 117 entrants, including some of Victoria's most respected names in contemporary art.



Master of Arts (Art in Public Space) student Freya Pitt brought a tram to life with her innovative design, *Going Somewhere*.

- Researchers at RMIT's Platform Technologies Research Institute have created "liquid metal marbles" – droplets of liquid metal coated in nanoparticles – in a world-first breakthrough. The development advances research into soft electronics and industrial sensing technologies, and has been published in the high-impact journal, *Advanced Functional Materials*.
- Construction commenced in 2013 on a demonstration home designed to tackle a major environmental issue for the construction industry. The zero-waste home in Melton is a collaborative endeavour between RMIT's Centre for Design, Burbank Homes and the Housing Industry Association, funded through Sustainability Victoria's Beyond Waste Fund. The research project aims to identify better ways of building houses to avoid construction waste being sent to landfill.
- RMIT Gallery again featured a range of international exhibitions in 2013, the highlight being a new exhibition celebrating 40 years of Mushroom Records and Melbourne's music culture. *Music, Melbourne & Me* showcased the past four decades of popular music through songs, posters, photographs, costumes, memorabilia and stories of iconic rock venues.
- Student and graduate entrepreneurs are launching their businesses through an on-campus pop-up shop, thanks to an RMIT initiative in partnership with the government's New Enterprise Incentive Scheme allowing students to showcase their products and services, while being mentored and supported by the University's Business Enterprise Unit.
- RMIT furniture design dominated the international design competition *The Edge 2013*, with two awards and 11 finalists. The competition is part of the Australian International Furniture Fair, which attracts thousands of industry representatives to the Sydney Exhibition Centre.



Director of the Centre for Innovative Justice, Adjunct Professor Rob Hulls, accompanies the then Prime Minister, Julia Gillard, and RMIT Vice-Chancellor, Professor Margaret Gardner AO, to the launch of the Centre.

Excellence in Research

RMIT was proud to receive a total of \$15.16 million during 2013 in competitive peer-assessed research income covering the life of projects under Australian Research Council grants. This placed RMIT in the top three universities in Victoria in terms of research funding.

The grants included:

- \$6.14 million supporting 16 Discovery Projects by individual researchers and transdisciplinary research teams across the University
- \$4.75 million in ARC Linkage grants for collaborative research and development projects between higher education researchers and industry partner organisations.
- \$2.23 million for three ARC Future Fellowships
- \$1.55 million in Discovery Early Career Researcher Awards supporting four emerging researchers
- \$500,000 in Linkage Infrastructure, Equipment and Facilities funding to support research in materials engineering

Also in 2013, two of the six recipients of the prestigious Victorian Postdoctoral Research Fellowships, enabling early career researchers to study overseas and bring expertise back to Victoria, were from RMIT.

Researchers associated with RMIT's Health Innovations Research Institute recorded excellent results in the National Health and Medical Research Council funding rounds. Projects include research into novel pain therapies, gastrointestinal function, and ways to limit brain injury and complications after strokes,

Since 2009, the University has enhanced its research strengths in key areas through this program which continues to make a strong contribution to the University's research performance. One Vice-Chancellor's Research Fellowship and four Senior Research Fellowships were awarded during 2013.

CONNECTED

RMIT aims to be connected through active partnerships with professions, industries and organisations to support the quality, reach and impact of our education and research.

RMIT is proud of the strong industry links it has forged over its 127-year history. Collaboration is integral to the University's leadership in applied research and education, and to the development of highly skilled, globally focused graduates.

The University is focused nationally and globally across six broad sectors in which we have extensive expertise:

- Aerospace and Aviation
- Automotive, Transport and Logistics
- Built Environment, Construction and Infrastructure
- Energy and Resources
- Health and Community Services
- Media and Communications

For each of these sectors, RMIT exhibits excellence in teaching, research and consultancy, and maintains strategic partnerships with key industry players, both locally and abroad.

Throughout 2013, RMIT continued to build on its engagement strategy and recorded many achievements.

- RMIT is training 900 students a year for the Australian Defence Force, as part of a \$107 million, five-year contract announced in April by the then Minister for Defence Materiel, Dr Mike Kelly. In partnership with BAE Systems, RMIT will offer initial training in technical and maintenance trades for aircraft and helicopters operated by the Army, Navy and Air Force, as well as a range of postgraduate courses.
- RMIT is joining forces with the Defence Department and the University of Melbourne on projects aimed at strengthening Australia's capabilities in defence science. RMIT will participate in projects conducted by the Defence Science Institute, with support from the Victorian Government and the Defence Science and Technology Organisation.
- Students will gain greater insights into Aboriginal health issues through a new undergraduate elective, the latest addition to the University's specialised Indigenous

program stream. RMIT collaborated with an Indigenous Health Reference Group, the Wurundjeri Lands Council and the Victorian Aboriginal Health Service to develop the elective titled *Loorende-gat Wulempuri* – a name meaning “guide to good health” which was chosen by Wurundjeri elders.

- In 2013, RMIT and the Guangdong Provincial Academy of Chinese Medical Sciences opened the China-Australia International Research Centre for Chinese Medicine at Bundoora campus. The centre is supported by the Chinese Government's State Administration of Traditional Chinese Medicine, and reflects RMIT's international standing in its evidence-based Chinese medicine research and education.
- An iconic heritage-listed home donated to RMIT is welcoming Australia's top writers, thanks to a new fellowship program. McCraith House was donated by the Dixon-Ward family, together with an endowment to support ongoing costs. The fellowship gives writers up to four weeks of uninterrupted time in the house to concentrate on their creative work, which they will later present to students and staff, as well as providing space for academic research and practical learning opportunities for design students.
- RMIT co-sponsored an international design competition to attract plans to help transition the Latrobe Valley into a low-carbon future. The competition targeted the revitalisation of small towns, potentially rehabilitated mines and associated infrastructure. The project was sponsored by RMIT's Office of Urban Transformations Research, in partnership with Latrobe City Council, Clean Coal Victoria and the Gippsland Climate Change Network.
- Researchers studied thousands of alcohol drinkers to reveal four “drinking types”, in a project funded by VicHealth. The *Drinking Related Lifestyles* report will inform a new State Government campaign to challenge Victoria's drinking culture.



Jindi Worabek Dancers helped celebrate the launch of the new elective, *Loorende-gat Wulempuri*.



McCraith House in Dromana, also known as the Butterfly House, will be home to Australia's top writers thanks to a major donation to RMIT.

- An RMIT program in western Victoria has received a major philanthropic contribution for a new round of projects prioritising economy and livelihood, community health, cultural diversity, food security and ecology. Since 2002, the Helen and Geoff Handbury Fellowship has supported 22 research projects, with the latest contribution bringing the total amount raised to \$750,000. Projects have ranged from the development of low-cost strategies for using reclaimed water, to evaluating the benefit of arts festivals for community wellbeing.
- Also in the western region, RMIT Hamilton has been awarded a grant from the State Government's Regional Partnerships Facilitation Fund for a project to boost educational partnerships. Together with South West TAFE, the Southern Grampians Shire and the Glenelg and Southern Grampians Local Learning and Employment Network, the project aims to deliver self-sustaining strategies to address the needs of the labour market and of disengaged learners in a rural environment.
- RMIT's Sports Engineering and Technology (SportzEdge) program will form part of a \$6 million project to establish a centre of excellence, supported by the Australian Government's Industry Innovation Precincts Program. The Australian Sports Technologies Network comprises universities, businesses and national sporting organisations, with a focus on sports technology.
- RMIT received more than \$2.2 million in donations in two months thanks to a number of major gifts. These included the donation of McCraith House, a donation of \$750,000 from VicHealth to fund an Associate Professor of Medical Physics, and a gift from The George Alexander Foundation, which has supported RMIT since 2002 with scholarships for disadvantaged students.
- RMIT built environment students will be supported in their studies through new scholarships offered in partnership with Leighton Contractors. The scholarships will give students some financial support for their studies, as well as offering an opportunity for practical work experience.
- Australian retailer Forever New is partnering with RMIT to mentor young design talent through a new scholarship. The innovative program – the initiative of Forever New founder Amanda Goenka – aims to encourage design students to pursue a career in fashion retail.
- An RMIT annual lecture series will celebrate the legacy of politician and chief justice George Higinbotham (1826-1892) by exploring topical legal issues and the interaction between the law and society. More than 100 people attended the inaugural lecture by The Hon. Michael Kirby AC, CMG, on the topic of Secularism and the Australian Constitution.
- RMIT is collaborating with mining giant Rio Tinto and top Australian researchers on a \$1.165 million minerals processing project. A team of researchers from RMIT, Murdoch and Monash universities has been awarded an ARC Linkage grant to develop advanced techniques to better understand the leaching of copper. The grant is the largest awarded to the Australian resource sector and is further supported by funding from Rio Tinto.
- RMIT marked 40 years of social work education in 2013. RMIT is Australia's largest on-campus provider of social work education, with more than 500 students enrolled across three programs. The anniversary was marked with a public lecture by Paris Aristotle AM, Director of the Victorian Foundation for Survivors of Torture.
- RMIT is the new home of national peak body, the Council for the Humanities, Arts and Social Sciences. The council supports 85 member organisations through its relationships with government policy-makers and the broader community, enabling them to contribute to public debate through programs for knowledge exchange and media awareness.
- In partnership with the Committee for Economic Development of Australia, a major RMIT forum examined ways to improve healthcare for ageing Australians. Speakers included the Victorian Health Minister, David Davis, and representatives from Benetas, Council on the Ageing, BUPA and the CSIRO. The forum also showcased finalists from the University's Design Challenge – Ageing.
- RMIT and KPMG brought together leaders in industry, government and academia to consider the future of business in Australia, in an inaugural Industry Research Showcase held in December. A key output will be a collection of chapters presenting complex business issues and cutting edge research with foreword commentary from industry.
- In 2013, RMIT launched a new Science, Health and Engineering Educational Research Centre, which aims to transform the scholarship of learning and teaching in science, technology, engineering and through research and innovation.
- For the second time, RMIT and its local and international partners were recognised for excellence in accounting teaching collaboration at the Business/Higher Education Round Table (B-HERT) awards. Sponsored by CPA Australia, the award recognises partnerships between accounting departments in universities and industry which foster excellence in teaching and improved graduate outcomes.



2013 RMIT Outstanding Alumnus, eminent Australian fashion designer Toni Maticewski.
Photo: Matthew Wren, courtesy of the Melbourne Review.



Professor Margaret Gardner AO and the Hon Michael Kirby AC CMG, who delivered the inaugural Higinbotham lecture on the topic of *Secularism and the Australian Constitution*.



Minister for Higher Education and Skills, Peter Hall, at RMIT Hamilton announcing funding for a project to deepen educational partnerships in south-west Victoria.

STUDENTS AND STAFF

Student Experience

In 2013 RMIT launched its innovative Careers Toolkit, an online resource giving students the edge in the global job market. The toolkit is one of the most comprehensive suites of online career resources in Australia.

Developed in collaboration with RMIT Vietnam, the Careers Toolkit is aimed at helping students succeed in an increasingly competitive job market world-wide. Students in Melbourne, Vietnam and Singapore made good use of the new facility in its first nine months.

RMIT Link, previously a controlled entity and now part of the RMIT Students Group, continues to offer opportunities for students to connect with one another across programs and campuses and to enhance their sporting and creative practice.

Equity

Our commitment to transforming the lives of our students was maintained through our various equity and scholarship schemes. RMIT awarded more than 2,000 scholarships to its students in 2013.

Increased numbers of students from disadvantaged areas applied to RMIT as a result of the very successful SNAP (Schools Network Access Program) and *I Belong* programs. A total of 1,617 offers were made to students under the SNAP program across all three RMIT Colleges.

Similarly, the partnership of RMIT's partnership with the Australian Indigenous Mentoring Experience led to more Indigenous students enrolling at RMIT and succeeding when they do.

The Smith Family and RMIT collaborated to help students from two secondary schools under the SNAP program to build careers in creative arts. The SmArts program brought the students to RMIT for intensive workshops, culminating in a public exhibition.

RMIT promotes Indigenous education through a range of initiatives, including the Ngarara Willim Centre, which supports Indigenous students through a non ATAR-based application process and by providing ongoing guidance with study, living and cultural needs.

The RMIT Indigenous Study Support Scholarship assists Indigenous students financially, while the Indigenous Village and Accommodation Support Scholarship helps students who need to relocate in order to study.

Among the University's education initiatives, an Indigenous Traineeship Program – offered in partnership with Dental Health Services Victoria – is helping to boost the number of dental assistants in Indigenous communities.



Community workers in the Katherine area have graduated from a pioneering RMIT program.
Photo: Katherine Times.

Also in 2013, an RMIT program designed to meet the vocational training needs of Northern Territory community workers celebrated its first graduates. It was the first time the dual qualification of Diploma of Community Services (Alcohol and Other Drugs and Mental Health) had been offered in the Territory, with the tailored program reflecting the unique nature of work in the Top End. The program was designed by RMIT in collaboration with Sunrise Health Service, a leading health provider that services 14 remote Aboriginal communities.

Learning and Teaching

New professional development programs to support the learning and teaching function were introduced for sessional staff and early career teachers. Peer partnership and peer review programs allowed staff to share good teaching practices with colleagues.

Student feedback has been used across the University to enrich program quality, and student satisfaction continues to increase each year. Major investment in educational technologies has allowed students to access their learning materials more readily, and from a variety of portable devices, and the University's new learning spaces have enabled more interactive learning activities for students.

Staff Satisfaction

A major survey sent to all staff in 2013 resulted in an 84 per cent participation rate. The survey recorded increased satisfaction levels since the previous survey in 2010, with improvements in 31 out of the 36 work factors it measured.

The most notable improvements were in organisational direction, facilities, safety, leadership and performance appraisal. Areas identified for attention, including cross-unit cooperation, workload, entrepreneurship, career opportunities and processes, are being addressed through a range of actions.

Leadership Capability

The University's commitment to developing leadership capabilities continued throughout 2013. Major initiatives focused on the Executive Leadership Group and included implementation of a 360 Degree feedback tool to support interpersonal leadership effectiveness and the development of individual capability plans.

Two new programs – People Management Essentials and Leading Change – were introduced to enhance the Group's leadership skills.

Health, Safety and Wellbeing

RMIT's health and safety team continued to align with the University's strategic direction, focusing on improved hazard and injury management and on coordinating and delivering effective programs and activities. 2013 saw a reduction in WorkSafe notifiable incidents and in the workers' compensation premium, and continued success of the University's early intervention program. Work is continuing on the upgrade of the Occupational Health and Safety Management System.

A new initiative was a health and wellbeing expo which provided a range of presentations, exhibitors, food and health demonstrations and free massages for staff throughout the day.

Appreciation awards again acknowledged the dedication of the University's 1,000 volunteers who act as emergency wardens, first aiders and health and safety representatives.

Code of Conduct

The Code of Conduct for Staff defines how RMIT's values are demonstrated in the University's day-to-day activities, and outlines the standards of behaviour expected by all members of the RMIT staff community. The Code of Conduct principles are as follows:

Respecting others

When working with others, staff are expected to treat students, other staff and members of the community with respect for their rights and obligations.

Behaving professionally

Staff are expected to carry out their work duties in a professional and conscientious manner at all times.

Avoiding conflict of interest

Staff must take reasonable steps to avoid any actual or potential conflict of interest and act in the best interests of the University.

Using University resources

Staff are expected to use all University facilities, equipment and processes efficiently, carefully and in a proper manner.

Recognising intellectual freedom

Staff have a general right to intellectual freedom of enquiry and expression. This applies to areas of intellectual life over which the academic can demonstrate that they possess a level of expertise.

Employment Statistics – Melbourne

Staff type	Total FTE*		Female FTE*		% Female	
	2012	2013	2012	2013	2012	2013
Academic (HE)	1,650	1,624	664	647	40	40
Teaching (VET)	638	606	302	288	47	48
Professional	2,156	2,194	1,340	1,366	62	62
Executive	98	95	31	32	32	34
Total	4,542	4,519	2,337	2,333	51	52

*FTE – full-time equivalent (two people both working 0.5 time fraction = 1 FTE)

New Staff Recruitments	Female	%	Male	%	Total
Academic (HE)	51	35.7	92	64.3	143
Teaching (VET)	15	31.3	33	68.8	48
Professional	225	61.3	142	38.7	367
Executive	3	42.9	4	57.1	7
Total	294	52.0	271	48.0	565

Data as at 31 December 2013

Employment Statistics – Vietnam

Staff type	Total FTE*		Female FTE*		% Female	
	2012	2013	2012	2013	2012	2013
Academic (HE)	173	179	58	66	33	37
English language programs	139	122	54	43	39	35
Professional	286	327	180	214	63	65
President's office	7	7	3	2	43	29
Total	605	635	295	325	49	51

Occupational Health and Safety

	2011	2012	2013
Lost time injury frequency rate	2.23	3.37	2.86
<i>Change to previous year</i>	-	+51%	-15%
WorkCover claims submitted	41	49	38
<i>Change to previous year</i>	-	+20%	-22%
OHS incident reports	334	364	413
<i>Change to previous year</i>	-	+9%	+13%
WorkSafe notifiable incidents	14	11	6
<i>Change to previous year</i>	-	-21%	-45%
WorkSafe improvement notices	2	0	3

Student Diversity

All Students %	2009	2010	2011	2012	2013*
Higher Education					
Female	50	50	50	49	49
International	49	52	51	49	47
Vocational Education and Training					
Female	49	48	46	45	44
International	9	8	6	5	5
Age Group %					
Higher Education					
Young people 15-19	10	10	10	12	10
Aged 20-24	53	55	57	57	57
Mature age 25-44	33	32	30	28	30
Mature age 45+	3	3	3	3	3
Vocational Education and Training					
Young people 15-19	28	26	30	31	31
Aged 20-24	32	32	32	32	31
Mature age 25-44	31	33	30	29	30
Mature age 45+	9	9	9	9	8

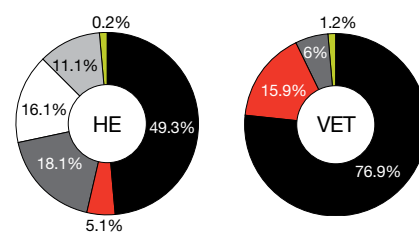
Equity (Domestic) %					
Higher Education (Undergraduate only)					
School leavers	49	48	44	44	47
VET student admissions to HE	21	21	20	18	18
Overseas born	19	20	20	20	20
Non-English speaking background	5	5	5	5	6
Rural/remote	12	11	11	11	8
Low socio-economic status (postcode)	14	15	15	16	16
Aboriginal and Torres Strait Islanders	0.4	0.4	0.4	0.5	0.4
Vocational Education and Training					
School leavers	16	15	17	15	14
Overseas born	26	25	25	25	26
Non-English speaking background	10	9	9	10	10
Rural/remote	12	13	12	13	12
Low socio-economic status (postcode)	16	17	16	18	19
Aboriginal and Torres Strait Islanders	1.6	1.1	1.2	1.2	1.1

HE and VET Broad Field of Education (Load in EFTSL/EFTS)					
Natural and Physical Sciences	2,082	2,201	3,363	3,593	3,996
Information Technology	3,261	3,440	4,141	3,911	3,863
Engineering and related technologies	7,390	7,541	6,656	7,035	7,021
Architecture and Building	3,297	3,536	3,245	3,307	3,244
Agriculture, Environment and related studies	358	365	333	355	390
Health	3,386	3,507	3,182	3,322	2,991
Education	1,340	1,482	1,282	1,285	1,434
Management and Commerce	17,360	17,800	13,948	13,621	15,048
Society and Culture	3,303	3,587	7,945	8,264	8,469
Creative Arts	5,301	5,968	6,572	6,815	6,881
Mixed field programs	1,013	1,006	811	859	630
Total	48,091	50,432	51,478	52,367	53,967

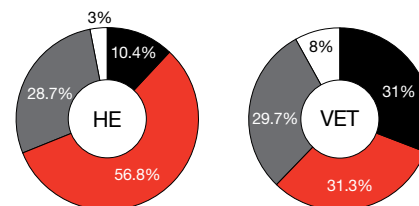
HE and VET Attendance Type/Mode					
Full Time	42,833	45,646	47,210	48,674	50,916
Internal	39,803	42,427	43,410	44,197	46,477
Multi-modal ¹	3,030	3,219	3,800	4,477	4,439
Part Time	26,656	25,596	25,022	23,757	22,781
Internal	26,126	25,077	24,441	23,087	22,059
Multi-modal ¹	530	519	581	670	722
Distance/fully online	2,115	2,662	2,613	2,228	1,804
Total	71,604	73,904	74,845	74,659	75,501

Student Fee-Type Enrolments (HE and VET Load in %)

Student fee type	HE	VET
Government-funded	49.3	76.9
Australian fee-paying	5.1	15.9
International Onshore	18.1	6.0
International Offshore	16.1	0.1
Vietnam	11.1	0.0
Other	0.2	1.2



Age group	HE % headcount	VET % headcount
Young people 15-19	10.4	31.0
Aged 20-24	56.8	31.3
Mature age 25-44	29.7	29.7
Mature age 45+	3.0	8.0



* HE enrolments data provisional as at February 2014. Final data available April 2014. Figures are based on student enrolments.

¹ Multi-modal refers to both internal and external mode of attendance.

SUSTAINABILITY AND RESOURCE USAGE

Resource Usage	2007	2008	2009	2010	2011	2012	2013
Average energy consumption per EFTSL* (GJ electricity and gas)	10.1	9.2	8.5	8.3	8.6	8.7	8.3
Water consumption per EFTSL (kl)	5.7	5.5	5.1	4.9	4.7	4.9	5.1
Greenhouse gas emissions (t CO2-e)	79,124	70,548	61,414	63,890	64,608	65,053	65,192
GreenPower consumption (MWh)	1,072	8,648	11,329	11,953	11,852	11,925	12,545

*EFTSL – equivalent full-time study load

	2012	2013
Reduction in energy per EFTSL from 2007 baseline	13%	17%
Reduction in water per EFTSL from 2007 baseline	14%	10%
Reduction in emissions from 2007 baseline	18%	18%

RMIT academics across a range of disciplines are tackling sustainability and climate change on a variety of fronts. These include developing technology to analyse the effects of greenhouse gases on water and food sources; mapping and modelling the potential impacts of a changing climate on species; and developing and evaluating effective policy for community resilience.

In what is understood to be a first for an Australian university, the University's Climate Change Adaptation Program developed an in-house framework for assessing the vulnerability of a tertiary campus, students and staff to current and future climate risks.

This innovative project, a key element of the RMIT Sustainability Action Plan, integrated staff experiences of extreme weather events and climate conditions with the organisation's statistical data. Risk assessment was extended by considering future climate scenarios integrated with broader social, economic and technological trends. The project identified potential hazards, allowing University units to plan focused adaptation strategies and better manage the potential cascading impacts resulting from climate-related extreme events.

The research also identified climate risks that would require coordinated strategic planning with partner organisations beyond campus boundaries. With more than 82,000 students, 5,100 employees and 300,000 square metres of floor area constituting 6.6 per cent of Melbourne's CBD alone, future adaptation actions by RMIT have wider implications and opportunities for surrounding municipalities.

Since 2008, RMIT has committed to a target in partnership with the Australian Technology Network of Universities to reduce greenhouse gas emissions by 25 per cent by 2020, compared to 2007. In 2013, the University exceeded an interim target to achieve a 12 per cent reduction by 2012-13.

GOVERNANCE

RMIT University is governed by a Council that in 2013 consisted of:

- the Chancellor
- the Vice-Chancellor
- the Chair of the Academic Board
- four persons appointed by the Governor in Council
- one person appointed by the Minister
- four persons appointed by Council

Consistent with the Royal Melbourne Institute of Technology Act 2010, as from time to time amended, the Council is the governing body of the University and has responsibility for the general direction and superintendence of the University.

