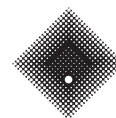


2019

ANNUAL REPORT



**VICTORIA
UNIVERSITY**

MELBOURNE AUSTRALIA

ACKNOWLEDGEMENT OF COUNTRY

Victoria University (VU) acknowledges the Ancestors, Elders and families of the Boonwurrung, Woiwurrung (Wurundjeri) and Wathaurung (Wadawurrung) on our Melbourne Campuses, and the Gadigal and Guring-gai people of the Eora Nation on our Sydney Campus. These groups are the custodians of University land and have been for many centuries.

As we share our own knowledge practices within the University may we pay respect to the deep knowledge embedded within the Aboriginal community and their ownership of Country.

We acknowledge that the land on which our campuses stand is the place of age-old ceremonies of celebration, initiation and renewal. The Kulin and Eora people's living culture had, and has, a unique role in the life of these regions.

VU supports the aim of Reconciliation Australia to build better relationships between the wider Australian community and Aboriginal and Torres Strait Islander peoples for the benefit of all Australians. It is important that staff, students and visitors understand and respect the significance of recognising the traditional owners of University land.

FOR MORE INFORMATION

Office of the Vice-President,
Planning and Registrar

Phone
+61 3 9919 4000

Email
compliance@vu.edu.au

Postal Address
Victoria University
PO Box 14428
Melbourne VIC 8001

Online
Victoria University's 2019 Annual Report and previous reports are available at:
vu.edu.au/about-vu/publications/annual-reports

CONTENTS

ACKNOWLEDGEMENT OF COUNTRY	2	4 FINANCIAL STATEMENTS	54
GENERAL ENQUIRIES	2	4.1 FINANCIAL OVERVIEW 2019	55
CONTENTS	3	4.2 FIVE YEAR FINANCIAL SUMMARY	58
LETTER OF TRANSMITTAL	4	4.3 REPORT BY THE MEMBERS OF COUNCIL	59
1 ORGANISATIONAL OVERVIEW	5	4.4 2019 FINANCIAL STATEMENTS INDEX	61
1.1 CHANCELLOR'S FOREWORD	6	AUDITOR GENERAL'S INDEPENDENCE DECLARATION	62
1.2 VICE-CHANCELLOR'S FOREWORD	8	INDEPENDENT AUDIT REPORT	63
1.3 ABOUT VU	10	STATEMENT BY THE CHANCELLOR, THE VICE-CHANCELLOR AND PRINCIPAL ACCOUNTING OFFICER	65
1.4 OUR VISION AND MISSION	11	INCOME STATEMENT	66
1.5 STRATEGIC PLAN 2016–2020	12	STATEMENT OF COMPREHENSIVE INCOME	67
1.6 OPERATIONAL AND BUDGETARY OBJECTIVES 2019	13	STATEMENT OF FINANCIAL POSITION	68
1.7 SENIOR EXECUTIVES 2019	14	STATEMENT OF CHANGES IN EQUITY	69
1.8 HIGHER EDUCATION CLUSTERS, COLLEGES, VU POLYTECHNIC AND INSTITUTES	17	STATEMENT OF CASH FLOWS	70
2 REPORT OF OPERATIONS	18	NOTES TO THE FINANCIAL STATEMENTS	71
2.1 THE UNIVERSITY OF OPPORTUNITY AND SUCCESS	19	DISCLOSURE INDEX	129
2.2 LEARNING AND TEACHING	20		
2.3 STUDENTS	26		
2.4 INDUSTRY AND COMMUNITY	30		
2.5 VU INNOVATIONS	33		
2.6 RESEARCH	34		
2.7 INTERNATIONAL	36		
2.8 PEOPLE	37		
3 UNIVERSITY GOVERNANCE	42		
3.1 OBJECTIVES	43		
3.2 GOVERNANCE OVERVIEW	44		
3.3 COUNCIL MEMBERS	45		
3.4 COUNCIL AND COMMITTEES ATTENDANCE	46		
3.5 DISCLOSURE STATEMENTS	47		
3.6 RISK MANAGEMENT	51		
3.7 CONSULTANCIES AND ICT EXPENDITURE	52		
3.8 COMMERCIAL ACTIVITIES	53		

LETTER OF TRANSMITTAL



01 May 2020

The Hon. Gayle Tierney MP
Minister for Training and Skills and
Minister for Higher Education
2 Treasury Place
EAST MELBOURNE VIC 3002

Dear Minister

In accordance with the requirements of regulations under the *Financial Management Act 1994*, we are pleased to submit for your information and presentation to Parliament the Victoria University Annual Report for the year ending 31 December 2019.