Accordingly, Council members participate in approval of the University's strategic direction, annual budget and business plan, and in monitoring the University's performance. The Council appoints the Vice-Chancellor and President.

Members of Council, as required by legislation, have duly completed declarations of director-related transactions. No members of Council hold shares as nominees or beneficially in any statutory authority or subsidiary related to the University. Members of Council do not hold shares in RMIT (no shares are distributed by RMIT) or in related companies. Council members who are not staff of the University may choose to receive remuneration for being members of Council. RMIT does not make loans to Councillors or related parties of Councillors.

As part of its commitment to good governance practices, in 2003 the University Council adopted a charter containing broad governance principles. This charter is reviewed annually and was subject to review in 2013. Declarations received from Council members have indicated no conflict of interest or pecuniary interests other than remuneration disclosed in the financial statements.



L to R: Amanda Way (Deputy University Secretary), Helmut Pekarek, Rhonda O'Donnell, Moira Schulze, Professor Margaret Gardner AO, Dr Ziggy Switkowski, Janet Latchford, Dr Jane Gilmour OAM, Dr Julie Wells (University Secretary), Bruce Akhurst, Brett Paton (at rear), Professor Julianne Reid, Rosemary Lever, Fran Thorn.

RMIT has paid a premium for an insurance policy for the benefit of the directors and employees of RMIT and controlled entities of RMIT.

In accordance with its charter, the Council reviews its performance regularly. Arrangements are currently being made for review. As well as its regular meetings, Council had two strategic discussions in 2013, the first focusing on exploration of educational technologies and the second on government funding and regulation of higher education and VET, and the Student Experience.

The Nominations and Remuneration Committee oversaw nominations to Council, its committees and subsidiaries, as well as induction and professional development for Councillors. In line with Victorian Government guidelines, optional remuneration was available for independent members of Council.

Based on Council's governance charter, new members took part in an induction program, and all members were able to participate in a professional development program which covered a range of areas including informing members about stakeholder issues and the activities of the University.

Most controlled entities reviewed their statements of governance principles and reported on changes to the skills, experience and qualifications of directors, and on their frameworks for risk management and internal audit.

RMIT is compliant with the Voluntary Code of Best Practice for the Governance of Australian Universities.

COUNCIL MEMBERS IN 2013

Mr Bruce Akurst

Appointed by RMIT Council,
member since 1 August 2013.

Most recent appointment: 1 August 2013.

BEC(Hons) (Monash), LLB.

Other directorships: State Library of Victoria,
Adstream Holdings Pty Ltd (Chair),
Paul Ramsay Holdings Pty Ltd.

Professor Margaret Gardner AO

Vice-Chancellor and President (ex-officio),
member since 4 April 2005.

Most recent appointment: 4 April 2005.

BEcon(Hons), PhD (Syd), DUniv (Griffith),
FAIM, GAICD.

Other directorships: Museums Board of
Victoria (Chair), Open Universities Australia,
the Fulbright Commission and Universities
Australia.

Dr Jane Gilmour OAM

Appointed by RMIT Council,
member since 1 January 2005.

Most recent appointment: 1 July 2011.

BA(Hons) (ANU), DUP (Sorbonne), FAICD.

Other directorships: WaterEd Australia Pty
Ltd (Deputy Chair), Orchestra Victoria, William
Buckland Foundation (trustee).

Ms Janet Latchford

Appointed by Governor in Council,
member since 1 January 2010.

Most recent appointment: 1 January 2013.

BCom (Melb), FCPA, GAICD.

Other directorships: Epworth Healthcare
(President).

Ms Rosemary Lever

Appointed by Governor in Council,
member since 1 March 2005.

Most recent appointment: 1 January 2012.

Deputy Chancellor since 29 August 2011.

DipSocStudies, BSocWork(Hons) (Melb).

Ms Rhonda O'Donnell

Appointed by Governor in Council,
member since 23 September 2008.

Most recent appointment: 1 January 2013.

GradDip (InnovServMgt), MAppSc
(InnovServMgt) (RMIT), FAIM, MAICD, MAHRI.

Other directorships: Slater & Gordon, DB
Results, Insync Surveys (Chair).

Mr Brett Paton

Appointed by RMIT Council,
member since 1 January 2013.

Most recent appointment: 1 January 2013.

BEC (Monash), ACA.

Mr Helmut Pekarek

Appointed by RMIT Council,
member since 1 January 2005.

Most recent appointment: 1 July 2011.

MEng (AppPhys) (Tech Uni of Vienna).

Professor Julianne Reid

Chair of the Academic Board (ex-officio),
member since 7 February 2011.

Most recent appointment: 7 February 2011.

BPharm(Hons), PhD (Qld).

Ms Moira Schulze

Appointed by Governor in Council,
member since 1 January 2005.

Most recent appointment: 1 January 2012.

BA, DipEd, MEd, GAICD, FIPAA.

Dr Ziggy Switkowski

Chancellor (ex-officio),
member since 1 January 2011.

Most recent appointment: 1 January 2011.

BSc(Hons), PhD (Melb), FAICD, FTSE.

Other directorships: Suncorp Ltd (Chair),
Tabcorp Holdings Ltd, Oil Search Ltd, NBN Co
(Executive Chair).

Ms Fran Thorn

Appointed by the Minister,
member since 18 February 2008.

Most recent appointment: 1 July 2011.

BA(Hons) (Monash), MA, MBA (Melb),
GradDip Lib (RMIT).

Other directorships: Melbourne Convention
and Visitors Bureau.

COUNCIL COMMITTEES

Council has established committees to assist it in discharging its responsibilities. Each committee had a work plan of activity to exercise its responsibilities in 2013, and all committees reported to Council on their activities.

Audit and Risk Management Committee

The Audit and Risk Management Committee acts on behalf of Council to monitor the audit controls and risk management of the University and associated processes. Its objectives are to assist Council in discharging its responsibilities to the University and its controlled entities with respect to:

- the integrity of the annual financial statements and financial reporting
- exposure to legal and business risk
- the effectiveness of the external and internal audit functions
- the adequacy and effectiveness of financial management, financial control systems and other internal controls
- the process for monitoring compliance with laws and regulations
- monitoring of compliance with the code of conduct.

Campus Development Committee

The Campus Development Committee acts on behalf of Council to:

- consider and recommend to Council the physical infrastructure master plan for the University in accordance with the University's strategic plan
- consider and review significant proposed developments on campus to ensure they are consistent with the physical infrastructure master plan
- consider and approve the design principles that inform the development of the University's physical infrastructure and the procedures for selection of design consultants.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee acts on behalf of Council to ensure Council and the Boards of RMIT-controlled entities have an effective balance of skills and experience and to monitor senior executive remuneration. The Committee meets to:

- recommend candidates for Council vacancies to Council or to the Minister for Higher Education and Skills as appropriate to ensure the Council has an effective balance of relevant skills, experience and knowledge
- recommend to Council a person to be appointed or reappointed as Chancellor and Deputy Chancellor
- recommend to Council membership of Council committees and oversee the appointment of directors to RMIT-controlled entities
- recommend candidates to Council for honorary awards
- annually agree and monitor performance targets for the Vice-Chancellor
- annually decide on the quantum of the Vice-Chancellor's performance bonus and total employment cost
- consider, when required, issues relating to the Vice-Chancellor's contract and make recommendations to Council
- review and set total employment cost ranges for all executive staff
- review and approve the performance assessments and bonuses recommended by the Vice-Chancellor for the direct-report senior executives
- recommend the appointment and reappointment for more than 12 months of senior executive staff who report to the Vice-Chancellor
- provide advice to the Vice-Chancellor on executive performance appraisal mechanisms.

Attendance at Council and Committee Meetings 2013

Name	Council	Audit and Risk Management	Campus Development	Nominations and Governance	Remuneration	Nominations and Remuneration
Bruce Akhurst	3/3					
Margaret Gardner	7/7		4/4	1/1		5/5
Jane Gilmour	7/7		4/4			
Janet Latchford	7/7	4/5		1/1		5/5
Rosemary Lever	7/7			1/1	1/1	5/5
Rhonda O'Donnell	6/7					
Brett Paton	5/7	5/5				
Helmut Pekarek	6/7					
Julianne Reid	6/7					
Maira Schulze	7/7	4/5			1/1	4/5
Ziggy Switkowski	7/7		0/4	1/1	1/1	5/5
Fran Thorn	4/7	4/5				

Notes

Council approved a committee restructure at its meeting on 25 March 2013:

- The Remuneration Committee (REM) and Nominations and Governance Committee (NGC) were combined to form the Nominations and Remuneration Committee.
- Only one meeting of NGC was held in 2013 (on 15 February).
- Only one meeting of REM was held in 2013 (on 4 March).

RMIT SUBSIDIARIES

All University subsidiaries are governed by a Board of Directors which includes a member or members of the RMIT University Council. Financial performance, operational highlights and risk management are reported quarterly to Council.

RMIT Vietnam Holdings Pty Ltd

RMIT Vietnam Holdings is wholly owned by RMIT University and in turn owns RMIT International University Vietnam. It also accepts and transfers funds destined for RMIT International University Vietnam and philanthropic projects in Vietnam.

RMIT Vietnam Holdings was engaged in six separate projects in Vietnam on behalf of and funded by The Atlantic Philanthropies. These projects principally entailed the construction and development of four Learning Resource Centres, each of approximately 7,500 square metres, at the Universities of Hue, Danang, Can Tho and Thai Nguyen. Other projects included the translation of the Dewey Decimal System into Vietnamese, the training of staff in Vietnam libraries through the National Task Force program, and the development of library resources in Vietnam.

Through RMIT Vietnam Holdings, Atlantic Philanthropies has provided funds for the establishment of a scholarship program for disadvantaged students studying at RMIT Vietnam.

RMIT Training Pty Ltd

RMIT Training comprises two business units. The first of these, RMIT English Worldwide, provides English language programs for industry (such as Aviation English which is delivered globally through partnerships across Asia, Europe, Russia and the Middle East), and English for Academic Preparation programs, which are available in a range of domestic and international settings, including RMIT Vietnam.

A second unit is RMIT Publishing, encompassing the Informit Collections which support university libraries across Australia and New Zealand by providing access to Australian research material for academics. RMIT Publishing also manages RMIT University Press.

Supporting the activities of these units is a Human Resources and Finance team and an IT team which provide specialised services for the online products the businesses have developed. Two further teams, Production and Client Services, support the organisation. The latter includes administration for short and single courses offered by schools across RMIT University, which is provided as a donation service. The company's strategic and business plans align with the University's strategic plans, and the company continues to be profitable.

RMIT Foundation

The RMIT Foundation was established in 1994 to receive philanthropic gifts and donations made to RMIT University. RMIT Foundation is managed by a Board of Trustees whose actions are governed by a trust deed. The deed makes the trustees responsible for the prudent stewardship of the funds they invest and manage on behalf of RMIT University. The Board is also responsible for ensuring that donors' wishes in making their gifts are met.

Trustees are appointed by RMIT Council. The Board counts among its numbers higher education, business and community leaders, and financial and legal experts.

The following are some examples of the funds that RMIT Foundation administers. The International Visiting Fellowship program provides critical support to internationally engaged research, enabling scholars from around the world who are undertaking research in RMIT's areas of strength to spend time with RMIT academic staff.

Similarly, the primary purpose of the RMIT Foundation International Research Exchange Fellowship program is to provide support for researchers at overseas partner institutions and at RMIT to make exchange visits in support of collaborative research. The John Storey Junior Memorial Fund allows undergraduate students to visit a sister institution overseas for a period of study. An industry research program, the Malcolm Moore Fellowship, encourages the development of applied research and strong links between RMIT and its industry partners.

The largest part of the Foundation's funds is tied to specific scholarships, prizes, bursaries and grants. These programs support equity in access; overcoming individual financial hardship; excellence in many discipline areas; study and research overseas; presentation of high quality research; industry placements and community leadership.

Spatial Vision Innovations Pty Ltd

Spatial Vision Innovations sells geospatial technology and services for use in environmental, land, asset, emergency and health management to government and a growing range of private sector clients. Integrating geographic and organisational data, Spatial Vision provides award-winning solutions including business systems, advanced spatial analyses, reliable planning systems and practical mapping applications to address some of the country's most pressing environmental, economic and resource issues.

In 2013, Spatial Vision consolidated its three new initiatives from 2012:

- CheckSite, an online service offering authoritative property-specific information about environmental risk

- Mapscape, comprising an iPad app and a range of data products and web services based around authoritative mapping for Victoria
- Peri-Urban Futures, offering an evidence-based approach to peri-urban planning

Additional initiatives related to the growing importance of mobile and cloud technology. Spatial Vision developed a number of custom solutions to improve field inspections and data collection across various business types, and is delivering solutions to customers seeking to use cloud-based Geographical Information Systems.

The company continues to be recognised for its innovation, winning awards at the 2013 Victorian and Western Australian Spatial Excellence Awards for projects undertaken for the Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education, and the WA Department of Fisheries, respectively.

RMIT Spain SL

RMIT Spain SL is the registered name of the company that establishes RMIT's presence in Europe. It trades as RMIT Europe.

RMIT Europe's key purpose is to build RMIT's international reputation and positioning by expanding RMIT's academic engagement in Europe. Its main focus is on growing research and postgraduate program collaboration with high quality academic and industry partners in Europe.

RMIT Europe was launched in June 2013 following the fitout of the Barcelona premises. It is a coordinating office with hot desk, seminar and meeting spaces and a core of five staff, which is anticipated to grow to seven staff members in 2014. Service support is delivered from RMIT Melbourne via a service agreement which is currently being developed.

During 2013, key strategic relationships in Barcelona and across Europe were established and/or consolidated, a number of which have already given RMIT access to significant research and business development opportunities which will be pursued in 2014.

In addition to securing funded research directly for RMIT Europe, the centre also:

- hosted 22 visiting RMIT staff members
- facilitated seven visiting professorial appointments
- identified research opportunities and led numerous research bidding and business development workshops
- supported the development of four new executive masters programs with European components, and facilitated other dual Master and industry PhD initiatives with European partners.

STATUTORY REPORTING

Freedom of Information

During the reporting period, RMIT received 10 applications under the Freedom of Information Act 1982 (Vic):

Access granted in full:	1
Access granted in part:	4
Access denied in full:	2
Other: (Pending: 2, No documents available: 1)	3

The University is subject to the provisions of the Freedom of Information Act and has in place procedures to ensure that it meets its compliance obligations. The University's Freedom of Information Officer for 2013 was employed in the University Secretariat.

Protected Disclosures

The Protected Disclosure Act 2012 (Vic) (the Act) came into effect on 10 February 2013. The Act sets out the legislative framework for receiving protected disclosures and protecting those who make them.

RMIT is not authorised to accept protected disclosures. Protected disclosures relating to the University or its officers can be made to the Victorian Independent Broad-Based Anti-Corruption Commission. The role of protected disclosure coordinator is carried out by the Deputy University Secretary and queries may be directed to that officer.

The Protected Disclosure Management Instruction outlines how RMIT will respond to the requirements of the Act and is available online at:
www.rmit.edu.au/policies/pdminstruction

Building Act 1993

The University has met compliance with the building and maintenance provisions of the Building Act 1993. Signed annual statements of compliance have been received from contractors.

Report of Operations

The RMIT Annual Report 2013 was prepared in accordance with the Financial Reporting Directions issued by the Department of Treasury and Finance.

Commercial Activities

Commercial activities of RMIT University for 2013: Nil

Commercial activities of controlled entities: RMIT Publishing, a division of RMIT Training Pty Ltd, is an aggregator of research information for students, teachers and researchers accessed by way of a subscription service.

National Competition Policy

RMIT has developed costing and pricing models that apply all relevant university costs, including overhead and other indirect costs, and, where appropriate, adjust prices to factor in any competitive advantage the University may have. The price adjustments offset any inequalities that may exist for the University and enable the University to co-exist with private businesses in a variety of commercial market activities. Most importantly, these models also enable the University to comply with the National Competition Policy including the requirements of the Government policy statement *Competitive Neutrality: A Statement of Victorian Policy and subsequent reforms*.

Public Funding

All public funds allocated to the University have been used for the purposes specified by the government or other public funding body.

Fees and Charges

In 2013, there were two significant changes to the level of fees charged to students by the University.

1. Student Services and Amenities Fee:

This fee was introduced in 2012 at the prescribed government maximum rate of \$263 per full-time student and was only applied to domestic Higher Education students. In 2013, the fee was revised to the prescribed government maximum rate of \$273 and extended to the majority of the University's students. Funds collected from the Student Service and Amenities Fee were invested into services and infrastructure to directly benefit and enhance the student campus experience.

2. TAFE fees for Victorian Training Guarantee eligible students: The Victorian Government funding changes announced in its 2012 budget impacted RMIT from second semester 2012, with an additional reduction in funding to commence from 1 January 2013. As a response to these funding changes, RMIT has adjusted tuition fees for all government-subsidized TAFE places effective from 1 January 2013.

Schedule of Fees and Charges

All fees charged to students at RMIT University are set and approved under the authority of Council. An Approved Schedule of Fees and Charges is published each year which lists all fees that may be charged to students. The 2009–14 schedules are available on the RMIT website at:
www.rmit.edu.au/fs/studentfees

Tuition Fees

In 2013, domestic non-government funded fees increased by an average of 5.9 per cent. International onshore student fees were increased by an average of 7.0 per cent.

Course Material and Administrative Fees

There were no significant changes to the level of fees charged as course material and administrative fees.

Additional Information

Consistent with the requirements of the Financial Management Act 1994, further information on the following items is available on request:

- Declarations of pecuniary interests
- Shares held by senior officers
- Publications
- Major external reviews
- Overseas visits undertaken
- Promotional, public relations and marketing activities

Enquiries should be directed to:
University Secretary and Vice-President
RMIT University
GPO Box 2476, Melbourne VIC 3001
Tel. (03) 9925 2000

RISK MANAGEMENT AND INTERNAL AUDIT

The University has implemented a risk management framework that establishes a systematic process of identification, management and monitoring of risk. The framework is supported by:

- Council's Audit and Risk Management Committee, which regularly monitors and reports to Council on the adequacy of arrangements in place to ensure that risks are effectively managed, and on the outcomes of risk management activities across the group
- a risk management policy that clearly articulates and assigns roles and responsibilities

- the annual review and update of a University-wide risk profile using outcomes from risk assessments that are undertaken by all academic and administrative areas as an integral part of the business planning process
- active management and monitoring by all academic and administrative areas during the year to ensure that appropriate mitigation measures are in place and that net risk exposures remain consistent with RMIT's objectives and risk appetite
- the provision of risk management support, advice, assessment tools and training for University staff

- execution of the annual internal audit plan which is primarily concerned with evaluating the effectiveness of internal controls, and is risk-based to place greater emphasis on those areas of high risk to the University
- crisis management planning across all University campuses based on a risk management approach
- an insurance program that protects the University from financial loss as a result of physical loss of, or damage to, assets and activities, as well as injuries to University staff, students and third parties.

The University considers that this risk management framework is consistent with the Australian Risk Management Standard (AS/NZS ISO 31000:2009).

OBJECTS OF RMIT UNIVERSITY

Extract from the RMIT Act 2010:

The objects of the University include:

- (a) to provide and maintain a teaching and learning environment of excellent quality offering higher education at an international standard;
- (b) to provide vocational education and training, further education and other forms of education determined by the University to support and complement the provision of higher education by the University;
- (c) to undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and to apply those matters to the advancement of knowledge and to the benefit of the 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, learning, research and advancement of knowledge activities and thereby contribute to:
 - (i) realising Aboriginal and Torres Strait Islander aspirations
 - (ii) the safeguarding of the ancient and rich Aboriginal and Torres Strait Islander cultural heritage;
- (g) to provide programs and services in a way that reflects principles of equity and social justice;
- (h) to confer degrees and grant diplomas, certificates, licences and other awards;
- (i) to utilise or exploit its expertise and resources, whether commercially or otherwise.

CONSULTANCIES 2013

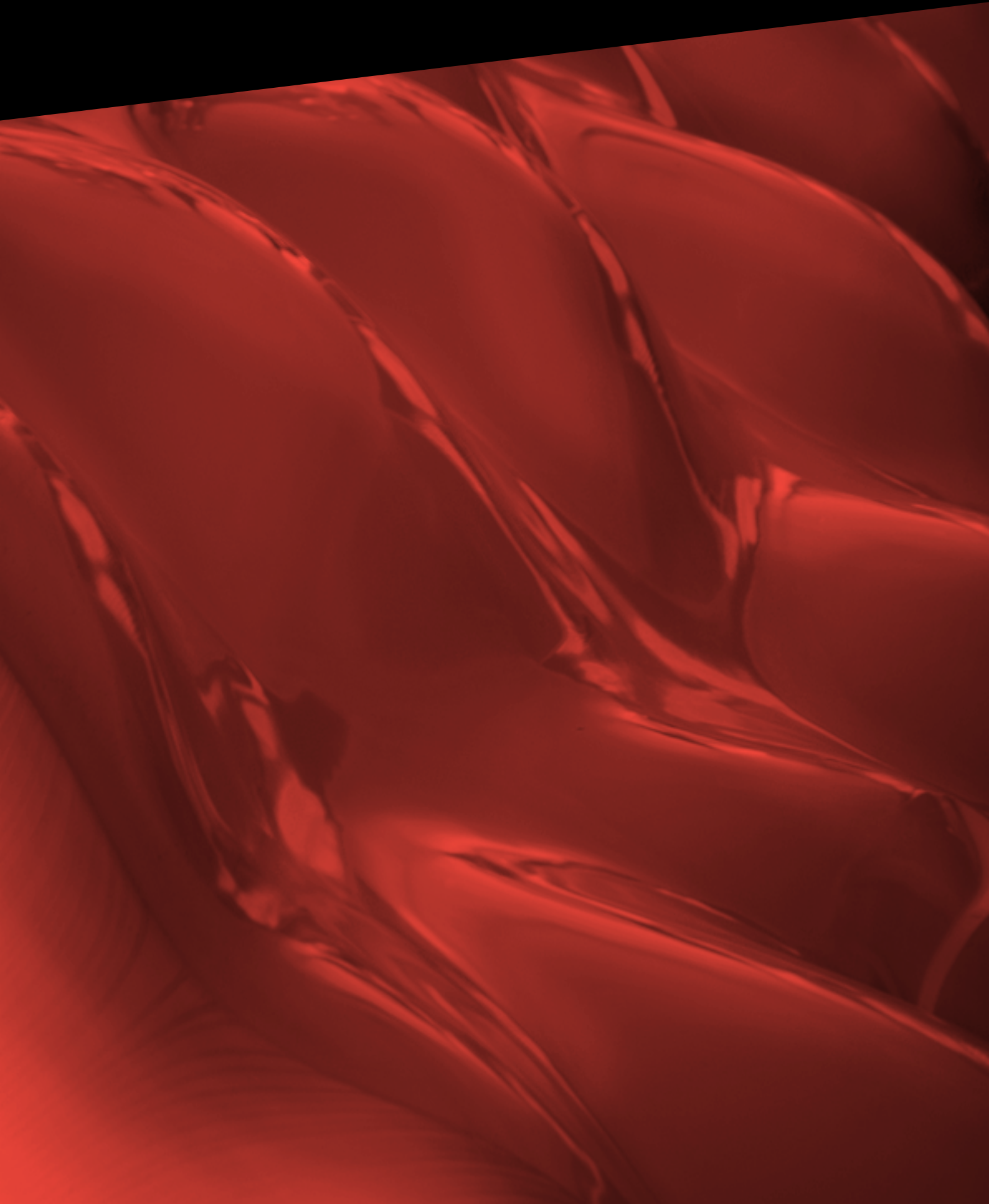
Vendor Name	Order Amount (\$)	Invoiced Amount (\$)	Further Commitments (\$)	Description
Talent International (Vic)	9,722,197	9,242,569	479,628	Various IT projects
Clicks Recruitment (Australia)	7,249,826	5,348,980	1,900,846	Various IT projects
Paxus Australia Pty Ltd	3,564,750	2,094,900	1,469,850	Various IT projects
Dell Australia Pty Ltd	2,083,640	1,973,479	110,161	Windows 7 & IT fleet management services
Charter Mason Pty Ltd	1,731,192	1,332,392	398,800	Various IT projects
IMA Management & Technology	1,651,497	1,191,077	460,420	Various IT projects
Hays Personnel Services	1,369,677	786,725	582,952	Various IT projects
Pricewaterhouse Coopers	964,673	964,673	Nil	Web transformation project
Clarius Group Ltd	859,579	537,502	322,077	Various IT projects
Citrix Systems Asia-Pacific	789,000	749,000	40,000	RMIT private cloud infrastructure project
The Production Place	780,311	765,355	14,956	Event management – graduation
Entity Solutions	768,349	713,402	54,947	Various ITS projects
Object Consulting	719,299	719,299	Nil	Web transformation & Apply Direct projects
Hewlett-Packard Australia	713,471	444,091	269,380	Network simplification project
Command Recruitment Group	712,723	657,687	55,036	Various IT projects
KPMG	710,964	523,684	187,280	Services design project
Terminalfour Solutions (Dublin)	547,235	523,029	24,206	Web transformation project
MIP (Australia) Pty Ltd	490,540	490,540	Nil	Business intelligence project
Insight Systems Pty Ltd	464,930	454,600	10,330	AV upgrade project
JDS Australia Pty Ltd	451,628	193,878	257,750	IT performance testing
Meld Studios Pty Ltd	413,799	315,599	98,200	Global admissions project & IT services review
GHD Pty Ltd	402,224	273,202	129,022	Various Property Services projects
Alliance Recruitment	389,755	389,755	Nil	Various IT projects
O2 Networks Pty Ltd	376,635	376,635	Nil	Implementation of Infoblox equipment
Lormax Consulting	370,160	168,560	201,600	ITS technology investment plan
Naviro Pty Ltd	360,600	118,900	241,700	Various IT projects
Sage Didactic Pty Ltd	347,614	221,812	125,802	Mt Isa electrical-instrumentation training
Hobsons	345,736	345,736	Nil	Managed services agreement (marketing & recruitment)
Tribal Education Ltd	344,407	338,857	5,550	Global admissions project
Madison Cross Australia	331,501	297,355	34,146	Various IT and procurement projects
Pricewaterhouse Coopers	327,528	327,528	Nil	HR operating model review
Executive Central Group	300,123	300,123	Nil	Coaching, mentoring & support services for executive staff
Vaxacom Pty Ltd	292,650	252,650	40,000	Atlas project
Symplicit Pty Ltd	287,204	287,204	Nil	Web transformation project
Professional Recruitment Australia	285,052	127,908	157,144	Various IT projects
Oxley International	269,286	169,288	99,998	Capacity building program & APEC training
Counselling Appraisal Consultants	268,114	268,114	Nil	Employee assistance program
Reactive Media Pty Ltd	254,784	245,184	9,600	Web transformation project
Programmed Facility Management	236,700	233,494	3,206	Facilities management
The Knowledge Partnership	236,233	230,893	5,340	Market research
Zenex Consulting Pty Ltd	232,800	232,800	Nil	IT Fleet Management Services
Acclimation Pty Ltd	230,252	181,622	48,630	Business intelligence & global admissions projects

Vendor Name	Order Amount (\$)	Invoiced Amount (\$)	Further Commitments (\$)	Description
EIC-Growth Pty Ltd	230,134	230,134	Nil	Entrepreneur in Residence
Memko Pty Ltd	228,150	228,150	Nil	Course development and training
Oxygen Business Solutions	226,085	203,817	22,268	IT BASIS Support
Speller International	220,599	113,069	107,530	Various IT projects
Open Universities Australia	208,797	208,797	Nil	Course delivery
Presence of IT (Vic)	203,546	203,546	Nil	HR/payroll design and implementation
Rutledge Engineering (Aust)	195,940	185,600	10,340	Project management & site supervision for AV project
Austin Health	192,049	192,049	Nil	Clinical supervision
Alcatel-Lucent Australia	183,568	183,568	Nil	Laboratory access and training
Southern Healthcare Network	183,406	183,406	Nil	Clinical supervision
Resource 23 Pty Ltd	182,820	182,820	Nil	Various ITS projects
Larkins Family Trust	178,500	178,500	Nil	RMIT Indonesia project
Securitiworx Pty Ltd	171,600	171,600	Nil	Security management
Eastern Health	164,498	164,498	Nil	Clinical supervision
Cubane Consulting	160,600	120,600	40,000	Uniforum consultancy
Lee Hecht Harrison	157,600	157,600	Nil	Career transition consulting
Acuity Search Pty Ltd	155,680	104,200	51,480	Various IT projects
Hoban Recruitment	152,840	108,940	43,900	Various IT projects
Nous Group Pty Ltd	145,653	145,653	Nil	Process re-engineering & workshop/meeting facilitation
Minter Ellison	145,247	145,247	Nil	Review of contracts
Sharp Words	143,202	143,202	Nil	Editing and workshop facilitation
Accelerator Communications	140,775	140,775	Nil	Development & production of multimedia clip
Digital Silver Pty Ltd	140,241	124,924	15,317	Student recruitment
Spatial Vision Innovations	140,000	115,000	25,000	Research into peri-urban areas
Aviation Solutions Recruitment	136,125	136,125	Nil	Provision of flight instructors
Hay Group Pty Ltd	131,300	131,300	Nil	Leadership development
Charter Keck Cramer	129,900	104,900	25,000	Property valuations and reports
Raynd Pty Ltd	129,600	129,600	Nil	ARG framework analysis
Arup Pty Ltd	123,000	103,938	19,062	Various Property Services projects
On-Demand Training Solutions	121,570	121,570	Nil	Program design for VLine
The Leadership Sphere Pty Ltd	120,000	120,000	Nil	Design and facilitation of HR workshops
Deloitte Consulting Pty Ltd	119,000	119,000	Nil	Business intelligence project
Amazon Web Services Inc	117,123	107,827	9,296	Web hosting services
Growth Solutions Group Pty Ltd	116,095	116,095	Nil	TAFE re-positioning project
Melbourne Health	115,178	115,178	Nil	Clinical supervision
Waller Consultancy Pty Ltd	107,088	107,088	Nil	Director APEC
Learning Edges Australia	105,655	105,655	Nil	VET reform project
Explorance Inc	100,717	100,717	Nil	Survey project management & implementation
	49,172,517	40,964,767	8,207,750	
1460 Consultancies of less than \$100,000		10,213,634		

A complete list of all 2013 consultancies is available on the RMIT website at www.rmit.edu.au/about/annualreport.

Item No	Source Reference	Summary of Reporting Requirement	Page(s)
STANDING DIRECTIONS OF THE MINISTER FOR FINANCE			
1	SD 4.2(g)	Report of Operations contains general information about the entity and its activities, highlights for reporting period and future initiatives and is prepared on a basis consistent with financial statements pursuant to the Financial Management Act 1994.	4–33
2	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions.	4–33, 31
3	SD 4.2(j)	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved.	2
4	SD 4.2(a)	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> – Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements; – Financial Reporting Directions; and – Business Rules 	38–99, 48
5	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> – Balance Sheet and income statement (Statement of Financial Position); – Statement of Recognised Income and Expense (Income Statement); – Cash Flows Statement; and – Notes to the financial statements. 	45 42 46 47–97
6	SD 4.2(c)	Signed and dated statement by Accountable Officer stating that financial statements: <ul style="list-style-type: none"> – Present fairly the financial transactions during reporting period and the financial position at end of the period; – Were prepared in accordance with Standing Direction 4.2(c) and applicable Financial Reporting Directions; and – Comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements. 	39 39 39, 48
7	SD 4.2(d)	Financial Statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than: <ul style="list-style-type: none"> – \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and – \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000. 	38–99
8	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission.	Inside front cover, 39–41
9	SD 4.5.5	Attestation on compliance with the Australian/New Zealand Risk Management Standard.	38
FINANCIAL REPORTING DIRECTIONS			
10	FRD 03A	Accounting for Dividends	N/A
11	FRD 07A	Early Adoption of Authoritative Accounting Pronouncements	57
12	FRD 9A	Administered assets and liabilities	N/A
13	FRD 10	Disclosure Index	35–36
14	FRD 11	Disclosure of Ex-gratia Payments	No ex-gratia payments
15	FRD 15B	Executive Officer Disclosures	90–92
16	FRD 17A	Long Service Leave Wage Inflation and Discount Rates	48, 55–56
17	FRD 19	Private Provision of Public Infrastructure	N/A
18	FRD 21B	Responsible Person and Executive Officer Disclosure in the Financial Report	90–93
19	FRD 22C	Details of consultancies over \$100,000 (refer to FRD for information required)	33–34
20	FRD 22C	Details of consultancies under \$100,000 (refer to FRD for information required)	34
21	FRD 22D	Manner of establishment and the relevant Minister	7, 32, 90
22	FRD 22D	Objectives, functions, powers and duties	4, 7, 11, 27–29, 32
23	FRD 22D	Nature and range of services provided including communities served	4–26
24	FRD 22D	Organisational structure and chart, including accountabilities	10–11, 27–29
25	FRD 22D	Names of Council members	28
26	FRD22 & SD 4.2(k)	Operational and budgetary objectives, performance against objectives and achievements	5–7, 12–26
27	FRD 22D	Occupational health and safety statement including performance indicator and performance against those indicators	24
28	FRD 22D	Workforce data for current and previous reporting period including a statement on employment and conduct principles	24
29	FRD 22D	Summary of the financial results for the year including previous 4 year comparisons	98–99
30	FRD 22D	Significant changes in financial position during the year	13
31	FRD 22D	Major changes or factors affecting performance	13
32	FRD 22D	Post-balance sheet date events likely to significantly affect subsequent reporting periods	82
33	FRD 22D	Summary of application and operation of the Freedom of Information Act 1982	31

FINANCIAL REPORTING DIRECTIONS (continued)			
34	FRD 22D	Statement of compliance with building and maintenance provisions of the Building Act 1993	31
35	FRD 22D	Statement on National Competition Policy	31
36	FRD 22D	Summary of application and operation of the Protected Disclosure Act 2012	31
37	FRD 22D	Summary of Environmental Performance	26
38	FRD 22D	List of certain other information available on request (as specified in the FRD)	31
39	FRD 24C	Reporting of office based environmental impacts	26
40	FRD 25A	Victorian Industry Participation Policy in the Report of Operations	N/A
41	FRD 26A	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	N/A
42	FRD 30A	Standard requirements for the design and print of annual reports	1-100
43	FRD 101	First time adoption	57
44	FRD 102	Inventories	51, 69
45	FRD 103D	Non-current physical assets	53, 70-72
46	FRD 104	Foreign currency	49, 77
47	FRD 105A	Borrowing Costs	55, 64, 73-74
48	FRD 106	Impairment of assets	50, 53
49	FRD 107	Investment properties	N/A
50	FRD 109	Intangible assets	54, 72
51	FRD 110	Cash Flow Statements	46
52	FRD 112C	Defined benefit superannuation obligations	55, 56, 82-83
53	FRD 113	Investments in Subsidiaries, Jointly Controlled Associates and Entities	30, 49, 88
54	FRD 114A	Financial Investments	51-53, 69, 86-88
55	FRD 115	Non- current physical assets – first time adoption	N/A
56	FRD 119	Contributions by owners	N/A
57	FRD 119A	Transfers through contributed capital	N/A
58	FRD 120G	Accounting and reporting pronouncements applicable to the reporting period	57
59	FRD 121	Infrastructure assets	N/A
FINANCIAL MANAGEMENT ACT 1994 (FMA)			
60	FMA 1994	Financial Statements:	
	49 (a)	– Contain such information as required by the Minister;	38-99
	49 (b)	– Are prepared in a manner and form approved by the Minister;	38-99
	49 (c)	– Present fairly the financial transactions of the university during the relevant financial year to which they relate;	38-99
	49 (d)	– Present fairly the financial position of the university as at the end of that year; and	38-99
	49 (e)	– Are certified by the accountable officer in the manner approved by the Minister	39
EDUCATION AND TRAINING REFORM ACT 2006 (ETRA)			
61	ETRA, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in 2013	31
DECISION OF PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE OF PARLIAMENT			
62	PAEC	Financial and other information relating to the university's international operations.	15-18, 88
UNIVERSITY COMMERCIAL ACTIVITIES			
63	UNIVERSITY COMMERCIAL ACTIVITY GUIDELINES	– Summary of the university commercial activities – If the university has a controlled entity, include the accounts of that entity in the university's Annual Report	30, 31 37-99
DUAL SECTOR UNIVERSITIES ONLY			
TAFE KEY PERFORMANCE INDICATORS (KPIs)			
64	FRD 27B	Reporting and performance should be presented using KPIs and a signed Performance Management Certificate should also be completed. 1. Participation of 15-24 year olds. 2. Participation of 25-64 year olds. 3. Module Load Completion Rate. 4. Student satisfaction. 5. Total Cost per Student Contact Hour (SCH). 6. Working Capital Ratio. 7. Net Operating Margin. 8. Fee for Service Revenue. 9. Revenue per EFT Staff. 10. Student Contact Hours (SCH). Energy Consumption.	38



TAFE Key Performance Indicators 2012 and 2013

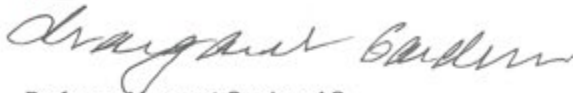
Indicator	2012	2013
Participation of 15–24 year-olds	9,410	10,287
Participation of 25–64 year-olds	6,163	5,801
Module load completion rate*	81.1%	79.6%
Student overall satisfaction	86.6%	86.0%
Student contact hours (SCH)	9,574,251	9,428,108
Total Cost per Student Contact Hour (SCH)	\$15.79	\$16.09
Working capital ratio**	0.80 : 1.0	0.92 : 1.0
Net operating margin	4.5%	9.5%
Fee for service revenue (as % of total TAFE revenue)	48.7%	53.3%
Revenue per EFT staff (TAFE teaching & non-teaching staff)	\$138,555	\$147,580

* Calculated for total SCHs of all modules reported to Higher Education Skills Group.

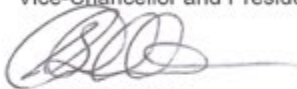
**After adjusting Current LSL Provision in accordance with International Accounting Standards restatement requirements.

Energy Consumption	2012	2013	% Change On 2012
Gas (MJ)	23,411,340	23,897,684	+2.1%
Electricity (kWh)	13,268,961	11,763,212	-11.3%
Green Power (kWh)	2,653,792	2,352,642	-11.3%
Energy (MJ)	71,179,600	66,245,246	-6.9%

In my opinion the above tables present fairly the data for Royal Melbourne Institute of Technology for the years ended 31 December 2012 and 31 December 2013.



Professor Margaret Gardner AO
Vice-Chancellor and President



Stuart Donaldson
Executive Director, Financial Services

Dated at Melbourne this 4 day of March 2014.

Attestation on compliance with the International Standard for Risk Management

I, Professor Margaret Gardner, certify that RMIT University has risk management processes in place consistent with Australian/New Zealand Risk Management Standard, and an internal control system is in place that enables the executive to understand, manage and satisfactory control risk exposures. RMIT Council's Audit and Risk Management Committee verifies this assurance and that the risk profile of RMIT has been critically reviewed within the last 12 months.



Professor Margaret Gardner AO
Vice-Chancellor and President

Date: 4 March 2014

Royal Melbourne Institute of Technology and Subsidiaries

COUNCILLORS' DECLARATION YEAR ENDED 31 DECEMBER 2013

In our opinion:

The consolidated financial statements of Royal Melbourne Institute of Technology (RMIT) consisting of the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and the accompanying notes thereto, present fairly the financial position of the University and its subsidiaries as at 31 December 2013 and their financial performance represented by the results of their operations for the year ended on that date.

In the Councillors' opinion, as at the date of this declaration, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

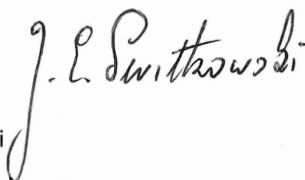
The attached financial statements of RMIT and the consolidated entity have been prepared in accordance with the Financial Management Act 1994, applicable Australian Accounting Standards and other mandatory professional reporting requirements.

All public funds allocated to RMIT have been expended for the purposes specified by the Government or other public funding bodies, and RMIT has complied with applicable legislation, contracts, agreements and program expenditure.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Council of RMIT.

Z. Switkowski
Chancellor



M.E. Gardner
Vice-Chancellor and President



STATEMENT BY PRINCIPAL ACCOUNTING OFFICER

In my opinion:

The financial statements of RMIT present fairly the financial transactions of RMIT and the consolidated entity during the financial year ended 31 December 2013 and the financial position of its operations for the year ended on that date;

Commonwealth financial assistance expected during the financial year ended 31 December 2013 was expended for the purposes for which it was provided;

RMIT has complied in full with applicable legislation, contracts, agreements and the requirements of various program guidelines that apply to the Commonwealth financial assistance identified in these financial statements; and

The financial statements have been prepared in accordance with the Australian Accounting Standards, the Financial Management Act 1994, Standing Direction 4.2(c) and other mandatory professional reporting requirements.

In addition, I am not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate and there are reasonable grounds to believe that RMIT will be able to pay its debts as and when they fall due.



S. Donaldson
Chief Finance and Accounting Officer

Dated at Melbourne
This ¹⁴ day of March 2014

INDEPENDENT AUDITOR'S REPORT

To the Council Members, Royal Melbourne Institute of Technology

The Financial Report

The accompanying financial report for the year ended 31 December 2013 of Royal Melbourne Institute of Technology which comprises income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information, and the councillors' declaration and statement by principal accounting officer has been audited. The financial report is the consolidated financial statements of the economic entity, comprising Royal Melbourne Institute of Technology and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 41 to the financial statements.

The Council Members' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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 Royal Melbourne Institute of Technology and the consolidated entity as at 31 December 2013 and of their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of Royal Melbourne Institute of Technology for the year ended 31 December 2013 included both in Royal Melbourne Institute of Technology's annual report and on the website. The Council Members of Royal Melbourne Institute of Technology are responsible for the integrity of Royal Melbourne Institute of Technology's website. I have not been engaged to report on the integrity of Royal Melbourne Institute of Technology's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

INDEPENDENT AUDITOR'S REPORT

To the Council Members, Royal Melbourne Institute of Technology

The Statement of Performance

The accompanying statement of performance for the year ended 31 December 2013 of Royal Melbourne Institute of Technology comprises the statement and the Declaration by Vice-Chancellor and President and the Executive Director, Financial Services has been audited.

The Council Members' Responsibility for the Statement of Performance

The Council Members of Royal Melbourne Institute of Technology are responsible for the preparation and fair presentation of the statement of performance in accordance with the *Financial Management Act 1994* and for such internal control as the Council Members determine is necessary to enable the preparation and fair presentation of the statement of performance 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 statement of performance based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the statement of performance is free from material misstatement.

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

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

Independence

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

Opinion

In my opinion, the statement of performance of Royal Melbourne Institute of Technology in respect of the 31 December 2013 financial year presents fairly, in all material respects, and in accordance with the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the statement of performance of Royal Melbourne Institute of Technology for the year ended 31 December 2013 included both in Royal Melbourne Institute of Technology's annual report and on the website. The Council Members of Royal Melbourne Institute of Technology are responsible for the integrity of Royal Melbourne Institute of Technology's website. I have not been engaged to report on the integrity of Royal Melbourne Institute of Technology website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the statement of performance are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited statement of performance to confirm the information contained in the website version of the statement of performance.