The Annual Report was approved by the Victoria University Council on 01 May 2020.

Yours sincerely

A handwritten signature in black ink, appearing to read "Wayne Kayler-Thomson".

Mr Wayne Kayler-Thomson
Chancellor

A handwritten signature in black ink, appearing to read "Peter Dawkins".

Professor Peter Dawkins
Vice-Chancellor and President

Note: The term ended in December 2019 for Mr George Pappas AO, Chancellor of Victoria University.

PO Box 14428, Melbourne,
Vic 8001, Australia
+61 3 9919 6100

Victoria University ABN 83776954731
CRICOS Provider No. 00124K (Melbourne),
02475D (Sydney), RTO 3113

SECTION 1

**ORGANISATIONAL
OVERVIEW**



1.1 CHANCELLOR'S FOREWORD

2019 continued to be a year of transformation and innovation at Victoria University (VU) as we champion our moral purpose in transforming the lives of students and the communities in which we serve. We have cemented our place as a leader in reconceptualising tertiary education, with our progressive 'New Way To Do Uni'.

OUR TRANSFORMATION

VU is evolving into an organisation that is agile and dynamic, effective, impactful and an innovative leader in the tertiary education sector in Australia and beyond. Much of the last 10 years has been a period of great challenge and disruption for the University, so it was clear that the old way of working was unsustainable. Streamlining our administration, bold innovation and greater organisational agility were necessary.

The organisational capability we have developed has enabled us to overhaul our learning and teaching in both our vocational and higher education programs, implementing The VU Way and better positioning VU for long term financial sustainability, which will consolidate our current facilities and create an exceptional VU presence in the city. VU's improved financial performance has been sustained with annual budgets set for continued surplus. A surplus of \$24.4 million has been delivered for 2019.

OUR STAFF

Each and every staff member at VU has contributed to the transformation of our institution. We could not have made such significant progress we have without their hard work and ingenuity. The transformation of our learning and

teaching has been underpinned by our high performing staff cohort who have demonstrated the capacity to rapidly implement world-leading teaching methodologies. The accomplishments of our staff have been recognised nationally and internationally.

VU Polytechnic's revolutionary digital learning designs and approaches scooped the pool at the 2019 LearnX Live Awards, which showcased the best workforce learning practices across Australasia in a field of multinational corporate, education, and public service sectors. VU Polytechnic also received the Inclusive Training Provider of the Year Award at the 65th Anniversary of the Victorian Training Awards.

We received five awards out of 10 categories, as well as a highly commended in sixth category awards in the ATEM/ Campus Morning Mail Best Practice Awards in Tertiary Education Management for 2019, recognising excellence in professional management and administration in the Australian and New Zealand tertiary education sector. Finally, VU was awarded the Australian Higher Education Industrial Association/Voice Project Award, recognising the greatest amount of positive change achieved among all participating universities who worked with Voice Project.

OUR RESEARCH

Research at VU continues its upward trajectory, with our performance and productivity improving strongly. In the Excellence for Research in Australia (ERA) assessment we had more levels 4 and 5 ERA's than ever before and we are producing more quality research publications by remaining committed to strategically focused and funded research that has impact.

CAMPUS DEVELOPMENTS

Our campuses, and their locations, are important enablers to our ambition to be a university without boundaries and to provide access to high quality and innovative tertiary education for a growing population and workforce in the west.