MELBOURNE
5 March 2014
John Doyle
Auditor-General

Income Statement

for the year ended 31 December 2013

	Note	Consolidated		RMIT	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3	295,194	276,248	295,194	276,248
HELP – Australian Government payments	3	189,657	145,925	189,657	145,925
State and Local Government financial assistance	4	34,393	56,892	34,393	56,892
HECS-HELP – Student payments		22,241	21,182	22,241	21,182
Fees and charges	5	386,505	351,009	318,558	293,909
Investment revenue and income	6	6,735	7,209	4,840	5,101
Consultancy and contracts	7	33,820	36,670	30,704	32,417
Other revenue and income	8	43,882	30,662	29,341	28,988
Total income from continuing operations		1,012,427	925,797	924,928	860,662
Expenses from continuing operations					
Employee related expenses	9	557,254	549,929	511,667	506,925
Depreciation and amortisation	10	77,682	66,339	70,570	60,060
Repairs and maintenance	11	15,088	11,713	15,073	11,672
Borrowing costs	12	6,443	8,227	6,810	8,786
Impairment of assets	13	12,604	3,904	14,628	4,296
Other expenses	14	273,849	234,259	254,364	217,648
Total expenses from continuing operations		942,920	874,371	873,112	809,387
Operating result before income tax		69,507	51,426	51,816	51,275
Income tax expense	17	2,450	2,192	1,744	1,670
Operating result after income tax for the period		67,057	49,234	50,072	49,605
Operating result attributable to minority interest	32	320	164	–	–
Operating result attributed to RMIT entity		67,377	49,398	50,072	49,605

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

Statement of Comprehensive Income

for the year ended 31 December 2013

	Note	Consolidated		RMIT	
		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
Operating result after income tax for the period		67,057	49,234	50,072	49,605
Items that may be reclassified to profit or loss					
Gain / (loss) on value of available for sale financial assets, net of tax	30	(1,532)	2,061	–	–
Cash flow hedges, net of tax	30	116	(718)	116	(718)
Exchange differences on translation of foreign operations	30	8,264	(961)	–	–
Total items that may be reclassified to profit or loss		6,848	382	116	(718)
Items that will not be reclassified to profit or loss					
Deferred government superannuation contributions	38	130,639	104,798	130,639	104,798
Deferred employee benefits for superannuation	38	(130,639)	(104,798)	(130,639)	(104,798)
Increase in reserve due to deregistration of subsidiaries	30	21	–	–	22
Other adjustments	31	(21)	(17)	–	–
Total items that will not be reclassified to profit or loss		–	(17)	–	22
Total comprehensive income		73,906	49,599	50,188	48,909
Total comprehensive income attributable to minority interest	32	320	164	–	–
Total comprehensive income attributable to RMIT entity		74,226	49,763	50,188	48,909

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

Statement of Changes in Equity

for the year ended 31 December 2013

	Reserves	Retained Earnings	Minority Interest	Total
	\$'000	\$'000	\$'000	\$'000
RMIT CONSOLIDATED ENTITY				
Balance at 1 January 2012	628,246	874,666	698	1,503,610
Profit or (loss)	–	49,398	(164)	49,234
Gain / (loss) on value of available for sale financial assets, net of tax	2,061	–	–	2,061
Exchange differences on translation of foreign operations	(961)	–	–	(961)
Revaluation of hedges	(718)	–	–	(718)
Other adjustments	–	(17)	–	(17)
Balance at 31 December 2012	628,628	924,047	534	1,553,209
Balance at 1 January 2013	628,628	924,047	534	1,553,209
Profit or (loss)	–	67,377	(320)	67,057
Gain / (loss) on value of available for sale financial assets, net of tax	(1,532)	–	–	(1,532)
Exchange differences on translation of foreign operations	8,264	–	–	8,264
Revaluations of hedges	116	–	–	116
Other adjustments	21	(21)	–	–
Balance at 31 December 2013	635,497	991,404	214	1,627,115
PARENT ENTITY				
Balance at 1 January 2012	607,419	824,227	–	1,431,646
Profit or (loss)	–	49,605	–	49,605
Revaluations of hedges	(718)	–	–	(718)
Increase in reserves due to deregistration of subsidiary	21	–	–	21
Other adjustments	–	1	–	1
Balance at 31 December 2012	606,722	873,833	–	1,480,555
Balance at 1 January 2013	606,722	873,833	–	1,480,555
Profit or (loss)	–	50,072	–	50,072
Revaluations of hedges	116	–	–	116
Balance at 31 December 2013	606,838	923,905	–	1,530,743

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

Statement of Financial Position

for the year ended 31 December 2013

	Note	Consolidated		RMIT	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	18	135,110	109,117	89,413	80,021
Receivables	19	52,794	50,003	56,958	49,500
Inventories	20	1,728	586	1,159	–
Other financial assets	22	17,250	8,800	–	–
Other non-financial assets	25	11,138	12,493	9,280	10,409
Total current assets		218,020	180,999	156,810	139,930
Non-current assets					
Receivables	19	315,830	443,839	315,894	443,787
Available for sale financial assets	21	28,001	20,340	–	–
Property, plant and equipment	23	1,832,345	1,802,180	1,780,696	1,757,790
Deferred tax asset	17	692	749	–	–
Intangible assets	24	814	422	–	–
Other financial assets	22	2,162	172	2,536	2,536
Total non-current assets		2,179,844	2,267,702	2,099,126	2,204,113
Total assets		2,397,864	2,448,701	2,255,936	2,344,043
LIABILITIES					
Current liabilities					
Trade and other payables	26	131,242	93,399	85,287	65,579
Borrowings	27	–	–	16,095	10,650
Provisions	28	118,794	122,797	117,378	121,436
Current tax liabilities	17	4,439	4,053	4,439	4,053
Other liabilities	29	76,234	62,769	63,066	50,527
Total current liabilities		330,709	283,018	286,265	252,245
Non-current liabilities					
Borrowings	27	110,000	155,000	110,000	155,000
Provisions	28	329,638	456,972	328,928	456,243
Deferred tax liabilities	17	5	12	–	–
Other liabilities	29	397	490	–	–
Total non-current liabilities		440,040	612,474	438,928	611,243
Total liabilities		770,749	895,492	725,193	863,488
Net assets		1,627,115	1,553,209	1,530,743	1,480,555
EQUITY					
RMIT entity interest					
Reserves	30	635,497	628,628	606,838	606,722
Retained earnings	31	991,404	924,047	923,905	873,833
Total RMIT entity interest		1,626,901	1,552,675	1,530,743	1,480,555
Minority interest	32	214	534	–	–
Total equity		1,627,115	1,553,209	1,530,743	1,480,555

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

Statement of Cash Flows

for the year ended 31 December 2013

	Note	Consolidated		RMIT	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Cash flows from operating activities					
Australian Government Grants received	3(g)	473,723	407,116	473,722	407,116
OS-HELP (net)		(98)	38	(98)	38
Superannuation Supplementation		20,156	23,915	20,156	23,915
State Government Grants received		34,296	56,930	34,296	56,930
HECS-HELP – Student payments		22,241	21,182	22,241	21,182
Receipts from student fees and other customers		475,225	429,130	393,411	359,843
Dividends received		1,413	1,863	1,320	1,331
Interest received		4,897	3,882	3,561	2,948
Payments to suppliers and employees (inclusive of GST)		(875,440)	(814,379)	(828,755)	(756,541)
Interest and other costs of finance		(6,447)	(8,786)	(6,810)	(8,786)
GST recovered / (paid)		26,116	27,949	26,235	28,660
Income tax paid		(1,569)	(2,057)	(1,358)	(1,547)
Net cash provided by (used in) operating activities	35(b)	174,515	146,783	137,921	135,090
Cash flows from investing activities					
Proceeds from sale of financial assets		36,658	700	–	–
Proceeds from sale of property, plant and equipment		698	399	693	399
Payments for financial assets		(50,720)	(4)	–	–
Payments for intangible assets		(476)	(214)	–	–
Payments for property, plant and equipment		(90,258)	(172,011)	(83,296)	(162,145)
Net cash provided by (used in) investing activities		(104,098)	(171,130)	(82,603)	(161,746)
Cash flows from financing activities					
Proceeds from borrowings		57,000	142,000	57,000	142,000
Loans from / (to) related parties		(770)	–	(925)	–
Repayment of borrowings		(102,000)	(77,000)	(102,000)	(77,000)
Net cash provided by (used in) financing activities		(45,770)	65,000	(45,925)	65,000
Net increase (decrease) in cash and cash equivalents		24,646	40,653	9,393	38,344
Cash and cash equivalents at the beginning of the financial year		109,117	69,262	80,021	41,677
Effects of exchange rate changes on cash and cash equivalents		1,348	(798)	–	–
Cash and cash equivalents at end of year	35(a)	135,110	109,117	89,414	80,021

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

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Notes to the Financial Statements 31 December 2013

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years reported, unless otherwise stated. The financial statements include statements for Royal Melbourne Institute of Technology (RMIT) as the parent entity and the consolidated entity consisting of RMIT and its subsidiaries.

The principal address of RMIT is Building 1, 124 La Trobe Street, Melbourne.

1.01 Basis of preparation

The annual financial statements represent the audited general purpose financial statements of Royal Melbourne Institute of Technology (RMIT). They have been prepared on an accrual basis and comply with the Australian Accounting Standards.

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

- *Higher Education Support Act 2003* (Financial Statement Guidelines)
- *Australian Accounting Standards Board (AASB) Interpretations*
- *Financial Management Act 1994*

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

Date of authorisation for issue

The financial statements were authorised for issue by the Council members of RMIT on 4 March 2014.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. They also require management to exercise its judgment in the process of applying RMIT's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a higher degree of judgment, complexity or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates

Depreciation

Management uses external independent valuers to establish the useful life of buildings. Useful lives of other property, plant and equipment are established according to the guidelines provided by the Department of Industry, Innovation, Science, Research and Tertiary Education (DISRTE), the Australian Taxation Office and Australian Accounting Standards.

Amortisation of Intangible Assets

Management uses estimates of useful life to determine the amortisation of internally developed or acquired Intangible Assets.

Impairment

RMIT assess impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Long Service Leave Provision

In calculating long service leave provisions, management uses a combination of the bond rates issued by the Reserve Bank of Australia, the salary increases in accordance with the Enterprise Bargaining Agreement and the probability factors based on staff retention rates. The methodology is consistent with the Department of Treasury and Finance's long service leave model.

Key Judgments – Provision for impaired receivables

Included in consolidated Accounts Receivable at 31 December 2013 are amounts receivable from customers and students amounting to \$22.573m (2012 – \$22.379m). The full amount of the debt is not recoverable and as such a doubtful debts provision amounting to \$3.310m (2012 – \$5.909m) has been set aside.

Comparative amounts

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

1 Summary of significant accounting policies (continued)

1.02 Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of RMIT as at 31 December 2013 and the results of all subsidiaries for the year then ended. RMIT and its subsidiaries together are referred to in the financial statements 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 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 subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of financial position and statement of changes in equity.

1.03 Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

If gains or losses on non-monetary items are recognised in other comprehensive income, translation gains or losses are also recognised in other comprehensive income. Similarly, if gains or losses on non-monetary items are recognised in profit and loss, translation gains or losses are also recognised in profit or loss.

(iii) Group companies

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

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are accounted for by recognising the effective portion in other comprehensive income and the ineffective portion in the income statement. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the gain or loss relating to the effective portion of the hedge that has been recognised in other comprehensive income is reclassified from equity to the income statement as a reclassification adjustment.

1.04 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Government financial assistance

Grants from the government are recognised at their fair value where the Group obtains control of the right to receive the grant, it is probable that economic benefits will flow to the Group and it can be reliably measured.

(ii) Fees and charges

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such receipts is treated as income in advance in the statement of financial position. Conversely, fees and charges relating to current year courses are recognised as revenue in the income statement.

(iii) Investment income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

(iv) Consultancy and contracts

Contract revenue is recognised in accordance with the percentage of completion method. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

- 1 Summary of significant accounting policies (continued)**
- 1.04 Revenue recognition (continued)**
- (v) Sale of non-current assets**
- The net profit or loss of non-current asset sales are included as revenue or expense at the date control of the asset passes to the purchaser, usually when an unconditional contract of sale is signed.
- The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.
- (vi) Property rental (lease) income**
- Rental income from operating leases is recognised as income on a straight-line basis over the lease term.
- (vii) Contribution of assets and donations**
- Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised as revenue at the fair value of the asset received when the RMIT Consolidated Group gains control of the contribution.
- 1.05 Income tax**
- The income tax expense or income for the period is the tax payable/receivable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.
- Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
- Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
- Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.
- Current and deferred tax assets and liabilities relating to the same taxation authority are offset when there is a legally enforceable right to offset current tax assets and liabilities and they are intended to be either settled on a net basis, or the asset is to be realised and the liability settled simultaneously.
- Current and deferred tax balances attributable to amounts recognised outside profit and loss are also recognised outside profit and loss.
- 1.06 Leases**
- Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases – note 34(b). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.
- 1.07 Business combinations**
- The acquisition method is used to account for each business combination; this does not include a combination of entities or businesses under common control, the formation of a joint venture, or the acquisition of an asset or a group of assets. Identifiable assets acquired, liabilities assumed and any non-controlling interest are recognised separately from goodwill as of the acquisition date. Intangible assets acquired in a business combination are recognised separately from goodwill if they are separable, but only together with a related contract, identifiable asset or liability. Acquisition related costs are expensed in the periods in which they are incurred with the exception of costs to issue debt or equity securities, which are recognised in accordance with AASB132 and AASB139.
- Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Measurement of any non-controlling interest is recorded at fair value or the present ownership instruments proportionate share in the recognised amounts of the identifiable net assets. All other components of non-controlling interests are measured at their acquisition-date fair values. Contingent liabilities assumed are recognised as part of the acquisition if there is a present obligation arising from past events and the fair value can be reliably measured. The excess at the acquisition date of the aggregate of the consideration transferred, the amount of any non-controlling interest and any previously held equity interest over the net amounts of identifiable assets acquired and liabilities assumed is recognised as goodwill. If the cost of acquisition is less than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.
- Consideration transferred in a business combination is measured at fair value. Where the business combination is achieved in stages, previously held equity interest is remeasured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.
- 1.08 Impairment of assets**
- Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Other assets 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 of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that were previously impaired are reviewed for possible reversal of the impairment at each reporting date.
- 1.09 Cash and cash equivalents**
- For statement of cash flows presentation purposes, 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.

1 Summary of significant accounting policies (continued)

1.10 Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement no more than 120 days from the date of recognition, and no more than 30 days for other debtors.

Collectability of 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 receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue for trade and 45 days overdue for student related debt) are considered indicators that the receivable is impaired. 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. Cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement within 'Bad and doubtful debts'. When a receivable is uncollectible, it is written off against the allowance account for trade / students receivables. Subsequent recoveries of amounts previously written off are credited against 'Bad and doubtful debts' in the income statement.

The percentage provided for by aged trade receivable category is as follows:

	2013	2012
181 to 270 days	40%	40%
271 to 365 days	50%	50%
over 366 days	100%	100%

Student related debts that are 90 days overdue are reviewed on an individual basis, and the provision is recorded based on the assessment of the individual debt and the possibility of the debt recovery.

No provision is made for receivables from government and education sectors.

1.11 Inventories

Stock

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. 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.

Work in Progress

Services:

Valuation of Work in Progress – Services is based on the number of hours charged to project milestones in respect of incomplete and unbilled milestones. These hours are calculated at the average labour cost per billable hour, including on-costs, for the final quarter of the year. An allowance of 10% has been deducted for potential project overruns.

Products:

Valuation of Work in Progress – Products is based on the number of hours charged to project milestones net of budget overruns. These hours are valued at the average direct cost per billable hour.

1.12 Non-current assets (or disposal groups) held for sale

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 of disposal 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 increases 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 taken up by the date of the sale of the non current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) 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 and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

1.13 Investments and other financial assets

Classification

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

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term.

1 Summary of significant accounting policies (continued)

1.13 Investments and other financial assets (continued)

(ii) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. RMIT designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income or other expense.

Amounts that have been recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the income statement.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

(c) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

(iii) 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 are included in current assets, except for those with maturities greater than 12 months after the balance date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

(iv) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

(v) 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 Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through 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 income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

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

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 income statement 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 non-monetary securities classified as available-for-sale are recognised in equity.

Fair Value

The fair values of quoted investments are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date, 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.

1 Summary of significant accounting policies (continued)

1.13 Investments and other financial assets (continued)

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 income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. In applying AASB 139, two tests have been considered in determining whether the impairment entries are to be taken to equity: i. the decline is "substantial" (more than 20% below investment cost) and ii. "prolonged" (more than 12 months in that state). Failure to meet either test would require the impairment to be charged to the income statement.

1.14 Fair value measurement

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

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

The fair value of assets or liabilities traded in active markets is based on quoted market prices for identical assets or liabilities at the balance sheet date (level 1). The quoted market price used for assets held by the Group is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of assets or liabilities that are not traded in an active market (for example, over the counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (level 2) are used for long term debt instruments held. Other techniques that are not based on observable market data (level 3) such as estimated discounted cash flows, are used to determine fair value for the remaining assets & liabilities. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase price of the asset, to use it in a manner that would be highest and best use.

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

1.15 Property, plant and equipment

Land and buildings are shown at fair value, 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.

The last revaluation of land and buildings was performed at the end of 2011. The total revaluation adjustment was \$7.4m consisting of a revaluation of land of \$30.4m and a devaluation of buildings of \$23.0m. The next full revaluation is due at the end of 2014. An assessment of land and buildings is performed every year apart from the full revaluation years and any variances greater than 10% are adjusted.

All other property, plant and equipment is relatively low in value, but represents a large proportion of the total volume of assets. Such assets are acquired and disposed of frequently, have short depreciable lives and subject to impairment tests as applicable. There is no evidence to indicate a fair value significantly different from depreciated cost and depreciated cost represents a reasonable approximation of fair value.

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

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of revaluation surplus. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are also firstly recognised in other comprehensive income before reducing the balance of revaluation surpluses in equity, to the extent of the remaining reserve attributable to the asset class; all other decreases are charged to the income statement. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred out to retained earnings.

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

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

1 Summary of significant accounting policies (continued)

1.15 Property, plant and equipment (continued)

Land and works of art are not depreciated. Depreciation of 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:

	2013 Years	2012 Years
Buildings	25 – 100	25 – 100
Equipment, motor vehicles, furniture and fittings	3 – 20	3 – 20
Leasehold improvements	2 – 51	2 – 51
Computer equipment	4	4
Library collections	10	10

The capitalisation threshold for plant, equipment, computers, motor vehicles and furniture and fittings to be recognised as an asset is \$2,000 (2012: \$2,000). The library collections are capitalised on an individual unit basis as they are considered to be significant in value as a collective group.

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

1.16 Leasehold improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the RMIT Consolidated Group, whichever is the shorter.

1.17 Intangible assets

(i) Research and development

Expenditure on research activities is recognised in the income statement as an expense, when it is incurred.

Expenditure on development activities, relating to the design and testing of new or improved products, are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. 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 income statement as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenditure is recorded as an intangible asset and amortised from the point at which the asset is ready for use. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 4 to 20 years (2012: 4 to 20 years).

(ii) Goodwill

Goodwill represents the excess of the aggregate of the fair value measurement of the consideration transferred in an acquisition, the amount of any non-controlling interest and any previously held equity interest in the acquirer, over the fair value of the Group's share of the net identifiable assets of the acquiree at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is not amortised, instead it is tested for impairment annually, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. Each of those cash-generating units represents the Group's investment in each country of operation by each primary reporting segment.

(iii) Intellectual property, trademarks and licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses.

(iv) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. The total amount of new internally developed intangible assets must be \$500K or higher in order to be considered for capitalisation.

(v) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(vi) Amortisation

Except for goodwill, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimated useful lives for the current and comparative years are as follows:

	2013 Years	2012 Years
Intellectual property, trademarks and licences	4 – 20	4 – 20
Capitalised development costs	2 – 5	2 – 5
Other intangible assets	3	3

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

1 Summary of significant accounting policies (continued)

1.18 Unfunded superannuation

In accordance with the 1998 instructions issued by the Department of Education, Employment and Workplace Relations (DEEWR) now known as the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE), the effects of the unfunded superannuation liabilities of RMIT and its subsidiaries were recorded in the income statement and the statement of financial position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

UniSuper Defined Benefit Ltd.

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

The unfunded liabilities recorded in the balance sheet under provisions have been determined by actuary of the Victorian Government Superannuation Office and relate to the estimates of net liabilities at 30 June 2013. The methodology of measurement of the net liabilities is based on the following actuarial assumptions:

Economic	2013	2012
Discount Rate	4.3% pa	3.0% pa
Salary increase rate	4.0% pa	4.0% pa
Pension Indexation	2.5% pa	2.5% pa
Investment Return on Fund Assets Supporting Pension Liabilities (net of fees and gross of investment income tax)	8.0% pa	8.0% pa

The actuary currently believes, in respect of the long-term financial condition of the Fund, that assets as at 30 June 2013, together with current contribution rates, are not expected to be sufficient to provide for the current benefit levels for both existing members and anticipated new members if experience follows the "best estimate" assumptions or the more conservative "funding" assumptions.

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

1.19 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.

1.20 Borrowings

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

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date and does not expect to settle the liability for at least 12 months after the balance sheet date.

1.21 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are expensed as incurred in accordance with Financial Reporting Directive 105. All other borrowing costs are also expensed.

1.22 Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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

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

1.23 Employee benefits

Provision is made for employee benefits and on-costs accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

(i) Short-term obligations

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

1 Summary of significant accounting policies (continued)

1.23 Employee benefits (continued)

(ii) Other long-term obligations

The liability for long-term employee benefits such as annual leave, accumulating sick leave and long service leave is recognised in current provisions for employee benefits if it is not expected to be settled wholly before 12 months after the end of the reporting period. It is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

(iii) Retirement benefit obligations

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's superannuation plans. The Group plans are either a defined benefit scheme or a defined contribution scheme. The defined benefit scheme provides defined lump sum benefits based on years of service and final average salary. The defined contribution scheme receives fixed contributions from Group and the Group's legal or constructive obligation is limited to these contributions.

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

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

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

Past service costs are recognised in income immediately, unless the changes to the superannuation fund are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Further details are provided in note 38.

(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 not expected to be settled wholly before 12 months after the end of the reporting period are discounted to present value.

(v) Employee benefit on-costs

Employee benefit on-costs, including payroll tax and workcover, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

1.24 Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position and no GST is included on accruals.

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

1.25 Contingent assets and contingent liabilities

Contingent assets and liabilities are not recognised in the statement of financial position, but are disclosed by way of a note (refer note 33) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of the GST receivable or payable respectively.

1.26 Commitments

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

1 Summary of significant accounting policies (continued)

1.27 Rounding of amounts

Amounts in the financial statements have been rounded off in accordance with Class order 98/0100 as amended by Class order 04/667, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial statements. Amounts have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

1.28 New Accounting Standards and Interpretations

Certain new Accounting Standards and Interpretations have been published that are not mandatory for 31 December 2013. RMIT's assessment of the impact of these new Standards and Interpretations is set out below:

Standard/Interpretation	Application date	Impact on financial reports
<p>AASB 9 Financial instruments – revised requirements for the classification and measurement of financial liabilities, and carrying over of the existing derecognition requirements from AASB 139 Financial Instruments: Recognition and Measurement.</p> <p>The revised financial liability provisions maintain the existing amortised cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss.</p>	1 January 2014	The assessment will be performed in 2014 provided that AASB 9 is adopted for the same period.
<p>AASB 2011-7 Amendments to Australian Accounting Standards arising from the consolidation and joint arrangement standards [AASB 10, 11, 12, 127 & 128].</p> <p>Prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.</p> <p>The Standard defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied. It also prescribes how investments in associates and joint ventures should be tested for impairment.</p>	1 January 2014	The Group has not yet determined any potential impact on the financial statements. The assessment will be performed in 2014.
<p>AASB 2012-6 Amendments to Australian Accounting Standards – mandatory effective date of AASB 9 and transition disclosures.</p> <p>Amends the mandatory effective date of AASB 9 Financial Instruments so that AASB 9 is required to be applied for annual reporting periods beginning on or after 1 January 2015 instead of 1 January 2013.</p>	1 January 2014	The assessment will be performed in 2014 provided that AASB 9 is also adopted for the same period.
<p>AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets.</p> <p>Narrow-scope amendments to AAS 136 'Impairment of Assets' address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.</p>	1 January 2014	The Group has not yet determined any potential impact on the financial statements. The assessment will be performed in 2014.
<p>AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139].</p> <p>Permits the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations.</p>	1 January 2014	The Group has not yet determined any potential impact on the financial statements. The assessment will be performed in 2014.

2 Disaggregation information

(a) Industries

Operating revenue and expenses for the Higher Education and TAFE divisions of the university are shown in the following tables. The figures refer only to RMIT – consolidated totals are not included.

	Higher Education 2013 \$'000	TAFE 2013 \$'000	Total RMIT 2013 \$'000	Higher Education 2012 \$'000	TAFE 2012 \$'000	Total RMIT 2012 \$'000
(i) Income Statement						
Income from continuing operations						
Australian Government financial assistance						
Australian Government grants	262,193	33,094	295,287	254,397	21,851	276,248
HELP – Australian Government payments	173,458	16,199	189,657	138,022	7,903	145,925
State and Local Government financial assistance	–	34,300	34,300	–	56,892	56,892
HECS-HELP – Student Payments	22,241	–	22,241	21,182	–	21,182
Fees and charges	251,528	67,030	318,558	242,769	51,140	293,909
Investment revenue and income	4,226	614	4,840	4,423	678	5,101
Consultancy and contracts	28,660	2,044	30,704	27,632	4,785	32,417
Other revenue and income	26,692	2,649	29,341	26,171	2,817	28,988
Total income from continuing operations excluding deferred government superannuation contributions	768,998	155,930	924,928	714,596	146,066	860,662
Deferred government superannuation contributions	130,639	–	130,639	104,798	–	104,798
Total income from continuing operations	899,637	155,930	1,055,567	819,394	146,066	965,460
Expenses from continuing operations						
Employee related expenses	415,871	95,796	511,667	407,633	99,292	506,925
Depreciation and amortisation	57,797	12,773	70,570	48,561	11,499	60,060
Repairs and maintenance	11,918	3,155	15,073	9,353	2,319	11,672
Borrowing costs	6,173	637	6,810	7,962	824	8,786
Impairment of assets	12,138	2,490	14,628	3,526	770	4,296
Other expenses	215,032	39,332	254,364	181,469	36,179	217,648
Total expenses from continuing operations excluding deferred government superannuation contributions	718,929	154,183	873,112	658,504	150,883	809,387
Deferred employee benefits for superannuation	130,639	–	130,639	104,798	–	104,798
Total expenses from continuing operations	849,568	154,183	1,003,751	763,302	150,883	914,185
Operating result before income tax	50,069	1,747	51,816	56,092	(4,817)	51,275
Income tax expense	1,744	–	1,744	1,336	334	1,670
Operating result after income tax for the period	48,325	1,747	50,072	54,756	(5,151)	49,605
(ii) Statement of Comprehensive Income						
Operating result after income tax for the period	48,325	1,747	50,072	54,756	(5,151)	49,605
Cash flow hedges	104	12	116	(646)	(72)	(718)
Increase in reserves due to deregistration of subsidiary	–	–	–	22	–	22
Total comprehensive income	48,429	1,759	50,188	54,132	(5,223)	48,909
(iii) Balance sheet						
ASSETS						
Cash and cash equivalents	62,819	26,594	89,413	63,282	16,739	80,021
Receivables	51,898	5,060	56,958	44,226	5,274	49,500
Inventories	927	232	1,159	–	–	–
Other non-financial assets	8,246	1,034	9,280	9,219	1,190	10,409
Total current assets	123,890	32,920	156,810	116,727	23,203	139,930

2 Disaggregation information (continued)

(iii) Balance sheet (continued)

	Higher Education 2013 \$'000	TAFE 2013 \$'000	Total RMIT 2013 \$'000	Higher Education 2012 \$'000	TAFE 2012 \$'000	Total RMIT 2012 \$'000
Non-current assets						
Receivables	315,894	–	315,894	443,787	–	443,787
Property, plant and equipment	1,456,426	324,270	1,780,696	1,428,208	329,582	1,757,790
Other financial assets	2,536	–	2,536	2,536	–	2,536
Total non-current assets	1,774,856	324,270	2,099,126	1,874,531	329,582	2,204,113
Total assets	1,898,746	357,190	2,255,936	1,991,258	352,785	2,344,043
LIABILITIES						
Current liabilities						
Trade and other payables	68,632	16,655	85,287	52,250	13,329	65,579
Borrowings	16,095	–	16,095	10,650	–	10,650
Provisions	99,962	17,416	117,378	104,498	16,938	121,436
Current tax liabilities	4,439	–	4,439	3,917	136	4,053
Other liabilities	50,487	12,579	63,066	41,300	9,227	50,527
Total current liabilities	239,615	46,650	286,265	212,615	39,630	252,245
Non-current liabilities						
Borrowings	99,000	11,000	110,000	139,500	15,500	155,000
Provisions	326,068	2,860	328,928	453,503	2,740	456,243
Total non-current liabilities	425,068	13,860	438,928	593,003	18,240	611,243
Total liabilities	664,683	60,510	725,193	805,618	57,870	863,488
Net assets	1,234,063	296,680	1,530,743	1,185,640	294,915	1,480,555
EQUITY						
RMIT entity interest						
Reserves	427,622	179,216	606,838	427,518	179,204	606,722
Retained earnings	806,441	117,464	923,905	758,123	115,710	873,833
Total equity	1,234,063	296,680	1,530,743	1,185,641	294,914	1,480,555

The allocation of assets and liabilities to the Higher Education or TAFE Divisions is made on the following basis:

Cash and cash equivalents

All Bank account balances are allocated on a proportional basis.

Receivables

Receivables directly attributable to either Higher Education or TAFE Division have been applied and all other trade debtors have been allocated on a proportional basis.

Other financial assets

These are allocated between the Higher Education and TAFE Division based on their direct relationship to the Division established at the time of acquisition of the asset.

Other assets

These are allocated to either the Higher Education or TAFE Division based on the nature of the asset and its relevance to the Division.

Property, plant and equipment

The allocation of buildings is based on the usage of space by the TAFE division. All other assets are allocated to TAFE division only if directly acquired to be used by TAFE only.

Trade and other payables

Trade payable directly attributable to either Higher Education or TAFE Division have been applied. Other payables have been allocated on a proportional basis.

Borrowings

The current interest bearing loan facility solely relates to the Higher Education Division and is directly attributed to intercompany loans between RMIT and its subsidiaries. The non-current interest bearing loan facility represents RMIT's loan with the CBA and is allocated on a proportional basis between the Higher Education and TAFE Division based on the usability of assets.

Provisions

Provisions have been attributed to either the Higher Education or TAFE Division as follows:

- directly to the appropriate Division in relation to the teaching and administrative staff operating within each Division;
- administrative support staff not directly operating within the teaching departments have been allocated on a proportional basis; and
- a small number of teaching and administrative staff who operate across the two divisions within the teaching departments have been solely allocated to the area in which they predominantly operate, as it is impractical to determine their proportional contribution to each division.

Other liabilities

Revenue in advance included in other liabilities is directly attributable to either Higher Education or TAFE Division, while all other revenue in advance has been allocated on a proportional basis.

2 Disaggregation information (continued)

	Higher Education			TAFE			RMIT
	Reserves	Retained earnings	Total	Reserves	Retained earnings	Total	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(iv) Statement of Changes in Equity							
Balance at 1 January 2012	428,143	703,367	1,131,510	179,276	120,860	300,136	1,431,646
Profit or loss	–	54,756	54,756	–	(5,151)	(5,151)	49,605
Cash flow hedges	(646)	–	(646)	(72)	–	(72)	(718)
Increase in reserves due to deregistration of subsidiary	22	–	22	–	–	–	22
Balance at 31 December 2012	427,519	758,123	1,185,642	179,204	115,709	294,913	1,480,555
Balance at 1 January 2013	427,519	758,123	1,185,642	179,204	115,709	294,913	1,480,555
Profit or loss	–	48,325	48,325	–	1,747	1,747	50,072
Cash flow hedges	104	–	104	12	–	12	116
Balance at 31 December 2013	427,623	806,448	1,234,071	179,216	117,456	296,672	1,530,743
	Higher Education	TAFE	Total RMIT	Higher Education	TAFE	Total RMIT	
	2013	2013	2013	2012	2012	2012	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
(v) Statement of Cash Flows							
Cash flows from operating activities							
Australian Government Grants received	440,628	33,094	473,722	385,265	21,851	407,116	
OS-HELP (net)	(98)	–	(98)	38	–	38	
Superannuation Supplementation	20,156	–	20,156	23,915	–	23,915	
State Government Grants received	93	34,203	34,296	–	56,930	56,930	
HECS-HELP – Student payments	22,241	–	22,241	21,182	–	21,182	
Receipts from student fees and other customers	322,534	70,877	393,411	300,856	58,987	359,843	
Dividends received	1,320	–	1,320	1,331	–	1,331	
Interest received	2,998	563	3,561	2,331	617	2,948	
Payments to suppliers and employees (inclusive of GST)	(705,851)	(122,904)	(828,755)	(621,492)	(135,049)	(756,541)	
Interest and other costs of finance	(6,173)	(637)	(6,810)	(7,962)	(824)	(8,786)	
GST recovered / (paid)	21,791	4,444	26,235	23,753	4,907	28,660	
Income tax paid	(1,358)	–	(1,358)	(1,077)	(470)	(1,547)	
Net cash provided by (used in) operating activities	118,281	19,640	137,921	128,141	6,949	135,090	
Cash flows from investing activities							
Proceeds from sale of property, plant and equipment	368	325	693	329	70	399	
Payments for property, plant and equipment	(77,686)	(5,610)	(83,296)	(156,535)	(5,610)	(162,145)	
Net cash provided by (used in) investing activities	(77,318)	(5,285)	(82,603)	(156,206)	(5,540)	(161,746)	
Cash flows from financing activities							
Proceeds from borrowings	51,300	5,700	57,000	127,800	14,200	142,000	
Loans (from) / to related parties	(925)	–	(925)	–	–	–	
Repayment of borrowings	(91,800)	(10,200)	(102,000)	(69,300)	(7,700)	(77,000)	
Net cash provided by (used in) financing activities	(41,425)	(4,500)	(45,925)	58,500	6,500	65,000	
Net increase (decrease) in cash and cash equivalents	(463)	9,855	9,392	30,435	7,909	38,344	
Cash and cash equivalents at the beginning of the financial year	63,282	16,739	80,021	32,847	8,830	41,677	
Cash and cash equivalents at end of year	62,819	26,594	89,413	63,282	16,739	80,021	

2 Disaggregation information (continued)

(b) RMIT Consolidated Entity	Total Revenue		Net Operating Results		Total Assets	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Geographical						
Australia	954,169	875,975	60,407	43,229	2,312,418	2,385,335
South East Asia	58,166	49,822	7,852	6,169	83,614	63,366
Europe	92	–	(882)	–	1,832	–
	1,012,427	925,797	67,377	49,398	2,397,864	2,448,701

3	Australian Government financial assistance including HECS-HELP and FEE-HELP	Consolidated		RMIT		
		2013	2012	2013	2012	
		Note	\$'000	\$'000	\$'000	\$'000
	(a) Commonwealth Grants Scheme and Other Grants	45.1				
	Commonwealth Grants Scheme		224,016	204,696	224,016	204,696
	Indigenous Support Program		473	341	473	341
	Partnership & Participation Program		4,377	4,220	4,377	4,220
	Disability Support Program		149	126	149	126
	Transitional Cost Program		–	11	–	11
	Promotion of Excellence in Learning and Teach		13	27	13	27
	Reward Funding		530	496	530	496
	Other – Australian Maths & Science Partnership		539	–	539	–
	Total Commonwealth Grants Scheme and Other Grants		230,097	209,917	230,097	209,917
	(b) Higher Education Loan Programs	45.2				
	HECS-HELP		135,590	109,007	135,590	109,007
	FEE-HELP		34,543	26,748	34,543	26,748
	VET FEE-HELP		16,199	7,903	16,199	7,903
	SA-HELP		3,325	2,267	3,325	2,267
	Total Higher Education Loan Programs		189,657	145,925	189,657	145,925
	(c) Scholarships	45.3				
	Australian Postgraduate Awards		4,883	4,391	4,883	4,391
	International Postgraduate Research Scholarships		409	403	409	403
	Commonwealth Education Cost Scholarships		(645)	501	(645)	501
	Commonwealth Accommodation Scholarships		(13)	129	(13)	129
	Indigenous Access Scholarships		65	63	65	63
	Total Scholarships		4,699	5,487	4,699	5,487
	(d) DIISRTE – Research	45.4				
	Joint Research Engagement		6,284	5,952	6,284	5,952
	JRE Engineering Cadetship		49	25	49	25
	Research Training Scheme		13,550	13,553	13,550	13,553
	Research Infrastructure Block Grants		1,887	1,849	1,887	1,849
	Sustainable Research Excellence in Universities		1,602	1,344	1,602	1,344
	Total DIISRTE – Research Grants		23,372	22,723	23,372	22,723

3 Australian Government financial assistance
including HECS-HELP and FEE-HELP (continued)

	Note	Consolidated		RMIT	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
(e) Australian Research Council	45.5				
(i) Discovery	45.5(a)				
Project		4,608	4,272	4,608	4,272
Fellowships		1,305	1,477	1,305	1,477
Total Discovery		5,913	5,749	5,913	5,749
(ii) Linkages	45.5(b)				
Infrastructure		–	840	–	840
Projects		2,675	2,729	2,675	2,729
Total Linkages		2,675	3,569	2,675	3,569
(f) Other Australian Government financial assistance					
Non-Capital					
Superannuation Supplementation		21,884	23,915	21,884	23,915
Other		6,554	4,888	6,554	4,888
Total Non-Capital		28,438	28,803	28,438	28,803
Total Australian Government financial assistance		484,851	422,173	484,851	422,173
Reconciliation					
Australian Government grants [a + c + d + e + f]		295,194	276,248	295,194	276,248
HECS-HELP – Australian Government payments		135,590	109,007	135,590	109,007
FEE-HELP payments		34,543	26,748	34,543	26,748
VET FEE-HELP payments		16,199	7,903	16,199	7,903
SA-HELP payments		3,325	2,267	3,325	2,267
Total Australian Government financial assistance		484,851	422,173	484,851	422,173
(g) Australian Government Grants received – cash basis					
CGS and Other DIISRTE Grants	45.1	230,471	209,957	230,471	209,957
Higher Education Loan Programs	45.2	203,320	143,845	203,320	143,845
Scholarships	45.3	4,699	5,705	4,699	5,705
DIISRTE research	45.4	23,372	22,723	23,372	22,723
ARC grants – Discovery	45.5	5,913	5,678	5,913	5,678
ARC grants – Linkages	45.5	2,660	3,554	2,660	3,554
Other Australian Government Grants		3,287	15,654	3,287	15,654
Total Australian Government Grants received – cash basis		473,722	407,116	473,722	407,116
OS-Help (Net)	45.6	(98)	38	(98)	38
Superannuation Supplementation	45.7	20,156	23,915	20,156	23,915
Total Australian Government funding received – cash basis		493,780	431,069	493,780	431,069
4 State and Local Government financial assistance					
Non-Capital					
Recurrent grants		32,655	53,957	32,655	53,957
Other grants		869	899	869	899
		33,524	54,856	33,524	54,856
Capital					
Capital grants		869	2,036	869	2,036
		869	2,036	869	2,036
Total State and Local Government financial assistance		34,393	56,892	34,393	56,892

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
5	Fees and charges			
	Course fees and charges			
Fee paying overseas students	315,805	294,169	250,553	238,289
Continuing education	19,171	17,501	19,189	17,513
Fee paying domestic postgraduate students	6,846	11,778	6,846	11,778
Fee paying domestic undergraduate students	11,101	2,501	11,101	2,501
Fee paying domestic non-award students	2,638	2,355	2,638	2,355
Other domestic course fees and charges	3,289	3,974	2,735	3,396
Total course fees and charges	358,850	332,278	293,062	275,832
	Other non-course fees and charges			
Amenities and service fees	24,089	15,564	21,406	14,504
Late fees	230	174	230	174
Library fines	4	5	4	5
Registration fees	5	1	5	1
Other fees and charges	3,327	2,987	3,851	3,393
Total other fees and charges	27,655	18,731	25,496	18,077
Total fees and charges	386,505	351,009	318,558	293,909
6	Investment revenue and income			
Interest	5,027	5,586	3,520	3,770
Dividends	1,708	1,623	1,320	1,331
Net investment income	6,735	7,209	4,840	5,101
7	Consultancy and contracts			
Consultancy	6,271	10,802	3,433	7,037
Contract research				
Commonwealth Government	15,053	11,667	15,053	11,667
Victorian State Government	3,179	2,440	3,179	2,440
Local Government	5	83	5	83
Industry and other	8,359	10,066	8,359	9,923
Total contract research	26,596	24,256	26,596	24,113
Other contract revenue				
Seminar and conference fees	531	1,126	531	1,126
Service fees	422	486	144	141
Total other contract revenue	953	1,612	675	1,267
Total consultancy and contracts	33,820	36,670	30,704	32,417
8	Other revenue and income			
Donations and bequests	4,240	1,119	7,512	6,421
Scholarships and prizes	5,224	3,840	5,224	6,606
Product sales	16,796	15,429	4,910	3,583
Property rental	6,589	6,071	7,554	7,051
Foreign exchange gains	197	223	146	160
Net realised gain on sale of available-for-sale financial assets	4,899	–	–	–
Net gain on disposal of property, plant and equipment	189	–	189	–
Supplier rebate	817	706	817	706
Other	4,931	3,274	2,989	4,461
Total other revenue and income	43,882	30,662	29,341	28,988

	Note	Consolidated		RMIT			
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000		
9							
		Employee related expenses					
		Academic					
		Salaries	228,714	223,991	196,907	196,628	
		Contributions to superannuation and pension schemes:					
		Emerging cost	38 (a)	15,330	16,753	15,330	16,753
		Funded	29,562	28,751	29,351	28,684	
		Payroll tax	12,159	12,133	11,969	11,976	
		Worker's compensation	1,526	1,005	1,475	963	
		Long service leave expense	4,015	5,221	4,015	5,221	
		Annual leave expense	19,279	19,991	19,257	19,969	
		Total academic	310,585	307,845	278,304	280,194	
		Non-academic					
		Salaries	177,467	173,356	166,047	160,333	
		Contributions to superannuation and pension schemes:					
		Emerging cost	38 (a)	6,554	7,162	6,554	7,162
		Funded	28,980	27,109	27,873	25,753	
		Payroll tax	10,931	10,683	10,332	9,990	
		Worker's compensation	1,306	1,993	1,274	1,925	
		Long service leave expense	2,149	3,607	2,042	3,487	
		Annual leave expense	19,282	18,174	19,241	18,081	
		Total non-academic	246,669	242,084	233,363	226,731	
		Total employee related expenses	557,254	549,929	511,667	506,925	
10		Depreciation and amortisation					
		Depreciation					
		Buildings	25,390	22,312	24,089	21,114	
		Leasehold improvements	3,662	5,717	3,116	5,059	
		Equipment, motor vehicles and furniture and fittings	39,741	31,569	35,728	28,385	
		Library collection	8,617	6,442	7,637	5,502	
		Total depreciation	77,410	66,040	70,570	60,060	
		Amortisation					
		Intangible assets	272	299	-	-	
		Total amortisation	272	299	-	-	
		Total depreciation and amortisation	77,682	66,339	70,570	60,060	
11		Repairs and maintenance					
		Buildings	13,033	9,856	13,022	9,849	
		Equipment	2,055	1,857	2,051	1,823	
		Total repairs and maintenance	15,088	11,713	15,073	11,672	
12		Borrowing costs					
		Interest to related corporations	-	-	367	559	
		Interest to other corporations	6,443	8,227	6,443	8,227	
		Total borrowing costs	6,443	8,227	6,810	8,786	

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
13	Impairment of assets			
	Amounts set aside for impaired receivables			
Trade debtors	1,885	163	1,800	150
Student debtors	(1,753)	4,286	(1,753)	4,286
Subsidiaries	–	–	2,145	(1,294)
Other debtors	–	(31)	–	(31)
Investment in non-related companies	–	788	–	788
	132	5,206	2,192	3,899
	Amounts set aside for impaired intangibles			
	8,177	–	8,177	–
	Bad debts written off / (recovered) in the Income Statement			
Trade debtors	22	(89)	–	(149)
Student debtors	4,259	(1,213)	4,259	(1,213)
	4,281	(1,302)	4,259	(1,362)
	Amounts written off in relation to investment			
Subsidiaries	–	–	–	1,760
Non-related companies	14	–	–	–
	14	–	–	1,760
	12,604	3,904	14,628	4,296
14	Other expenses			
Scholarships, grants and prizes	51,321	35,981	52,411	37,658
Non-capitalised equipment	10,435	9,433	10,371	9,351
Advertising, marketing and promotional expenses	17,091	16,083	12,641	12,055
General consumables	10,258	8,967	10,018	8,626
Printing and stationery	6,465	6,327	6,355	6,183
Minimum lease payments on operating leases	26,859	29,730	23,397	26,363
Telecommunications	6,928	5,287	5,153	4,502
Travel, staff development and entertainment	20,138	19,239	18,090	17,093
Net loss on disposal of property, plant and equipment	40	421	–	382
Foreign exchange losses	361	503	234	395
Occupancy expenses	28,574	28,068	25,900	25,628
Audit fees, bank charges, legal costs, insurance and taxes	7,759	6,214	7,067	5,837
Contractors and consultancy fees	50,881	38,621	49,333	37,502
Patents, copyright and licences	14,337	11,559	12,768	10,294
Memberships and subscription fees	3,306	2,643	3,287	2,584
Computer software support and maintenance	12,815	10,123	12,565	9,718
Other expenses	6,281	5,060	4,774	3,477
	273,849	234,259	254,364	217,648
15	Significant items of revenue and expenditure			
	Revenue			
Donation from related party	–	–	3,060	5,000
	Expenditure			
Staff separation payments	3,169	8,726	2,893	8,543
Impairment of receivables	132	5,206	2,192	3,899
Bad debt written off / (recovered)	4,281	(1,302)	4,259	(1,362)
Impairment in respect of financial assets	4,899	–	–	–
Donation to related entity	–	–	19,110	6,848

	Consolidated		RMIT		
	2013	2012	2013	2012	
Note	\$'000	\$'000	\$'000	\$'000	
16	Sales of assets				
	Proceeds from disposal of assets				
	Property, plant & equipment	698	399	693	399
	Total proceeds from sale of assets	698	399	693	399
	Carrying amount of assets disposed				
	Property, plant & equipment	549	820	504	781
	Total carrying amount of assets sold	549	820	504	781
	Net gain / (loss) on sale of assets	149	(421)	189	(382)
17	Income tax				
	(a) Income tax expense				
	Current tax	2,918	2,814	2,100	1,850
	Deferred tax	(133)	(280)	–	–
	Adjustment for current tax of prior periods	(335)	(342)	(356)	(180)
		2,450	2,192	1,744	1,670
	Income tax expense is attributable to:				
	Operating result from continuing operations	2,450	2,192	1,744	1,670
	Aggregate income tax expense	2,450	2,192	1,744	1,670
	(b) Numerical reconciliation of income tax expense to prima facie tax payable				
	RMIT's foreign operations are subject to income tax in the following jurisdictions: Hong Kong, Malaysia and Singapore.				
	Operating result from continuing operations before income tax expense	20,303	16,705	12,336	10,317
	Tax at the Australian tax rate of 30% (2012 – 30%)	6,091	5,012	3,701	3,095
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
	Entertainment	1	1	–	–
	Non-deductible expenses	654	75	–	–
	Penalty of Tax Audit	4	–	–	–
	Tax (deduction) / (exemption)	(279)	–	–	–
	Additional income tax charge per tax audit	(338)	(308)	–	–
	Additional business income tax provision	(458)	552	–	–
	Difference in overseas tax rates	(3,038)	(2,529)	(1,601)	(1,245)
	Adjustment for current tax of prior periods	(335)	(342)	(356)	(180)
	Utilisation of tax loss carry forward	245	–	–	–
	Business income tax charge – Current	2,547	2,460	1,744	1,670
	Deferred income tax benefit reversal / (arising) from deductible temporary differences	(97)	(268)	–	–
	Previously unrecognised tax losses now recouped to reduce current tax expense	2,450	2,192	1,744	1,670
	(c) Deferred tax				
	Deferred tax assets				
	Non-current	692	749	–	–
		692	749	–	–
	Deferred tax liabilities				
	Non-current	5	12	–	–
		5	12	–	–
	Net deferred tax liabilities	687	737	–	–

17 Income tax (continued)

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
(d) Current tax liabilities				
Current tax liability	4,439	4,053	4,439	4,053
The following subsidiaries are subject to income tax in Australia:				
Spatial Vision Innovations Pty Ltd				
18 Cash and cash equivalents				
Cash at bank and on hand	10,027	9,459	7,181	8,240
Deposits at call	108,671	82,024	82,232	71,781
Foreign currency bank accounts	16,412	17,634	–	–
Total cash and cash equivalents	135,110	109,117	89,413	80,021
(a) Cash at bank				
The cash at bank is bearing floating interest rates between 0.00% and 1.00% (2012 – 0.00% and 1.00%).				
(b) Deposits at call				
The deposits are bearing floating interest rates between 2.50% and 3.75% (2012 – 3.00% and 5.73%). These deposits have an average maturity of 45 days.				
19 Receivables				
Current				
Trade receivables	13,444	10,877	10,383	8,519
Less provision for impaired receivables	(540)	(323)	(436)	(309)
	12,904	10,554	9,947	8,210
Student loans & student receivables	9,129	11,502	9,129	11,502
Less provision for impaired receivables	(2,770)	(5,586)	(2,770)	(5,586)
	6,359	5,916	6,359	5,916
Government grants receivable	4,428	2,218	4,428	2,218
Deferred government contributions for superannuation *	21,874	24,456	21,874	24,456
Interest receivable	472	604	256	297
Other debtors and accrued income	6,800	6,255	7,054	6,311
Related parties receivable:				
Amounts receivable from subsidiaries	(43)	–	9,185	2,092
Less Provision for impairment	–	–	(2,145)	–
	33,531	33,533	40,652	35,374
Total current receivables	52,794	50,003	56,958	49,500
Non-current				
Other debtors	1,056	1,157	1,022	1,157
Deferred government contributions for superannuation *	314,722	442,630	314,722	442,630
Related parties receivable:				
Other related parties	52	52	150	–
Total non-current receivables	315,830	443,839	315,894	443,787
Total receivables	368,624	493,842	372,852	493,287

* RMIT recognises a receivable for the amount expected to be received from the Commonwealth Government in respect of unfunded superannuation schemes operated by the State Government. The total consolidated amount owing in respect of these at 30 June 2013 amounted to \$336.6m (2012 – \$467.09m). Refer note 28.