In 2020, we are opening two key buildings and facilities on our Sunshine Campus. The first, Sunshine Skills Hub, is a world-class training facility that will use leading-edge technology to deliver advanced training for tomorrow's workforce. The facility will increase collaboration with industry partnerships, refresh and strengthen the local community, and will reinvigorate TAFE in the west of Melbourne. Secondly, we will open the Victoria University Sunshine Clinical School, the new home for our third-year nursing and midwifery students co-located at the Sunshine Hospital. This is an exciting development which will see our students experience a clinical setting in their final year, preparing them well for their future as health care workers, capable of meeting changing health needs of the community, especially in the west of Melbourne.

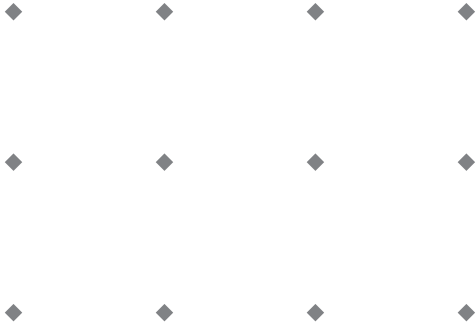
2019 saw the State Government announce the co-location of the new Footscray Hospital adjacent to our Footscray Park Campus, an exciting new development that will bring with it many opportunities for the west. We also turned the sod on the construction of our new vertical campus on the western fringe of the CBD, the City West Precinct, which will consolidate our current facilities and create an exceptional VU presence in the city.

OUR INFLUENCE IN THE COMMUNITY

Victoria University is a university that embeds itself in the communities in which we operate, and positively influences those that we serve, as the University for the west. We are making an impact through the West of Melbourne Economic Development Alliance (WoMEDA), which works to strengthen economic development in the west, to support the achievement of broader social engagement and health outcomes. In 2019 WoMEDA released its newest strategy 'Sunshine: Daring to be Great', outlining the ways that it can work with the Government to create an attractive precinct for people to live and work, with plenty of local jobs, access to transport and quality education and an attractive proposition to investors.

OUR SENIOR LEADERS

On behalf of Council I wish to acknowledge the exceptional leadership of the Vice-Chancellor and President, Professor Peter Dawkins, and his Senior Executive Group, during this period of extraordinary change and innovation. The Senior Executive Group have been bold and brave in the choices they have made, and in turn have created a sustainable university for the 21st century.



MY RETIREMENT

It has been an honour to hold the position of Chancellor for the last 10 years. Having been appointed in 2010, I am proud to have led the VU Council, alongside an outstanding team, during a time of both opportunities and challenges. It has been particularly satisfying to observe the transformation of Victoria University into a modern, agile and dynamic institution that has never strayed from its moral purpose – to provide outstanding educational opportunities in a safe and inclusive environment, to all students from all backgrounds. I will miss Victoria University, but will always remain a staunch supporter of this wonderful institution.



George Pappas AO
Chancellor





1.2 VICE-CHANCELLOR'S FOREWORD

OUR MORAL PURPOSE

2019 saw the continued transformation of Victoria University (VU), as an innovative and impactful institution raising tertiary education participation, especially in the diverse communities of our region and contributing to the socio-economic success of the west. We are a university focused on transforming our students and our communities - this is *our moral purpose*.

In implementing our transformation, now in its fourth year, our staff have shown unwavering commitment, dedication and resilience. At all levels of the institution, staff are leading reforms and initiatives, some of which are unprecedented in the sector and reshaping VU - it is a *new way to do uni*.

This hard work is paying off. 2019 commenced with increased demand for our undergraduate courses, following the introduction of the Block Model in first year. Our VTAC preferences were significantly up across the board, most notably our first preference was up 14.7%. This was a remarkable outcome, occurring in a declining Victorian domestic market. We also continued to perform strongly in our international education business.

OUR FINANCIAL TURNAROUND

2019 has proven to be another successful year for the University, as we continue to improve our financial position, delivering a positive underlying result of \$6.9 million (excluding capital grants and donations, investment income and losses from asset sales). The net operating surplus was \$24.4 million delivered on the back of ongoing organisational efficiency, growing student demand and continued innovation. Revenue increased by \$27.8 million, driven by increased student fees

of \$20.0 million largely attributable to our overseas fee-paying onshore business in both vocational and higher education. A continued institution-wide effort to contain costs, focusing on labour productivity and non-salary expenditure also contributed to our overall performance. This is a great result and enables us to continue with our ambitious transformation agenda.