19 Receivables (continued)

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
(a) Impaired receivables				
Nominal value of impaired receivables				
Trade receivables	540	323	436	309
Student loans and student receivables	2,770	5,586	2,770	5,585
Amounts receivable from subsidiaries	–	–	2,145	–
Other debtors	–	–	–	–
	3,310	5,909	5,351	5,894
Amount of provision for impaired receivable set aside				
Trade receivables	540	323	436	309
Student loans and student receivables	2,770	5,586	2,770	5,585
Amounts receivable from subsidiaries	–	–	2,145	–
	3,310	5,909	5,351	5,894
The ageing of these receivables is as follows:				
3 to 6 months	168	–	–	1,220
Over 6 months	844	5,909	743	4,675
	1,012	5,909	743	5,895
Receivables which were past due but not impaired				
These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:				
3 to 6 months	1,986	1,217	1,846	1,147
Over 6 months	793	41	707	–
	2,779	1,258	2,553	1,147
Movements in the provision for impaired receivables are as follows:				
At 1 January	5,909	1,489	5,895	2,784
Provision for impairment recognised during the year	3,050	5,134	5,195	5,134
Write back of provision for impairment	(7,947)	(715)	(5,739)	(2,023)
At 31 December	1,012	5,909	5,351	5,895

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

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 Receivables (continued)

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
(b) Foreign exchange and interest rate risk				
The carrying amounts of current and non-current receivables are denominated in the following currencies:				
Australian dollar	364,907	492,188	370,883	492,909
American dollar	1,200	323	1,064	229
British pound	1	–	1	–
Canadian dollar	–	2	–	2
Euro	92	215	3	147
Hong Kong dollar	902	–	902	–
Singapore dollar	–	1	–	1
Vietnamese dong	1,522	1,114	–	–
Total receivables	368,624	493,842	372,852	493,287
Current receivables	52,794	50,003	56,958	49,500
Non-current receivables	315,830	443,839	315,894	443,787
Total receivables	368,624	493,842	372,852	493,287
A summarised analysis of the sensitivity of receivables to foreign exchange and interest rate risk can be found in note 39.				
20 Inventories				
Current				
Trading stock	1,549	474	1,159	–
Work in progress	179	112	–	–
Total inventories	1,728	586	1,159	–
21 Available for sale financial assets				
Non-current				
Investments in managed trust funds – at fair value	28,001	20,340	–	–
Total available for sale financial assets	28,001	20,340	–	–
Balance 1 January	20,340	17,665	–	–
Additions	28,031	614	–	–
Disposals (sale and redemption)	(23,758)	–	–	–
Realised gains / (losses) in the market value throughout the year	2,838	–	–	–
Unrealised gains / (losses) in the market value throughout the year	550	2,061	–	–
Balance 31 December	28,001	20,340	–	–
Represented by:				
Financial assets under funds management – pooled equity holdings	28,001	20,340	–	–
	28,001	20,340	–	–

Impairment and risk exposure

None of the financial assets are either past due or impaired.

All available-for-sale financial assets are denominated in Australian currency. For an analysis of the sensitivity of available-for-sale financial assets to price and interest rate risk refer to note 39.

	Note	Consolidated		RMIT					
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000				
22 Other financial assets									
Current									
Term deposits held-to-maturity		17,250	8,800	-	-				
		17,250	8,800	-	-				
Non-current									
Investments traded on organised markets									
Term deposits held-to-maturity		2,000	-	-	-				
Unlisted shares in subsidiaries		-	-	2,378	2,378				
Less Provision for diminution in value of investment		-	-	-	-				
Unlisted shares in non-related companies		7,470	7,480	7,466	7,466				
Less Provision for diminution in value of investment		(7,308)	(7,308)	(7,308)	(7,308)				
		2,162	172	2,536	2,536				
Total other financial assets		19,412	8,972	2,536	2,536				
	Note	Land \$'000	Buildings \$'000	Construction in progress \$'000	Leasehold improvements \$'000	Equipment, motor vehicles, furniture and fittings \$'000	Library collection \$'000	Artworks \$'000	Total \$'000

23 Property, plant and equipment

RMIT Consolidated Entity

1 January 2012

Cost	-	21,304	224,768	31,044	19,996	2,648	-	299,760
Valuation	378,456	936,471	-	-	197,888	72,374	1,702	1,586,891
Accumulated depreciation	-	(2,753)	-	(16,186)	(125,862)	(42,628)	-	(187,429)
Net book amount	378,456	955,022	224,768	14,858	92,022	32,394	1,702	1,699,222

Year ended 31 December 2012

Opening net book amount	378,456	955,022	224,768	14,858	92,022	32,394	1,702	1,699,222
Revaluation	-	-	-	-	-	-	-	-
Additions	-	-	143,583	608	19,932	6,910	90	171,123
Transfer out of capital works in progress	806	309,693	(333,236)	657	21,937	-	16	(127)
Disposals	-	-	-	(160)	(1,044)	-	-	(1,204)
Depreciation	-	(22,312)	-	(5,717)	(31,569)	(6,442)	-	(66,040)
Reclassification	-	-	-	-	-	-	-	-
Foreign currency translation gain / (loss)	-	(431)	(119)	(1)	(211)	(32)	-	(794)
Closing net book amount	379,262	1,241,972	34,996	10,245	101,067	32,830	1,808	1,802,180

31 December 2012

Cost	-	31,587	34,996	4,567	24,344	3,606	-	99,100
Valuation	379,262	1,235,384	-	26,231	229,591	78,264	1,808	1,950,540
Accumulated depreciation	-	(24,999)	-	(20,553)	(152,868)	(49,041)	-	(247,461)
Net book amount	379,262	1,241,972	34,996	10,245	101,067	32,829	1,808	1,802,179

23 Property, plant and equipment (continued)

Note	Land \$'000	Buildings \$'000	Construction in progress \$'000	Leasehold improvements \$'000	Equipment, motor vehicles, furniture and fittings \$'000	Library collection \$'000	Artworks \$'000	Total \$'000
Year ended 31 December 2013								
Opening net book amount	379,262	1,241,972	34,996	10,245	101,067	32,829	1,808	1,802,179
Revaluation	-	-	-	-	-	-	-	-
Additions	4,784	2,129	66,643	676	20,311	6,742	7	101,292
Transfer out of capital works in progress	233	25,034	(30,157)	157	3,502	-	1,222	(9)
Disposals	-	-	-	(9)	(536)	-	-	(545)
Depreciation	-	(25,679)	-	(4,386)	(39,211)	(8,134)	-	(77,410)
Reclassification	-	-	-	2,310	(887)	(1,423)	-	-
Foreign currency translation gain / (loss)	-	4,321	520	187	1,701	109	-	6,838
Closing net book amount	384,279	1,247,777	72,002	9,180	85,947	30,123	3,037	1,832,345
31 December 2013								
Cost	-	35,973	72,002	5,666	27,122	2,622	-	143,385
Valuation	384,279	1,262,482	-	26,392	249,441	84,676	3,037	2,010,307
Accumulated depreciation	-	(50,678)	-	(22,878)	(190,616)	(57,175)	-	(321,347)
Net book amount	384,279	1,247,777	72,002	9,180	85,947	30,123	3,037	1,832,345
Parent entity								
1 January 2012								
Cost	-	-	215,184	-	-	-	-	215,184
Valuation	378,455	936,471	-	27,038	197,888	72,372	1,702	1,613,926
Accumulated depreciation	-	-	-	(13,640)	(116,067)	(41,414)	-	(171,121)
Net book amount	378,455	936,471	215,184	13,398	81,821	30,958	1,702	1,657,989
Year ended 31 December 2012								
Opening net book amount	378,455	936,471	215,184	13,398	81,821	30,958	1,702	1,657,989
Revaluation	-	-	-	-	-	-	-	-
Additions	-	-	136,853	-	17,824	5,892	90	160,659
Transfer out of capital works in progress	806	298,917	(318,162)	657	17,767	-	16	1
Disposals	-	-	-	(159)	(642)	-	-	(801)
Depreciation	-	(21,112)	-	(5,059)	(28,385)	(5,502)	-	(60,058)
Closing net book amount	379,261	1,214,276	33,875	8,837	88,385	31,348	1,808	1,757,790
31 December 2012								
Cost	-	-	33,875	-	-	-	-	33,875
Valuation	379,261	1,235,388	-	26,235	229,587	78,264	1,808	1,950,542
Accumulated depreciation	-	(21,112)	-	(17,397)	(141,202)	(46,916)	-	(226,627)
Net book amount	379,261	1,214,276	33,875	8,838	88,385	31,348	1,808	1,757,790
Year ended 31 December 2013								
Opening net book amount	379,261	1,214,276	33,875	8,838	88,385	31,348	1,808	1,757,790
Revaluation	-	-	-	-	-	-	-	-
Additions	4,785	2,125	62,349	-	18,301	6,412	7	93,979
Transfer out of capital works in progress	233	24,969	(30,032)	157	3,450	-	1,222	(1)
Disposals	-	-	-	-	(503)	-	-	(503)
Depreciation	-	(24,089)	-	(3,116)	(35,728)	(7,637)	-	(70,570)
Closing net book amount	384,279	1,217,281	66,192	5,879	73,905	30,123	3,037	1,780,696

23 Property, plant and equipment (continued)

	Land	Buildings	Construction in progress	Leasehold improvements	Equipment, motor vehicles, furniture and fittings	Library collection	Artworks	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2013								
Cost	–	–	66,192	–	–	–	–	66,192
Valuation	384,279	1,262,482	–	26,392	249,441	84,676	3,037	2,010,307
Accumulated depreciation	–	(45,201)	–	(20,513)	(175,536)	(54,553)	–	(295,803)
Net book amount	384,279	1,217,281	66,192	5,879	73,905	30,123	3,037	1,780,696

(a) Valuation of land and buildings

An independent valuation of land and buildings was carried out as at 31 December 2013 by Cunningham Property Consultants Pty Ltd. The valuation has been determined on the following basis: Land at market value and Buildings at market value or depreciated replacement cost.

(b) Assets held in the name of the Minister

Land and buildings valued at \$331.88m (2012 – \$332.81m) is held by RMIT on behalf of the Minister. Upon disposal of any such properties, the application of the proceeds will be directed by the Minister.

	Note	Consolidated		RMIT	
		Intellectual property \$'000	Total \$'000	Intellectual property \$'000	Total \$'000
24 Intangible assets					
1 January 2012					
Cost		2,286	2,286	–	–
Accumulated amortisation and impairment		(1,638)	(1,638)	–	–
Net book amount		648	648	–	–
Year Ended 31 December 2012					
Opening net book amount		648	648	–	–
Additions		210	210	–	–
Transfer from equipment under construction		–	–	–	–
Disposals		(135)	(135)	–	–
Impairment losses		–	–	–	–
Amortisation charge	10	(301)	(301)	–	–
Closing net book amount		422	422	–	–
31 December 2012					
Cost		2,430	2,430	–	–
Accumulated amortisation and impairment		(2,008)	(2,008)	–	–
Net book amount		422	422	–	–
Year Ended 31 December 2013					
Opening net book amount		422	422	–	–
Additions		8,751	8,751	8,177	–
Transfer from equipment under construction		6	6	–	–
Disposals		–	–	–	–
Impairment losses		(8,177)	–	(8,177)	–
Amortisation charge	10	(272)	(272)	–	–
Foreign currency translation gain / (loss)		84	84	–	–
Net book amount		814	814	–	–
31 December 2013					
Cost		9,960	9,960	8,177	–
Accumulated amortisation		(9,146)	(9,146)	(8,177)	–
Net book amount		814	814	–	–

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
25 Other non-financial assets				
Current				
Library subscriptions prepaid	1,032	1,855	1,032	1,855
Other prepayments	10,106	10,638	8,248	8,554
Total other non-financial assets	11,138	12,493	9,280	10,409
26 Trade and other payables				
Current				
Trade creditors	35,579	34,075	32,502	31,164
Sundry creditor and operating accruals	94,800	58,246	51,920	33,337
OS-HELP Liability to Australian Government	264	361	264	361
Derivatives used for hedging	601	717	601	717
Total current trade and other payables	131,244	93,399	85,287	65,579
Foreign currency risk				
The carrying amounts of the Group's and parent entity's trade and other payables are denominated in the following currencies:				
Australian dollar	111,344	75,590	84,491	62,865
American dollar	335	1,769	335	1,769
British pound	67	233	67	233
Canadian dollar	31	6	31	6
Chinese renminbi	3	-	3	-
Danish krone	36	1	36	1
Euro	216	582	216	582
Hong Kong dollar	2	-	2	-
Indian rupee	3	6	3	6
Japanese yen	5	-	5	-
Malaysian ringgit	-	4	-	4
Mexican peso	2	-	2	-
New Zealand dollar	13	-	13	-
Singapore dollar	5	43	5	43
Swiss franc	7	-	7	-
Thailand bhat	71	71	71	71
Vietnamese dong	19,104	15,095	-	-
Total current trade and other payables	131,244	93,399	85,287	65,579
For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 39.				
27 Borrowings				
Current – unsecured				
Amounts payable to subsidiaries	-	-	16,095	10,650
Total current borrowings	-	-	16,095	10,650
Non-current – unsecured				
Bank loan	27(b) 110,000	155,000	110,000	155,000
Total non-current borrowings	110,000	155,000	110,000	155,000
Total borrowings	110,000	155,000	126,095	165,650

27 Borrowings (continued)

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
(a) Financing arrangements				
Unrestricted access was available at balance date to the following lines of credit:				
Credit standby arrangements				
Fixed term debt facility	30,000	30,000	30,000	30,000
Working capital redraw facility	10,000	10,000	10,000	10,000
Bank overdraft facility	250	250	–	–
Total facilities	40,250	40,250	40,000	40,000
Amount utilised	–	–	–	–
Unused credit facility	40,250	40,250	40,000	40,000
Bank loan facilities				
Facilities available	225,000	225,000	225,000	225,000
Amount utilised	(110,000)	(155,000)	(110,000)	(155,000)
Unused credit facility	115,000	70,000	115,000	70,000
Technology finance operating lease facility				
Lease facility available	20,000	20,000	20,000	20,000
Amount utilised	(7,710)	(8,669)	(7,710)	(8,669)
Unused credit facility	12,290	11,331	12,290	11,331
Business credit card facility				
Business credit facility available	7,500	7,500	7,500	7,500
Amount utilised	(1,090)	(877)	(1,090)	(877)
Unused credit facility	6,410	6,623	6,410	6,623

(b) Details of borrowings**Credit standby arrangements**

The fixed term debt facility of \$30m and working capital redraw facility of \$10m expires on 30 January 2016. The working capital redraw facility is subject to biennial review.

Bank loan facility

On 24 December 2010 RMIT signed an agreement with the Commonwealth Bank for the provision of a \$225m loan facility for a period of 13 years.

No repayments were made during 2013 or up to date in 2014 as RMIT is only required to make repayments if the Principal Outstanding on the Scheduled Repayment Date does not exceed the commitment on the repayment date.

Credit card facilities

RMIT has entered into an arrangement with its bankers for the provision of a corporate credit card facility. No interest has been paid during the year as all outstanding balances have been paid by the due dates.

(c) Fair value

The carrying amounts and fair values of borrowings at balance date are:

	2013		2012	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
On-balance sheet				
Bank loan	110,000	110,000	155,000	155,000
Business credit card borrowings	1,090	1,090	877	877
	111,090	111,090	155,877	155,877

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant.

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
28 Provisions				
Current provisions expected to be settled within 12 months				
Provision for restructuring costs	1,076	5,584	1,076	5,584
Employee benefits and oncosts				
Annual leave – at nominal value	26,624	23,560	26,371	23,402
Long service leave – at nominal value	9,889	10,341	9,474	10,306
Deferred benefits for superannuation #	21,874	24,456	21,874	24,456
	58,387	58,357	57,719	58,164
Current provisions expected to be settled later than 12 months				
Employee benefits and oncosts				
Annual leave – at net present value	5,091	6,978	4,543	6,329
Long service leave – at net present value	54,240	51,878	54,040	51,359
	59,331	58,856	58,583	57,688
Total current provisions	118,794	122,797	117,378	121,436
Non-current				
Employee benefits and oncosts				
Long service leave – at net present value	14,916	14,342	14,206	13,613
Deferred benefits for superannuation #	314,722	442,630	314,722	442,630
Total non-current provisions	329,638	456,972	328,928	456,243
Total provisions	448,432	579,769	446,306	577,679
Movements in provisions				
Movements in each class of provision during the financial year, other than employee benefits, are set out below:				
Carrying amount at start of year	5,584	1,437	5,584	1,437
Additional provisions recognised	(4,508)	4,147	(4,508)	4,147
Carrying amount at end of year	1,076	5,584	1,076	5,584
Employee benefits				
Provision for employee benefits and oncosts – current	117,718	117,213	116,302	115,852
Provision for employee benefits and oncosts – non-current	329,638	456,972	328,928	456,243
Aggregate employee benefits	447,356	574,185	445,230	572,095

28 Provisions (continued)

	Restructuring costs	Annual leave	Long service leave	Deferred benefits for superannuation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
RMIT Consolidated Entity					
2012					
Carrying amount at start of year	1,437	29,487	70,725	362,288	463,937
Net additional provisions recognised / (used)	4,147	1,051	5,836	104,798	115,832
Carrying amount at end of year	5,584	30,538	76,561	467,086	579,769
2013					
Carrying amount at start of year	5,584	30,538	76,561	467,086	579,769
Net additional provisions recognised / (used)	(4,508)	1,177	2,484	(130,490)	(131,337)
Carrying amount at end of year	1,076	31,715	79,045	336,596	448,432
Parent entity					
2012					
Carrying amount at start of year	1,437	28,624	69,432	362,288	461,781
Net additional provisions recognised / (used)	4,147	1,107	5,846	104,798	115,898
Carrying amount at end of year	5,584	29,731	75,278	467,086	577,679
2013					
Carrying amount at start of year	5,584	29,731	75,278	467,086	577,679
Net additional provisions recognised / (used)	(4,508)	1,183	2,442	(130,490)	(131,373)
Carrying amount at end of year	1,076	30,914	77,720	336,596	446,306

* A total consolidated unfunded liability for retirement benefits of \$336.60m (2012 – \$467.09m) accruing to beneficiaries of the State Superannuation Scheme has been recorded in the Balance Sheet as a liability. Refer Notes 1.18 and 38.

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
29 Other liabilities				
Current				
Australian Government unspent financial assistance	12,965	8,376	12,965	8,376
Monies held in trust	–	1,053	–	–
Research grants	14,968	11,872	14,360	11,872
Student fees	44,519	39,627	32,044	28,566
Project fees	85	128	–	–
Other	3,697	1,713	3,697	1,713
Total current other liabilities	76,234	62,769	63,066	50,527
Non-current				
Deferred lease liabilities	397	490	–	–
Total non-current other liabilities	397	490	–	–
Total other liabilities	76,631	63,259	63,066	50,527

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
30 Reserves				
Consolidated reserves				
Balance at beginning of year	628,628	628,246	606,722	607,419
Transfers from / (to) subsidiaries	21	–	–	21
Revaluations of hedges	116	(718)	116	(718)
Foreign exchange gains / (losses)	8,264	(961)	–	–
Unrealised valuation gain / (losses) taken to equity	(1,532)	2,061	–	–
Balance at end of year	635,497	628,628	606,838	606,722
Represented by:				
Asset revaluation surplus	644,191	644,212	607,419	607,440
Hedge reserve	(602)	(718)	(602)	(718)
Foreign currency translation reserve	(8,687)	(16,951)	–	–
Share premium reserve	45	24	21	–
Available for sale revaluation surplus	550	2,061	–	–
	635,497	628,628	606,838	606,722
Movements in reserves during the year were:				
Asset revaluation surplus				
Balance at beginning of year	644,212	644,212	607,440	607,419
Transfers from / (to) subsidiary	(21)	–	(21)	21
Balance at end of year	644,191	644,212	607,419	607,440
Hedge reserve				
Balance at beginning of year	(718)	–	(718)	–
Revaluations of hedges	116	(718)	116	(718)
Balance at end of year	(602)	(718)	(602)	(718)
Foreign currency translation reserve				
Balance at beginning of year	(16,951)	(15,990)	–	–
Foreign currency translation gains / (losses)	8,264	(961)	–	–
Balance at end of year	(8,687)	(16,951)	–	–
Share premium reserve				
Balance at beginning of year	24	24	–	–
Transfers from / (to) subsidiary	21	–	21	–
Balance at end of year	45	24	21	–
Available for sale revaluation reserve				
Balance at beginning of year	2,061	–	–	–
Realised (gains) / losses transferred to income statement	–	–	–	–
Unrealised valuation gains / (losses) taken to equity	(1,511)	2,061	–	–
Balance at end of year	550	2,061	–	–

30 Reserves (continued)**Nature and purpose of reserves****Asset revaluation surplus**

The asset revaluation surplus is used to record asset revaluation increments and decrements in the value of non-current physical assets.

Hedge reserve

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in hedge reserve.

Foreign currency translation reserve

Exchange differences arising on translation of foreign controlled entities are recognised in the foreign currency translation reserve. The reserve is recognised in the profit and loss when the net investment is disposed of.

Share premium reserve

Amount paid by shareholders for shares in excess of their nominal value.

Available for sale revaluation reserve

Changes in fair value are taken to available for sale revaluation reserve, as described in note 1.13.

	Note	Consolidated		RMIT	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
31	Retained surplus				
	Retained surplus at beginning of year	924,047	874,666	873,833	824,227
	Operating result attributable to RMIT entity	67,377	49,398	50,072	49,605
	Other adjustments	(21)	(17)	–	–
	Retained surplus at end of year	991,404	924,047	923,905	873,833
32	Minority interest				
	Outside equity interest in subsidiaries comprises:				
	Interest in accumulated funds at the beginning of the year	386	550	–	–
	Interest in net operating result	(320)	(164)	–	–
	Interest in accumulated funds at the end of the year	66	386	–	–
	Interest in share capital	120	120	–	–
	Interest in reserves	28	28	–	–
	Total outside equity interests in controlled entities	214	534	–	–
33	Contingencies				
	(a) Contingent liabilities				
	The RMIT Consolidated Entity and RMIT have contingent liabilities at 31 December in respect of:				
	Guarantees				
	Contract performance guarantee	28	28	28	28
	Security deposit guarantee	20	20	20	20
	Non-trade letter of credit / accommodation	42	18	42	18
	Lease guarantee	266	258	–	–
	Total Guarantees	356	324	90	66
	(b) Contingent assets				
	No contingent assets				

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
34 Commitments				
(a) Capital commitments				
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:				
Plant and equipment				
Due within one year	13,285	3,929	13,285	3,929
GST reclaimable on the above	(1,052)	(197)	(1,052)	(197)
Net Commitment	12,233	3,732	12,233	3,732
Building works				
Due within one year	141,947	12,478	141,717	9,344
GST reclaimable on the above	(12,879)	(849)	(12,879)	(849)
Net Commitment	129,068	11,629	128,838	8,495
(b) Operating leases – as lessee				
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities payable:				
Future minimum rental payments for leased premises				
Due within one year	9,330	8,166	7,098	5,462
Due after one year but within five years	14,205	12,419	12,380	9,017
Due after five years	3,870	3,816	3,570	3,708
	27,405	24,401	23,048	18,187
GST payable on the above	(2,286)	(1,844)	(2,095)	(1,653)
Net Commitment	25,120	22,557	20,952	16,534
Future minimum rental payments for leased equipment				
Due within one year	4,915	5,768	4,915	5,768
Due after one year but within five years	3,567	3,768	3,567	3,768
	8,482	9,536	8,482	9,536
GST reclaimable on the above	(771)	(867)	(771)	(867)
Net Commitment	7,711	8,669	7,711	8,669
Operating leases – as lessor				
Leases contracted for at the reporting date but not recognised as assets				
Future minimum rental receivable				
Due within one year	2,759	2,546	2,756	2,543
Due after one year but within five years	5,428	6,141	5,428	6,141
Due after five years	–	–	–	–
	8,187	8,687	8,184	8,684
GST reclaimable on the above	(744)	(790)	(744)	(789)
Net Commitment	7,443	7,897	7,440	7,895
(c) Other expenditure commitments				
Commitments related to CRC research and other non capital expenditure				
Due within one year	35,864	13,521	35,864	13,440
Due after one year but within five years	1,355	1,106	1,355	1,106
	37,219	14,627	37,219	14,546
GST reclaimable on the above	(3,000)	(1,303)	(3,000)	(1,296)
Net Commitment	34,219	13,324	34,219	13,250

34 Commitments (continued)

	Consolidated		RMIT	
	2013	2012	2013	2012
Note	\$'000	\$'000	\$'000	\$'000
The University has entered into research contracts with the National Health and Medical Research Council and the Australian Research Council, the revenues from which are recognised in the year of receipt. Under these contracts and as at balance date the University is committed to further expenditure to complete the relevant research and satisfy those commitments.	15,223	13,132	15,223	13,132
(d) Remuneration commitments				
Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities.				
Due within one year	62,515	57,733	62,515	57,733
Due after one year but within five years	55,127	51,643	55,127	51,643
Due after five years	355	217	355	217
	117,997	109,593	117,997	109,593

35 Notes to statement of cash flows

(a) Reconciliation of cash

For the purpose of the statement of cash flows, cash represents:

Cash on hand, at bank, short term money market deposits, short dated bills of exchange and outstanding bank overdrafts.

Cash at the end of the reporting period is shown in the Statement of Cash Flows and is reconciled to the related items in the financial statements as follows:

Cash at the beginning of year

Cash at bank and at hand	9,459	10,629	8,240	8,101
Short-term money market deposits	82,024	36,369	71,781	33,576
Foreign currency bank accounts	17,634	22,264	–	–
	109,117	69,262	80,021	41,677
Cash at the end of year				
Cash at bank and at hand	10,027	9,459	7,181	8,240
Short-term money market deposits	108,671	82,024	82,232	71,781
Foreign currency bank accounts	16,412	17,634	–	–
	135,110	109,117	89,413	80,021
Cash movement for the year	25,993	39,855	9,392	38,344

35 Notes to statement of cash flows (continued)

	Note	Consolidated		RMIT	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
(b) Reconciliation of operating result after income tax to net cash inflow from operating activities					
Operating result for the period after income tax		67,057	49,234	50,072	49,605
Loss / (gain) on sale of property, plant and equipment	8 & 16	(192)	903	(189)	382
Loss / (gain) on sale of available-for-sale financial assets	15	(4,899)	–	–	–
Loss / (gain) on sale of other financial assets		–	(825)	–	(825)
Distribution income re-invested		(665)	(614)	–	–
Depreciation of property plant and equipment	10	77,410	66,034	70,570	60,060
Amortisation of intangible assets	10	272	298	–	–
Net asset impairment loss / (gain)	13	9,306	1,760	9,306	1,760
Bad debt written off	13	–	788	–	788
Provision for doubtful debts		59	1,294	–	–
Investment written off / (written back)	13	14	–	–	–
Foreign exchange (gain) / loss		(114)	940	88	235
Write off of plant and equipment		38	–	–	–
Change in assets and liabilities					
Net (increase) / decrease in receivables		125,044	(93,501)	118,440	(95,946)
Net (increase) / decrease in inventories		(1,142)	134	(1,159)	–
Net (increase) / decrease in other non-financial assets		1,128	(830)	1,129	(3,261)
Net (increase) / decrease in deferred tax assets		(153)	(298)	–	–
Net (increase) / decrease in other financial assets		97	(3,652)	–	(830)
Net increase / (decrease) in payables		18,307	4,304	847	7,397
Net Increase / (decrease) in borrowings		–	–	7,440	(6,644)
Net increase / (decrease) in other liabilities		(116,756)	109,952	(118,127)	111,147
Net increase / (decrease) in current tax liability		12	(153)	386	123
Net increase / (decrease) in employee entitlements (excluding deferred superannuation)		(314)	11,017	(883)	11,099
Net cash flows from operating activities		174,515	146,783	137,920	135,090

36 Economic dependency

The RMIT Consolidated Entity is reliant on a significant volume of its revenue being derived from:

Commonwealth Government financial assistance	630,543	538,638	630,543	538,638
Victorian State Government financial assistance	37,572	59,332	37,572	59,332
	668,115	597,970	668,115	597,970

The percentage of the RMIT consolidated entity revenue was sourced from:

Commonwealth Government financial assistance	55.16%	52.26%	59.74%	55.79%
Victorian State Government financial assistance	3.29%	5.76%	3.56%	6.15%

	Note	Consolidated		RMIT	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
37	Events occurring after the balance sheet date				
	No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the RMIT consolidated entity or parent entity, the results of those operations, or the state of affairs of the RMIT consolidated entity or parent entity in future financial years.				
38	Superannuation				
	Funds to which RMIT or any controlled entity contributed during the financial year:				
	(a) Defined benefit schemes				
	ESSSUPER – State Superannuation Fund – closed 9	21,884	23,915	21,884	23,915
	(b) Defined contribution schemes				
	Victorian Superannuation Fund	2,313	2,444	2,273	2,380
	UniSuper	38,794	36,696	38,767	36,639
	Other Superannuation Funds	17,469	16,720	16,184	15,418
		80,460	79,775	79,108	78,352

ESSSUPER

ESSSuper is the dedicated super fund for emergency services employees and state employees. RMIT has in its staffing profile a number of employees who are members of ESSSuper (formerly called the Victorian State Superannuation Fund or the State Employees Retirement Benefit Scheme) and in respect of whom defined benefits are payable on termination of employment.

As at 30 June 2013, ESSSuper were carrying total liabilities for member benefits in excess of the value of the fund's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the funds.

The notional share of this public sector employee superannuation funds unfunded liabilities attributable to RMIT, as assessed by the funds as at 30 June 2013, amounted to \$336.60m (2012 – \$467.09m). Unfunded liabilities are met by the Australian Government. The net movement for the financial year presented in the Statement of Comprehensive Income is \$130.64m (2012 – \$104.80m).

There was no other unfunded superannuation liability for any other scheme.

(i) Defined benefit schemes**ESSSUPER – State Superannuation Fund**

RMIT is required to contribute as and when the Higher Education Sector contributors become beneficiaries under the scheme (Emerging cost). The employer's contribution is that which is required to meet the defined benefit.

RMIT is required to contribute on a fortnightly basis for TAFE employees in respect of:

- Revised Scheme 17.60%
- New Scheme 7.30%, 8.60%, 9.40% or 10.30% based on members election.

ESSSUPER – State Employees Retirement Benefit Scheme

RMIT contributes 100.00% of pensions paid in respect of former employees.

(ii) Defined contribution schemes**Victorian Superannuation Fund**

RMIT is required to contribute on account of members of the fund at the rate required to meet the "Superannuation Guarantee" – currently 9.25%.

UniSuper Plans

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.

(i) UniSuper offers eligible members the choice of two schemes known as the Defined Benefit Division (DBD) (previously referred to as Defined Benefit Plan) or Accumulation Super (2) (previously referred to as Investment Choice Plan). The contribution rate to the scheme is 21.00% of member's salary of which the member contributes 7.00% and the University 14.00%. From 1 July 2006, members can elect to reduce the level of member contributions with corresponding reductions in benefits.

38 Superannuation (continued)

In 2005, UniSuper advised that the Defined Benefits Plan should be disclosed under 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 Employee Benefits states that this is an appropriate solution for a Defined Benefit Plan where the employer does not have access to the information required and there is no reliable basis for allocating the benefits, liabilities, assets and costs between employers.

As a consequence of changes to the UniSuper Trust deed in December 2006, UniSuper has advised that the foregoing no longer applies and that both the Defined Benefit Division and Accumulation Super (2) plans are defined as Multi Employer Defined Contribution Schemes in accordance with AASB 119 Employee Benefits.

(ii) UniSuper also offers a cash accumulation productivity scheme known as Accumulation Super (1) (previously referred to as the Award Plus Plan (APP)). University employees have no requirement to contribute to the scheme. The University contributes the equivalent of 3% of the base salary in respect of those employees who were members of the Defined Benefits Division or the Accumulation Super (2) Plan. Employees who do not qualify for membership of the Defined Benefits Division or the Accumulation Super (2) Plan will have a minimum contribution 9% of their annual salary contributed by the University to Accumulation Super (1) prescribed under the Superannuation Guarantee Charges Act 1992.

Casual and non-permanent employees who do not qualify for membership of the Defined Benefit Division or Accumulation Super (2) are eligible for Accumulation Super (1).

The employer is required to contribute on account of eligible employees at a minimum rate of 9% to all superannuation funds.

No contribution remained unpaid at the end of the year except to the extent of normal and current terms of payment. The amount payable at 31 December 2013 was \$2.30m (2012 – \$1.99m).

39 Financial risk management

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in note 1 of the financial statements.

(i) Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group by adhering to principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by management on a continuous basis. The Consolidated Entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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

(ii) Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters so as to minimise the total exposure to exchange rate risk.

The Group is mainly exposed to the currencies of the United States of America and Vietnam.

The following table details the Group's sensitivity to a 14% increase or decrease in the Australian Dollar (AUD) against the relevant foreign currencies. 14% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 14% change in foreign currency rates.

31 December 2013		Currency rate risk			
		-14.0%		14.0%	
Consolidated	Carrying Amount	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash and cash equivalents	16,412	(2,298)	(2,298)	2,298	2,298
Receivables	3,717	(520)	(520)	520	520
Financial Liabilities					
Payables	19,900	(2,786)	(2,786)	2,786	2,786
31 December 2012		Currency rate risk			
		-5.0%		5.0%	
Consolidated	Carrying Amount	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash and cash equivalents	17,634	(882)	(882)	882	882
Receivables	1,654	(83)	(83)	83	83
Financial Liabilities					
Payables	17,809	(890)	(890)	890	890

39 Financial risk management (continued)

(iii) Interest rate risk

Interest rate exposures arise predominantly from assets bearing floating interest rates. The Group's exposure to interest rates on financial assets is detailed in the liquidity risk management section of this note.

The Group adopts a policy of ensuring that between 20 and 60 percent of its exposure to changes in interest rates on borrowings is on a fixed-rate basis, taking into account assets with exposure to changes in interest rates. The Group enters into and designates interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

The sensitivity analysis below has been determined based on the exposure to price adjustments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or 50 basis point decrease is used when reporting interest rate risk as this represents management's assessment of the possible change in interest rates:

31 December 2013		Interest rate risk			
		-0.50%		1.00 %	
Consolidated	Carrying Amount	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash and cash equivalents	135,110	(676)	(676)	1,351	1,351
Financial Liabilities					
Borrowings	110,000	(550)	(550)	1,100	1,100
Interest rate swap	601	–	550	–	(1,100)
31 December 2012		Interest rate risk			
		-1.25%		1.25%	
Consolidated	Carrying Amount	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash and cash equivalents	109,117	(1,364)	(1,364)	1,364	1,364
Financial Liabilities					
Borrowings	155,000	(1,938)	(1,938)	1,938	1,938
Interest rate swap	717	–	1,938	–	(1,938)

(iv) Price Risk

Exposure to price risk arises due to the inherent risk of the possibility of unfavourable movements in the market value of the investments.

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 10% increase or decrease is used when reporting on price risk as this represents management's assessment of the possible change in prices:

31 December 2013		Price risk			
		-10.0%		10.0%	
Consolidated	Carrying Amount	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Available for sale financial assets – equity	28,001	–	(2,800)	–	2,800
31 December 2012		Price risk			
		-10.0%		10.0%	
Consolidated	Carrying Amount	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Available for sale financial assets – equity	20,340	–	(2,034)	–	2,034

(v) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the entity's governing body, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group has also established a standby facility of \$10 million to provide short-term cash should the need arise. Exposure to liquidity risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table:

39 Financial risk management (continued)

(v) Liquidity risk (continued)

Consolidated	Note	Floating interest rate \$'000	Fixed Interest Maturing			Non Interest Bearing \$'000	Total \$'000
			1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000		
31 December 2013							
Assets							
Cash at bank and on hand	18	10,027	–	–	–	–	10,027
Deposits at call	18	42,545	66,126	–	–	–	108,671
Foreign currency bank accounts	18	1,915	14,498	–	–	–	16,412
Receivables, exclude deferred government contributions for superannuation	19	–	–	–	–	32,028	32,028
Available for sale financial assets	21	–	–	–	–	28,001	28,001
Deferred tax asset	17	–	–	–	–	692	692
Term deposits held-to-maturity	22	–	17,250	2,000	–	–	19,250
Shares in non-related companies	22	–	–	–	–	162	162
		54,487	97,874	2,000	–	60,883	215,243
Weighted average interest rate		1.64%	4.58%	4.45%			
Liabilities							
Trade and other payables, exclude interest rate swaps	26	–	–	–	–	130,643	130,643
Interest rate swaps used for hedging	26	601	–	–	–	–	601
Borrowings	27	110,000	–	–	–	–	110,000
Current tax liabilities	17	–	–	–	–	4,439	4,439
Deferred tax liabilities	17	–	–	–	–	5	5
		110,601	–	–	–	135,087	245,688
Net financial assets (liabilities)		(56,114)	97,874	2,000	–	(74,204)	(30,445)
31 December 2012							
Assets							
Cash at bank and on hand	18	9,459	–	–	–	–	9,459
Deposits at call	18	–	82,024	–	–	–	82,024
Foreign currency bank accounts	18	1,875	15,759	–	–	–	17,634
Receivables, exclude deferred government contributions for superannuation	19	–	–	–	–	26,756	26,756
Available for sale financial assets	21	–	–	–	–	20,340	20,340
Deferred tax assets	17	–	–	–	–	749	749
Term deposits	22	–	8,800	–	–	–	8,800
Shares in non-related companies	22	–	–	–	–	172	172
		11,334	106,583	–	–	48,017	165,934
Weighted average interest rate		0.07%	4.16%				
Liabilities							
Trade and other payables, exclude interest rate swaps	26	–	–	–	–	92,682	92,682
Interest rate swaps used for hedging	26	717	–	–	–	–	717
Borrowings	27	155,000	–	–	–	–	155,000
Current tax liabilities	17	–	–	–	–	4,053	4,053
Deferred tax liabilities	17	–	–	–	–	12	12
		155,717	–	–	–	96,747	252,464
Net financial assets (liabilities)		(144,383)	106,583	–	–	(48,730)	(86,530)

39 Financial risk management (continued)**(vi) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the entity. The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparty limits that are reviewed and approved by management regularly. The carrying amount of financial assets (as contained in the table in subnote (vii) below) represents the groups maximum exposure to credit risk.

The Group minimises concentrations of credit risk by undertaking transactions with a large number of customers and counterparties, spread across diverse industries and geographical areas and by performing extensive due diligence procedures on major new customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Group's maximum exposure to credit without taking account of the value of any collateral obtained.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has not obtained any collateral or other security for its financial assets.

40 Fair Value Measurements

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in note 1 of the financial statements.

(a) Fair value measurements

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

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

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

	Note	2013		2012	
		Carrying Amount \$'000	Fair Value \$'000	Carrying Amount \$'000	Fair Value \$'000
Financial assets					
Cash at bank and on hand	18	10,027	10,027	9,459	9,459
Deposits at call	18	108,671	108,671	82,024	82,024
Foreign currency bank accounts	18	16,412	16,412	17,634	17,634
Receivables, exclude deferred government contributions for superannuation	19	32,028	32,028	26,756	26,756
Available for sale financial assets	21	28,001	28,001	20,340	20,340
Term deposits	22	19,250	19,250	8,800	8,800
Unlisted shares in non-related companies	22	162	162	172	172
Deferred tax assets	17	692	692	749	749
		215,243	215,243	165,934	165,934
Financial liabilities					
Trade and other payables	26	131,244	131,244	93,399	93,399
Borrowings	27	110,000	110,000	155,000	155,000
Current tax liabilities	17	4,439	4,439	4,053	4,053
Deferred tax liabilities	17	5	5	12	12
		245,688	245,688	252,464	252,464

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Consolidated entity approximates their carrying amounts.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

(b) Fair value hierarchy

The following tables provide an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

40 Fair Value Measurements (continued)

(i) Recognised fair value measurements

	Note	2013 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets					
Cash at bank and on hand	18	10,027	10,027	–	–
Deposits at call	18	108,671	108,671	–	–
Foreign currency bank accounts	18	16,412	16,412	–	–
Receivables, exclude deferred government contributions for superannuation	19	32,028	32,028	–	–
Available for sale financial assets	21	28,001	28,001	–	–
Term deposits	22	19,250	8,800	–	–
Unlisted shares in non-related companies	22	162	–	4	158
Deferred tax assets	17	692	692	–	–
		215,243	204,631	4	158
Non-financial assets					
Land	23	384,279	4,110	380,169	–
Buildings	23	1,247,777	2,000	1,215,281	30,496
		1,632,056	6,110	1,595,450	30,496
Financial liabilities					
Trade and other payables	26	131,244	131,244	–	–
Borrowings	27	110,000	110,000	–	–
Current tax liabilities	17	4,439	4,439	–	–
Deferred tax liabilities	17	5	5	–	–
		245,688	245,688	–	–
	Note	2012 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets					
Cash at bank and on hand	18	9,459	9,459	–	–
Deposits at call	18	82,024	82,024	–	–
Foreign currency bank accounts	18	17,634	17,634	–	–
Receivables, exclude deferred government contributions for superannuation	19	26,756	26,756	–	–
Available for sale financial assets	21	20,340	20,340	–	–
Term deposits	22	8,800	8,800	–	–
Unlisted shares in non-related companies	22	172	–	14	158
Deferred tax assets		749	749	–	–
		165,934	165,762	14	158
Financial liabilities					
Trade and other payables	26	93,399	93,399	–	–
Borrowings	27	155,000	155,000	–	–
Current tax liabilities	17	4,053	4,053	–	–
Deferred tax liabilities	17	12	12	–	–
		252,464	252,464	–	–

There were no transfers between levels for recurring fair value measurements during the year.

40 Fair Value Measurements (continued)

(ii) Disclosed fair values

The Group has a number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes.

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available for sale securities) is based on quoted market prices for identical assets or liabilities at the balance sheet date (level 1). This is the most representative of fair value in the circumstances.

The fair values of held to maturity investments and interests in associates that are disclosed in note 22 were determined by reference to published price quotations in an active market (level 1).

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments (level 3).

The fair value of non-current borrowings disclosed in note 27 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the group for similar financial instruments. For the period ending 31 December 2013, the borrowing rates were determined to be between 4.78% and 5.24% depending on the type of borrowing. The fair value of current borrowings approximates the carrying amount, as the impact of discounting is not significant (level 2).

Derivative contracts classified as held for trading are fair valued by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity.

(c) Valuation techniques used to derive level 2 and level 3 fair values

(i) Recurring fair value measurements

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

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

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

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

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities which are included in level 3.

41 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in note 1.02:

Notes	Class of Shares	Place of Incorporation	Ownership		Shares held		Net equity		
			2013 %	2012 %	2013 No.	2012 No.	2013 \$'000	2012 \$'000	
Controlled entities – corporate									
	(a)	Ordinary	Australia	100	100	502,000	502,000	5,600	3,370
	(f)	Ordinary	Spain	100	–	3,000	–	(1,002)	–
	(b)	Ordinary	Australia	45.90	45.90	102,000	102,000	284	877
	(c)	Ordinary	Australia	100	100	1,225,373	1,225,373	24,254	26,188
	(d)	Licence	Vietnam	100	100	–	–	64,511	48,271
Controlled entities – other									
	(e)	Unincorporated body						36,928	30,276
							130,575	108,982	

(a) RMIT Training Pty Ltd is a company incorporated under the *Corporations Act 2001* with share capital of 502,000 ordinary shares of \$1 each.

(b) Spatial Vision Innovations Pty Ltd is a company incorporated under the *Corporations Act 2001* with ordinary shares of 222,222 (2012 – 222,222) of \$1 each. The company is a subsidiary of RMIT by virtue of its financial control and the power to appoint the board. During 2013, RMIT negotiated with Spatial Vision an interest bearing intercompany loan facility of \$250,000. As at 31 December 2013, \$150,000 has been drawn down and this is repayable by 31 December 2014.

(c) RMIT Vietnam Holdings Pty Ltd (RVH) is a wholly owned entity of RMIT. The company's principal activity is holding RMIT's investment in RMIT International University Vietnam (RIUV) and to hold funds for distribution to operations at the RIUV Campus and RMIT's investment in RIUV. Each year the RVH results will be affected by a timing difference between receipt of grants and the subsequent payment of those grants to RIUV.

(d) RMIT International University Vietnam is a wholly owned entity of RMIT Vietnam Holdings Pty Ltd. Its purpose is to provide advanced education to the Vietnamese community in Vietnam.

(e) RMIT Foundation is a trust. Its principal purpose is to raise funds, provide grants to RMIT for the conduct of research, provide for scholarships and student awards and to engage visiting scholars.

(f) RMIT has established a new subsidiary in Barcelona. The company was established in 2012. RMIT has provided a capital injection of 3,000 Euros (\$4.6K) and financial assistance under a Letter of Support.

42 Related parties

The following related party transactions occurred during the financial year and were conducted on normal terms and conditions unless otherwise stated:

(a) Responsible persons and specified executives

The names, remuneration and retirement benefits of persons who were Councillors of RMIT and specified executives at any time during the financial year are set out in note 44.

(b) Controlled entities

Interests in subsidiaries is set out in note 41.

(c) Transactions with related parties

The following transactions occurred with related parties:

Aggregate amounts included in the determination of operating result from ordinary activities that resulted from transactions with each class of other related parties within the group:

	Note	Consolidated		RMIT	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Sale of services					
Fees and charges		–	–	3,207	4,883
Donations and bequests		–	–	4,638	6,088
Rental income		–	–	1,182	1,152
Purchase of services					
Expenditure in relation to delivery of programs		–	–	–	380
Grants, scholarships and prizes		–	–	19,110	6,848
Debt forgiveness					
Total amount of debt RMIT University released from RDDT as at 11 April 2012 a result of the sale to vivoPharm Pty Ltd.		–	–	–	1,736
RMIT Council approved for the operations of RMIT Link to be transferred to a division of RMIT University effective from 31 December 2012. RMIT Link forgave RMIT's debt as at 31 December 2012.		–	–	–	1,412
Expenditure incurred on behalf of related parties					
Audit fees		–	–	8	9
Investment of capital					
Investment in RMIT Spain		–	–	–	4
Sale of RDDT shares to vivoPharm Pty Ltd.		–	–	–	5,271
Loans advanced to / (repaid by) subsidiaries		–	–	7,093	(4,138)
Interest expense		–	–	376	559
Interest income		–	–	33	–
(d) Outstanding balances					
The following balances are outstanding at the reporting date in relation to transactions with related parties:					
Current Receivables		–	–	9,185	2,092
Provision for impairment		–	–	(2,145)	–
Interest bearing liabilities		–	–	16,095	10,650

(e) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates, except that there are no fixed terms for repayment of loans between the parties. The average interest rate on loans during the year was 2.87% (2012 – 3.81%).