THE VU WAY

In March 2019, we launched The VU Way, our bold plan to roll out the Block Model across all of our vocational and higher education courses by 2022. The VU Way articulates our commitment to the Block Model, the centerpiece to our revolutionary approach to learning and teaching, and the significant advantages for our students.

2019 saw the extension of the Block Model into second year with the academic performance of these students improving both in grades and pass rates. With 2020 on the horizon, a significant milestone is upon us, with the first cohort of students undertaking their final undergraduate year in a fully Blocked course and graduating.

Implementing the Block Model beyond first year has been a major undertaking with over 400 units completed in 2019. Alongside this we have also been refining our policies, processes and systems as the institution adapts to the new rhythm and speed of the Block. The implementation of The VU Way is a cross-functional undertaking, where collaboration and continuous improvement are central to assure its success.

ACADEMIC PROGRAM OF THE FUTURE

As we innovate our delivery of vocational and higher education, we are also reconceptualising the academic program offered at VU by considering ideas about what qualifications, programs, units and other forms of offerings we will pursue for the future.

The VU Way commits VU to preparing future-ready graduates, those with the 'knowledge, technical skills and 21st century capabilities required to thrive in the uncertain world of future work'. The Academic Program of the Future is intended to support and deliver on this commitment.

In 2019, significant engagement with the VU community and our industry partners occurred, with the release of the Academic Program of the Future discussion paper and a Thought Leadership Series, with leading international and national experts on the future of study and work. Staff, students, industry and community responded to the discussion paper, submitted ideas, attended the Thought Leadership Series and brought innovative new approaches to our attention. Over 400 pieces of feedback, ideas and suggestions were received. The project has also ignited conversations with industry about how VU can provide unique education and training offerings to suit particular niche needs. This consultation will now inform a detailed analysis of all VU's programs, taking into account institutional strengths, market performance and competitor activity.

VU POLYTECHNIC

Under the State Government's Free TAFE initiative, 30 non-apprenticeship and 20 apprenticeship pathway courses were provided tuition-fee free for eligible students in 2019. Early 2019 saw some implementation challenges, with strong demand for the 36 Free TAFE courses offered by VU Polytechnic requiring rapid scale-up. January 2019 also saw Student One - the new student management system for Vocational Education and Training (VET) students - go live. This new system ensures that our VET students have a similar online enrolment and on-boarding experience to their higher education peers.

In August, we officially opened the new Cybersecurity Training Centre at our St Albans Campus, a collaborative partnership between VU Polytechnic and global networking giant Cisco, to provide industry-curated education on cybersecurity. This new Centre is just one of the key initiatives that underpin VU Polytechnic's mission to transform the west from a traditional, manufacturing-based economy to a knowledge, technology and services economy.

Another exciting development was the construction of a tunnel training simulator at our Werribee Campus. This simulator provides vital practical experience for our Certificate III in Civil Construction students

and targeted training for the West Gate Tunnel Project workforce. These training programs are delivered in partnership with the builder of the West Gate Tunnel Project, CPB/John Holland and provide students with hands-on experience to get them work-ready for the Victorian Government's major infrastructure projects.

OUR INTERDISCIPLINARY THEMES AND CROSS-UNIVERSITY SCHOOLS

We also made great progress with the development of our strategies for our key interdisciplinary themes – Health, Sport and Active Living and Sustainable Industries and Liveable Cities. In particular, some prospective opportunities are emerging such as new cross-university schools, School of Transport Systems and Civic Infrastructure and the School for Cultural Diversity.

Our first cross-university school, the School for the Visitor Economy was launched early 2019. The School leverages our dual sector status, enabling VU to deliver industry-based programs across all qualification levels from pre-vocational certificates through to PhDs. The School is well-positioned to provide an increased volume of qualified professionals to support rapid growth in the tourism and hospitality sector. This is complemented by strong industry engagement, led by an Industry Advisory Board and an expert research program aimed at informing government and industry policies and strategies.

VU RESEARCH

The quality of our research continued in an upward trajectory with the 2018 Excellence for Research in Australia seeing an increase in the fields of research rated at 'well above world standard'. These fields included Public Health and Health Services, Medical Physiology, Nursing, Human Movement and Sports Science, Electrical and Electronic Engineering and Engineering, all of which strongly align with our interdisciplinary themes - Health, Sport and Active Living and Sustainable Industries and Liveable Cities.

Our commitment to focusing our research and investment around these themes and nurturing excellence has also seen

a significant improvement in 2019 ARC Discovery Grant outcomes. We successfully secured five Category 1 grants totalling around \$25 million, a 50% success rate and a pleasing acknowledgment that we have our strategy right.

FROM CAMPUSES TO PRECINCTS

Both the Academic Programs of the Future and our interdisciplinary themes are important components in the development of our Precinct Strategy. VU is taking a leadership role in the region with the precinct-oriented development of our campuses, leveraging our strengths in teaching, research and engagement and our current campus investments through the implementation of our Campus Master Plan. These precincts will be a major enabler in ensuring VU is well placed to meet the growing demands for tertiary education participation in Melbourne's west.

Early 2019 saw the announcement of the co-location of the new Footscray Hospital at our Footscray Park Campus, further strengthening our Footscray University Town strategy. Working with the newly established Department of Jobs, Precincts and Regions, we are developing Precinct plans for our campuses in Sunshine/St Albans, Werribee and Footscray. Importantly, these plans will deliver the following for VU to meet its mission:

- Support the achievement of our ambitious student growth plans and the long-term sustainability of the University.
- Establish VU as a partner of choice for industry and community in the region, whether physically through campus co-location and integration, or virtually through collaborative networks.
- Play a regional leadership role in addressing the opportunities and challenges of the west, including growth of knowledge and skills and the creation of high value local jobs in the region.

MAKING VU A GREAT PLACE TO WORK

The significant progress we have made in our transformation agenda in 2019 is a credit to our staff. Pleasingly both Enterprise

Agreements were endorsed, recognising the central role our staff play in our transformation agenda and enabling us to continue to be innovative in all that we do.

After years of revolutionising our approach to learning and teaching and disrupting the tertiary education sector, we are now re-imagining how we work together at VU. With our People Strategy, launched in 2019, we are working to make VU an even better place to work, creating an employee experience that is as progressive, inclusive and engaging as our student experience.

The outcomes of the 2018 Staff Engagement Survey informed the development of strategies from staff-led think tanks and were the focus for implementation in 2019. Recognising that we have much to do, making VU a great place to work was a major shared priority for the Senior Executive Group. In November, we celebrated the achievements of our staff at the Vice-Chancellor's Awards for Excellence. For the first time, VU delivered a Professional Staff Festival, where more than 450 staff participated in a range of professional development sessions and wellbeing activities.

The hard work of all involved is reaping some dividends, with preliminary results from a staff pulse survey undertaken late 2019, showing we are making gains.

FAREWELL TO CHANCELLOR, GEORGE PAPPAS

At the end of 2019, we farewelled our Chancellor, George Pappas and celebrated his decade of service at VU. George has made a huge contribution to our institution, has always been committed to VU's student-centric mission and an advocate of our learning and teaching approach. He is an especially proud champion of our moral purpose in transforming the lives of students from diverse backgrounds, including many who are first in family to attend university. George will be greatly missed as Chancellor, but I am sure he will remain a staunch supporter and a dear friend. We thank George for everything he has done for VU.

Professor Peter Dawkins AO
Vice-Chancellor and President

1.3

ABOUT VICTORIA UNIVERSITY

HISTORY

Victoria University traces its history back to 1916 when the Footscray Technical School was established. The idea for a technical school based in the western suburbs of Melbourne was first proposed in 1910.

Charles Archibald Hoadley was the School's principal from its founding until his death in 1947. His vision was to equip students not only with sound technical knowledge, but also with an appreciation of the arts, sport, and outdoor and community activities. Under his leadership, the School expanded rapidly and began offering trade certificate courses, diplomas and evening classes.