Outstanding balances are unsecured and are repayable in cash.

Certain administrative services are provided by RMIT to a number of entities within the wholly owned group at no charge.

	Consolidated		RMIT		
	2013	2012	2013	2012	
	\$'000	\$'000	\$'000	\$'000	
43	Remuneration of auditors				
	During the year, the following fees were paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:				
	Audit and review of the Financial Statements				
	Fees paid to Auditor-General of Victoria	354	368	266	258
	Total auditing services	354	368	266	258

44 Key management personnel disclosures**(a) Responsible persons related disclosures**

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

(i) Minister

The responsible Minister was the Hon. Peter Hall MLC, Minister for Higher Education and Skills.

Remuneration of these Ministers is disclosed in the financial statements of the Department of Premier and Cabinet.

Other relevant interests are declared in the Register of Members interests which is completed by each member of Parliament.

(ii) Names of responsible persons and executive officers

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

Council Members

Akhurst, B. (term commenced on 1 Aug 2013)

Gardner, M.

Gilmour, J. (term concluded on 31 Dec 2013)

Latchford, J.

Lever, R.

O'Donnell, R.

Paton, B. (term commenced on 1 Jan 2013)

Pekarek, H. (term concluded on 31 Dec 2013)

Reid, J.

Schulze, M.

Switkowski, Z.

Thorn, F. (term concluded on 31 Dec 2013)

Executive Director, Financial Services

Donaldson, S.

All responsible persons have been in office since the start of the financial year to the date of this report unless otherwise noted above.

Executive Officers

Adams, D. (term commenced on 1 May 2013)

Alcorn, D. (term concluded on 1 Aug 2013)

Barnes, J.

Coloe, P.

Connelly, S. (term concluded on 12 Apr 2013)

Cowlshaw, K. (term: 1 Jul 2013 to 31 Dec 2013)

De La Harpe, B.

Hoodbhoy, M. (term: 1 Jan 2013 to 30 Jun 2013)

Fudge, C. (term concluded on 31 Jul 2013)

Palmer, G.

Palmer, I.

Somogyi, S.

Wells, J.

All executive officers have been in office since the start of the financial year to the date of this report unless otherwise noted above.

44 Key management personnel disclosures (continued)

(b) Remuneration of responsible persons

Income paid or payable, or otherwise made available, to Councillors and/or directors by entities in the RMIT consolidated entity and related parties in connection with the management of affairs of the RMIT entity or its subsidiaries.

Consolidated		RMIT	
2013	2012	2013	2012
\$'000	\$'000	\$'000	\$'000
3,081	4,328	1,605	2,036

Number of RMIT Councillors and directors whose total remuneration from RMIT and any related bodies corporate was within the following bands:

	2013	2012	2013	2012
	No.	No.	No.	No.
\$0 – \$10,000	7	11	3	5
\$ 10,000 – \$ 19,999	9	11	7	9
\$ 70,000 – \$ 79,999	1	1	–	1
\$ 80,000 – \$ 89,999	–	1	–	1
\$100,000 – \$109,999	–	1	–	–
\$110,000 – \$119,999	1	1	–	1
\$120,000 – \$129,999	1	–	–	–
\$130,000 – \$139,999	1	1	–	1
\$190,000 – \$199,999	1	–	–	–
\$210,000 – \$219,999	–	1	–	–
\$240,000 – \$249,999	2	–	1	–
\$270,000 – \$279,999	–	1	–	1
\$280,000 – \$289,999	–	1	–	1
\$290,000 – \$299,999	1	–	1	–
\$440,000 – \$449,999	–	1	–	–
\$450,000 – \$459,999	–	1	–	–
\$510,000 – \$519,999	–	2	–	–
\$520,000 – \$529,999	1	–	–	–
\$910,000 – \$919,999	–	1	–	1
\$940,000 – \$949,999	1	–	1	–
	26	35	13	21

44 Key management personnel disclosures (continued)

(c) Remuneration of executive officers

Income received or due and receivable from entities in the consolidated entity and related parties by Australian-based executive officers occupying a senior management role except for responsible persons whose remuneration was at least \$100,000.

In addition to the senior executive officers reported under Note 43 (a)(ii) for RMIT, the Consolidated disclosures below include executives of controlled entities.

	Consolidated		RMIT	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Total remuneration of executive officers #	5,616	4,704	4,575	4,499

The number of executive officers whose total remuneration was within the following bands:

	2013	2012	2013	2012
	No.	No.	No.	No.
\$110,000 – \$119,999	–	1	–	1
\$120,000 – \$129,999	2	–	1	–
\$130,000 – \$139,999	–	–	–	–
\$150,000 – \$159,999	1	–	1	–
\$190,000 – \$199,999	–	–	–	–
\$200,000 – \$209,999	–	1	–	–
\$220,000 – \$229,999	1	–	–	–
\$260,000 – \$269,999	1	1	1	1
\$270,000 – \$279,999	–	–	1	–
\$290,000 – \$299,999	1	1	1	1
\$300,000 – \$309,999	1	–	1	–
\$330,000 – \$339,999	2	–	2	–
\$390,000 – \$399,999	1	–	–	–
\$430,000 – \$439,999	–	2	–	2
\$440,000 – \$449,999	2	2	2	2
\$450,000 – \$459,999	–	1	–	1
\$500,000 – \$509,999	–	1	–	1
\$510,000 – \$519,999	1	1	1	1
\$520,000 – \$529,999	1	–	1	–
\$530,000 – \$539,999	1	–	1	–
\$570,000 – \$579,999	1	–	–	–
\$580,000 – \$589,999	–	1	–	1
\$640,000 – \$649,999	–	–	–	–
	16	12	13	11

Total remuneration of executive officers includes basic salary, bonus, annual leave, long service leave, termination payments, motor vehicle and other non-monetary benefits received or due and receivable by executive officers.

44 Key management personnel disclosures (*continued*)

(d) Related party transactions

The following transactions were entered into by RMIT University with related entities of members of Council and Executive Officers:

Council member / Executive officer	External position held	Nature of transaction	2013 Received/ (Paid) by RMIT \$'000	2012 Received/ (Paid) by RMIT \$'000
Janet Latchford	President and Board member, Epworth Healthcare	Provision of clinical health placements to RMIT students.	(120)	–
		Establishing and maintaining the Chair to be occupied by key personnel for joint benefit.	55	55
Daine Alcorn	Director, Victorian Partnership for Advanced Computing (2012)	Provision of consultancy service in R&I projects and co-investment in HPC System.	–	(1,089)
		Rental income and related bills charge back	–	252
	Director, Museum Board of Victoria	Involvement at RMIT exhibitions and career expos.	–	(28)
		Provision of clinical health placements and lectures to RMIT students.	(68)	(72)
	Director, Spatial Vision Innovations Pty Ltd	Provision of research programs by RMIT.	38	87
Stephen Connelly	President, International Education Association of Australia (IEAA)	Provision of consultancy services by Spatial Vision.	(127)	(81)
		Charge back by RMIT for reimbursement of expenses	302	261
Margaret Gardner	Director, Open Universities Australia	Provision of student tuition and charges for RMIT Board nominee	14,258	11,159
		Student registrations and fees for delivery of programs.	(283)	–
Gill Palmer	Vice Chair, RMIT Training Pty Ltd	Involvement at RMIT exhibitions and career expos	–	(28)
		Rental income charged to subsidiary	1,182	1,149
Peter Coloe	Board Member, RMIT International University Vietnam	Charge back of ELICOS commission and administration fees	2,287	1,798
		Service fees charged to subsidiary.	2,979	3,084
Steve Somogyi	Director, Vernet Pty Ltd (2012)	Grants received from subsidiary.	3,060	–
		Annual operating subscription.	–	(632)
	Director, Spatial Vision Innovations Pty Ltd	Provision of fibre services / links.	(134)	–
Provision of consultancy services by Spatial Vision.		(127)	(81)	
		Intercompany loan	(150)	–

All transactions disclosed above were on normal commercial terms and conditions.

45 Acquittal of Australian Government financial assistance

45.1 DIISRTE – CGS and Other DIISRTE Grants

	Note	Parent entity (RMIT) ONLY							
		Commonwealth Grants Scheme #1		Indigenous Support Program		Partnership & Participation Program #2		Disability Support Program	
		2013	2012	2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		224,016	204,696	473	341	4,377	4,220	149	126
Net accrual adjustments		–	–	–	–	–	–	–	–
Revenue for the period	3(a)	224,016	204,696	473	341	4,377	4,220	149	126
Surplus / (deficit) from the previous year		–	–	–	–	30	234	(169)	(105)
Total revenue including accrued revenue		224,016	204,696	473	341	4,407	4,454	(20)	21
Less expenses including accrued expenses		224,016	204,696	425	341	4,407	4,424	447	190
Surplus / (deficit) for reporting period		–	–	48	–	–	30	(467)	(169)

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading

#2 Includes Equity Support Program

45 Acquittal of Australian Government financial assistance (continued)

45.1 DIISRTE – CGS and Other DIISRTE Grants (continued)

	Note	Parent entity (RMIT) ONLY							
		Diversity and Structural Adjustment Fund #3		Transitional Cost Program		Promo of Exc in Learn and Teaching		Reward Funding	
		2013	2012	2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		-	-	-	11	387	67	530	496
Net accrual adjustments		-	-	-	-	(374)	(40)	-	-
Revenue for the period	3(a)	-	-	-	11	13	27	530	496
Surplus / (deficit) from the previous year		(11)	129	94	94	27	-	496	-
Total revenue including accrued revenue		(11)	129	94	105	40	27	1,026	496
Less expenses including accrued expenses		-	140	94	11	35	-	1,026	-
Surplus / (deficit) for reporting period		(11)	(11)	-	94	5	27	-	496

#3 includes Collaboration and Structural Adjustment Program

	Note	Parent entity (RMIT) ONLY			
		Other – Australian Maths & Science Partnership		Total	
		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		539	-	230,471	209,957
Net accrual adjustments		-	-	(374)	(40)
Revenue for the period	3(a)	539	-	230,097	209,917
Surplus / (deficit) from the previous year		-	-	467	352
Total revenue including accrued revenue		539	-	230,564	210,269
Less expenses including accrued expenses		305	-	230,755	209,802
Surplus / (deficit) for reporting period		234	-	(191)	467

45.2 Higher Education Loan Programs (excl OS-HELP)

	Note	Parent entity (RMIT) ONLY							
		HECS-HELP (Australian Government payments only)		FEE-HELP #4		VET FEE-HELP		SA HELP	
		2013	2012	2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		135,590	109,007	35,476	26,209	25,355	8,629	6,899	1,389
Net accrual adjustments		-	-	(933)	539	(9,156)	(726)	(3,574)	878
Revenue for the period	3(b)	135,590	109,007	34,543	26,748	16,199	7,903	3,325	2,267
Surplus / (deficit) from the previous year		-	-	323	322	6	6	-	-
Total revenue including accrued revenue		135,590	109,007	34,866	27,070	16,205	7,909	3,325	2,267
Less expenses including accrued expenses		135,590	109,007	34,714	26,747	16,199	7,903	3,325	2,267
Surplus / (deficit) for reporting period		-	-	152	323	6	6	-	-

45 Acquittal of Australian Government financial assistance (continued)

45.2 Higher Education Loan Programs (excl OS-HELP) (continued)

	Note	Parent entity (RMIT) ONLY	
		Total	
		2013	2012
		\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		203,320	145,234
Net accrual adjustments		(13,663)	691
Revenue for the period	3(b)	189,657	145,925
Surplus / (deficit) from the previous year		329	328
Total revenue including accrued revenue		189,986	146,253
Less expenses including accrued expenses		189,828	145,924
Surplus / (deficit) for reporting period		158	329

#4 Program is in respect of FEE-HELP for Higher Education only and excluded funds received in respect of VET FEE-HELP

45.3 Scholarships

	Note	Parent entity (RMIT) ONLY							
		Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Costs Scholarships #5		Commonwealth Accommodation Scholarships #5	
		2013	2012	2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		4,883	4,391	409	403	(645)	414	(13)	369
Net accrual adjustments		-	-	-	-	-	87	-	(240)
Revenue for the period	3(c)	4,883	4,391	409	403	(645)	501	(13)	129
Surplus / (deficit) from the previous year		863	471	(175)	(161)	320	47	(51)	43
Total revenue including accrued revenue		5,746	4,862	234	242	(325)	548	(64)	172
Less expenses including accrued expenses		4,499	3,999	408	417	105	228	54	223
Surplus / (deficit) for reporting period		1,247	863	(174)	(175)	(430)	320	(118)	(51)

	Note	Parent entity (RMIT) ONLY			
		Indigenous Access Scholarships		Total	
		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		65	128	4,699	5,705
Net accrual adjustments		-	(65)	-	(218)
Revenue for the period	3(c)	65	63	4,699	5,487
Surplus / (deficit) from the previous year		-	-	957	400
Total revenue including accrued revenue		65	63	5,656	5,887
Less expenses including accrued expenses		65	63	5,131	4,930
Surplus / (deficit) for reporting period		-	-	525	957

#5 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarship respectively.

45 Acquittal of Australian Government financial assistance (*continued*)

45.4 DIISR Research

	Note	Parent entity (RMIT) ONLY							
		Joint research Engagement		Research Training Scheme		Research Infrastructure Block Grants		JRE Engineering Cadetships	
		2013	2012	2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		6,284	5,952	13,550	13,553	1,887	1,849	49	25
Revenue for the period	3(d)	6,284	5,952	13,550	13,553	1,887	1,849	49	25
Surplus / (deficit) from the previous year		-	-	-	-	14	-	12	-
Total revenue including accrued revenue		6,284	5,952	13,550	13,553	1,901	1,849	61	25
Less expenses including accrued expenses		6,034	5,952	13,550	13,553	1,901	1,835	11	13
Surplus / (deficit) for reporting period		250	-	-	-	-	14	50	12

	Note	Parent entity (RMIT) ONLY					
		Australian Scheme for Higher Education Repositories		Sustainable Research Excellence in Universities		Total	
		2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		-	-	1,602	1,344	23,372	22,723
Revenue for the period	3(d)	-	-	1,602	1,344	23,372	22,723
Surplus / (deficit) from the previous year		-	36	436	(1)	462	35
Total revenue including accrued revenue		-	36	2,038	1,343	23,834	22,758
Less expenses including accrued expenses			36	1,529	907	23,025	22,296
Surplus / (deficit) for reporting period		-	-	509	436	809	462

45.5 Australian Research Council Grants

(a) Discovery

	Note	Parent entity (RMIT) ONLY					
		Projects		Fellowships		Total	
		2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		4,608	4,201	1,305	1,477	5,913	5,678
Net Accrual adjustments		-	71	-	-	-	71
Revenue for the period	3(e)(f)	4,608	4,272	1,305	1,477	5,913	5,749
Surplus / (deficit) from the previous year		2,342	1,918	1,349	863	3,691	2,781
Total revenue including accrued revenue		6,950	6,190	2,654	2,340	9,604	8,530
Less expenses including accrued expenses		4,284	3,848	1,446	991	5,730	4,839
Surplus / (deficit) for reporting period		2,666	2,342	1,208	1,349	3,874	3,691

45 Acquittal of Australian Government financial assistance (*continued*)45.5 Australian Research Council Grants (*continued*)

(b) Linkages

	Note	Parent entity (RMIT) ONLY					
		Infrastructure		Projects		Total	
		2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programs)		–	840	2,660	2,714	2,660	3,554
Net Accrual adjustments		–	–	15	15	15	15
Revenue for the period	3(e)(ii)	–	840	2,675	2,729	2,675	3,569
Surplus / (deficit) from the previous year		587	(253)	1,716	1,851	2,303	1,598
Total revenue including accrued revenue		587	587	4,391	4,580	4,978	5,167
Less expenses including accrued expenses		497	–	2,363	2,864	2,860	2,864
Surplus / (deficit) for reporting period		90	587	2,028	1,716	2,118	2,303

45.6 OS-HELP

	Note	Parent entity (RMIT) ONLY	
		2013	2012
		\$'000	\$'000
Cash Received during the reporting period		889	868
Cash Spent during the reporting period		987	830
Cash available	3(g)	(98)	38
Cash Surplus / (deficit) from the previous period		361	323
Cash Surplus / (deficit) for reporting period		263	361

45.7 Superannuation Supplementation

	Note	Parent entity (RMIT) ONLY	
		2013	2012
		\$'000	\$'000
Cash Received during the reporting period	3(g)	20,156	23,915
University contribution in respect of current employees		(22,474)	(24,267)
Cash available		(2,318)	(352)
Cash Surplus / (deficit) from previous period		(554)	(202)
Cash available for current period		19,602	23,713
Contribution to specified defined benefit funds		22,474	24,267
Cash surplus / (deficit) this period		(2,872)	(554)

45.8 Student Services and Amenities Fee

	Note	Parent entity (RMIT) ONLY	
		2013	2012
		\$'000	\$'000
Unspent / (overspent) revenue from previous period		–	–
SA-HELP Revenue Earned		3,325	2,267
Student Services Fees direct from Students		10,153	5,054
Total revenue expendable in period		13,478	7,321
Student Services expenses during period		(13,478)	(7,321)
Unspent / (overspent) Student Services Revenue		–	–

Balance Sheet

for the years 2013 to 2010 inclusive

	Consolidated				RMIT			
	AIFRS				AIFRS			
	2013	2012	2011	2010	2013	2012	2011	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS								
Current assets								
Cash and cash equivalents	135,110	109,117	69,262	82,276	89,413	80,021	41,677	47,333
Receivables	52,794	50,003	57,029	59,402	56,958	49,500	59,320	63,062
Inventories	1,728	586	720	658	1,159	–	–	–
Other financial assets	17,250	8,800	7,200	–	–	–	–	–
Other non-financial assets	11,138	12,493	8,774	8,653	9,280	10,409	7,148	6,983
Total current assets	218,020	180,999	142,985	150,989	156,810	139,930	108,145	117,378
Non-current assets								
Receivables	315,830	443,839	339,833	339,134	315,894	443,787	339,781	339,082
Available for sale financial assets through equity	28,001	20,340	17,665	20,896	–	–	–	–
Other financial assets	2,162	172	2,468	164	2,536	2,536	2,494	2,494
Property, plant and equipment	1,832,345	1,802,180	1,699,222	1,566,691	1,780,696	1,757,790	1,657,989	1,529,682
Deferred tax asset	692	749	231	183	–	–	–	–
Intangible assets	814	422	648	616	–	–	–	–
Total non-current assets	2,179,844	2,267,702	2,060,067	1,927,685	2,099,126	2,204,113	2,000,264	1,871,258
Total assets	2,397,864	2,448,701	2,203,052	2,078,674	2,255,936	2,344,043	2,108,409	1,988,636
LIABILITIES								
Current liabilities								
Trade and other payables	131,242	93,399	83,841	105,975	85,287	65,579	59,585	86,923
Borrowings	–	–	–	–	16,095	10,650	17,289	19,549
Provisions	118,794	122,797	113,326	104,010	117,378	121,436	111,874	102,635
Current tax liabilities	4,439	4,053	4,015	4,120	4,439	4,053	3,930	4,120
Other liabilities	76,234	62,769	57,638	71,038	63,066	50,527	44,178	57,772
Total current liabilities	330,709	283,018	258,820	285,142	286,265	252,245	236,856	270,999
Non-current liabilities								
Borrowings	110,000	155,000	90,000	–	110,000	155,000	90,000	–
Provisions	329,638	456,972	350,611	349,428	328,928	456,243	349,907	348,700
Deferred tax liabilities	5	12	11	6	–	–	–	–
Other liabilities	397	490	–	–	–	–	–	–
Total non-current liabilities	440,040	612,474	440,622	349,433	438,928	611,243	439,907	348,700
Total liabilities	770,749	895,492	699,442	634,576	725,193	863,488	676,763	619,699
Net assets	1,627,115	1,553,209	1,503,610	1,444,098	1,530,743	1,480,555	1,431,646	1,368,937
Equity								
RMIT entity interest								
Reserves	635,497	628,628	628,246	623,663	606,838	606,722	607,419	599,983
Retained Earnings	991,404	924,047	874,666	819,803	923,905	873,833	824,227	768,954
Total RMIT entity interest	1,626,901	1,552,675	1,502,912	1,443,466	1,530,743	1,480,555	1,431,646	1,368,937
Outside equity interest in controlled entities	214	534	698	632	–	–	–	–
Total equity	1,627,115	1,553,209	1,503,610	1,444,098	1,530,743	1,480,555	1,431,646	1,368,937

Income Statement

for the years 2013 to 2010 inclusive

	Consolidated				RMIT			
	AIFRS				AIFRS			
	2013	2012	2011	2010	2013	2012	2011	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from continuing operations								
Australian Government financial assistance								
Australian Government grants	295,194	276,248	246,216	242,397	295,194	276,248	246,216	242,397
HELP – Australian Government payments	189,657	145,925	126,740	111,598	189,657	145,925	126,740	111,598
State and Local Government financial assistance	34,393	56,892	64,728	86,615	34,393	56,892	64,728	86,615
HECS–HELP – Student Payments	22,241	21,182	16,991	16,629	22,241	21,182	16,991	16,629
Fees and charges	386,505	351,009	348,347	336,688	318,558	293,909	298,583	283,812
Investment income	6,735	7,209	7,889	7,230	4,840	5,101	5,002	6,158
Consultancy and contracts	33,820	36,670	41,275	37,971	30,704	32,417	34,980	31,837
Other revenue and income	43,882	30,662	30,605	30,301	29,341	28,988	24,016	27,599
	1,012,427	925,797	882,791	869,428	924,928	860,662	817,256	806,646
Deferred government superannuation contributions	130,639	104,798	1,298	45,536	130,639	104,798	1,298	45,536
Total revenue from continuing operations	1,143,066	1,030,595	884,089	914,964	1,055,567	965,460	818,554	852,182
Expenses from continuing operations								
Employee related expenses	557,254	549,929	515,786	490,513	511,667	506,925	472,868	450,694
Depreciation and amortisation	77,682	66,339	62,713	49,044	70,570	60,060	56,803	45,183
Repairs and maintenance	15,088	11,713	14,148	20,941	15,073	11,672	14,074	20,876
Finance costs	6,443	8,227	3,909	2	6,810	8,786	4,731	964
Impairment of assets	12,604	3,904	792	5,681	14,628	4,296	1,505	5,798
Investment losses	–	–	1,654	1,654	–	–	–	–
Other expenses	273,849	234,259	229,157	222,749	254,364	217,648	211,237	205,694
	942,920	874,371	828,159	788,930	873,112	809,387	761,218	729,209
Deferred employee benefits for superannuation	130,639	104,798	1,298	45,536	130,639	104,798	1,298	45,536
Total expenses from continuing operations	1,073,559	979,169	829,457	834,466	1,003,751	914,185	762,516	774,745
Operating result before income tax	69,507	51,426	54,632	80,498	51,816	51,275	56,038	77,437
Income tax expense	2,450	2,192	1,270	1,744	1,744	1,670	765	993
Operating result from continuing operations	67,057	49,234	53,362	78,754	50,072	49,605	55,273	76,444
Operating result attributable to minority interest	320	164	(96)	(170)	–	–	–	–
Operating result attributed to RMIT entity	67,377	49,398	53,266	78,584	50,072	49,605	55,273	76,444