In 1958, the School changed its name to the Footscray Technical College. Ten years later it changed its name again, this time to Footscray Institute of Technology (FIT). Over the next 20 years, the curriculum was expanded to include degree courses and discipline areas well beyond the remit of the original technical school.

In 1990, FIT merged with the Western Institute, which had been founded three years earlier to provide TAFE and higher education courses to the outlying suburbs in Melbourne's west. The merger of FIT and Western Institute created Victoria University of Technology (VUT). A further amalgamation occurred in 1998, this time with the Western Melbourne Institute of TAFE. In 2005, VUT was renamed Victoria University.

VU TODAY

VU has been providing education, research and training for over 100 years and was recently rated in the top 2% of universities in the Times Higher Education World University Rankings (2019), for the fourth consecutive year.

The University's strong industry and community partnerships inform all course material. Students experience practical learning, including placements in Work-Integrated Learning programs, to ensure they are ready to work as soon as they graduate.

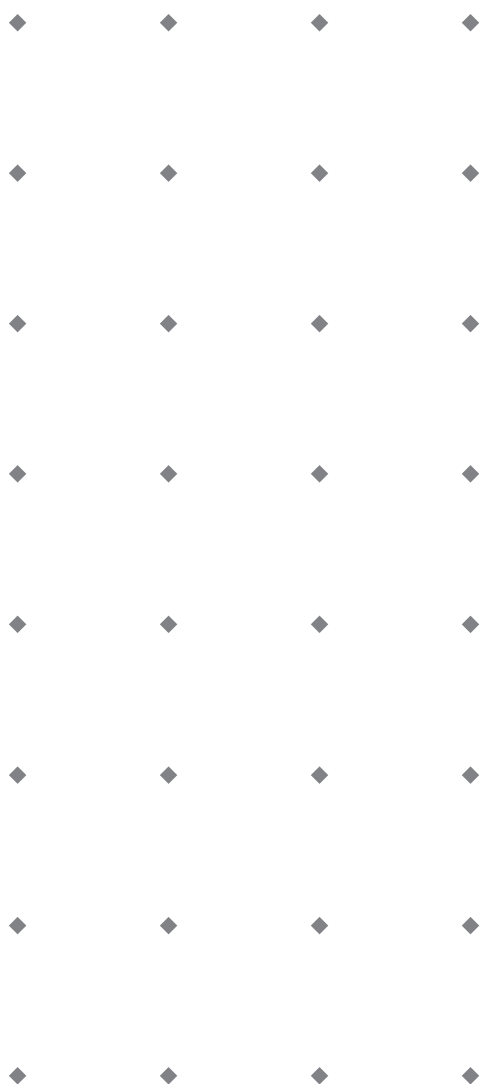
VU is one of only six Australian universities to offer courses in both TAFE and higher education. Students can move between vocational courses at Victoria University Polytechnic, and tertiary courses at VU, returning to study at any point during their career. VU Polytechnic's award-winning blended learning model replaces paper-based theory with a combination of face-to-face teaching and flexible eLearning.

In 2018, VU became the only university in Australia to use a Block teaching model, which has been used throughout Sweden and parts of North America for more than four decades.

Underpinned by learning and teaching methods known to impact positively on learning gain, undergraduate students study one subject at a time, in smaller classes, allowing more one-on-one time with teachers and greater immersion in each subject. Student academic results show a considerable increase in pass rates, distinctions and high distinctions.

VU continues to offer its diverse student body an accessible, flexible, internationally engaged and industry-focused education that produces job-ready graduates.

1.4 OUR VISION AND MISSION



VISION

As the University of Opportunity and Success, we will be open and excellent, creating exceptional value for any student from any background and uplifting the communities in which we operate.

MISSION

We will achieve this vision by:

EDUCATION

Providing high quality, engaging career-based tertiary education at all levels of vocational and higher education with flexible entry and exit points, appropriate pathways, contemporary curriculum and delivery; while maintaining rigorous standards and ensuring that all students are supported to meet those standards.

RESEARCH AND ENGAGEMENT

Undertaking high quality and innovative applied and translational research which results in healthier, smarter and sustainable communities in the west of Melbourne and beyond, and connecting deeply with industry and the community, in turn enhancing the quality of teaching and learning.

1.5 STRATEGIC PLAN 2016–2020

The University's strategic plan, the 'University of Opportunity and Success 2016-2020' promises that VU will:

- deliver high-quality learning opportunities for people from diverse backgrounds to enable them to create personalised career success and
- undertake high impact research that shapes healthier, smarter and more sustainable communities.

Since the launch of the Strategy in 2016, VU has made exciting progress in pursuit of the challenging agenda that was proposed. Specifically, VU has:

1. Brought the transformation into sharper focus through the articulation of four big ideas which now underpin our activities:
 - a. The Moral Purpose: Transforming Lives and Transforming Communities – A University Focused on its Students and its Communities
 - b. Reconceptualising Tertiary Education: A University without Boundaries
 - c. Developing 21st Century Skills and Confronting 21st Century Challenges: A Contemporary and Future Focused University
 - d. Agility, Productivity and Growth: An Agile, Dynamic, Innovative, and Growing University.
2. Launched the First Year Model and the First Year College, Victoria University's Block Model – leading a true revolution in tertiary education in Australia.
3. Moved to expand the Victoria University Block Model Beyond First Year – ensuring the full transformation of both undergraduate and postgraduate education at VU.
4. Focused our academic endeavors into two flagship areas of expertise – Health, Sport and Active Living and Sustainable Industries and Liveable Cities, and established college clusters to support teaching and learning within each area.

5. Developed a blueprint for our Academic Program of the Future, to provide our students with a competitive advantage in navigating the increasingly complex world of work.
6. Reimagined our research efforts in light of our flagship areas – launching the Institute of Health and Sport and the Institute of Sustainable Industries and Liveable Cities.
7. Commenced the reinvigoration of our campuses – through the development and activation of a Campus Master Plan that will see the consolidation of our city presence to a new Queen Street precinct, the development of a hospital precinct at Footscray Park, a skills and innovation hub and a hospital-based clinical school at Sunshine, a centre for cybersecurity at St Albans and a new engineering and construction precinct at Werribee.

In addition, there has been a significant recent focus on improving systems and processes, refining our professional services and more effectively sharing our stories of success to reposition the University within a highly competitive market. All of the activity taking place under this ambitious agenda maintains and builds on previous strategic investments. It continues to move us towards our 2020 objective of positioning VU as an outstanding and open University that provides the opportunity and pathway to success for any student from any background.

We also aim to:

- Lead our sector in integrating teaching and learning, research and engagement with industry and community, to deliver learning opportunities that support student success in the emerging world of employment and entrepreneurship.
- Offer a highly attractive suite of Vocational Education through Higher Education product and service offerings with contemporary content that is delivered through the best use of current and emerging technology.

- Provide learning experiences and research collaborations that contribute significantly to uplifting communities in the west of Melbourne and beyond, embedding engagement activities that are achieving measurable, evidence-based outcomes.
- Be renowned for research, teaching and engagement in our flagship areas of Health, Sport and Active Living and Sustainable Industries and Liveable Cities.
- Operate on a fit-for-purpose service footprint and a campus environment that enables an engaging, relevant and dynamic offer to our students.
- Employ and develop a workforce that is increasingly characterised by flexibility, agility and forward-thinking and provides quality learning experiences and support to our students.
- Provide excellent and relevant research for our industry and community stakeholders.
- Be financially sustainable.

As set out in the 2016-2020 Strategy, we remain future-focused and will continue to fine-tune our approach to make sure that we are thinking and behaving strategically in all that we do; collaborating as co-learners and co-creators of the future.

In 2019, a process commenced refreshing the current Strategic Plan to take account of the significant transformation that has occurred during the period of the plan. This will also see it extended by one year and will be released in early 2020.

The full version of the Strategic Plan 2016–2020, the White Paper on the Future of Victoria University and further information about the Victoria University Block Model can be accessed at vu.edu.au/about-vu/vice-chancellor/vision-mission

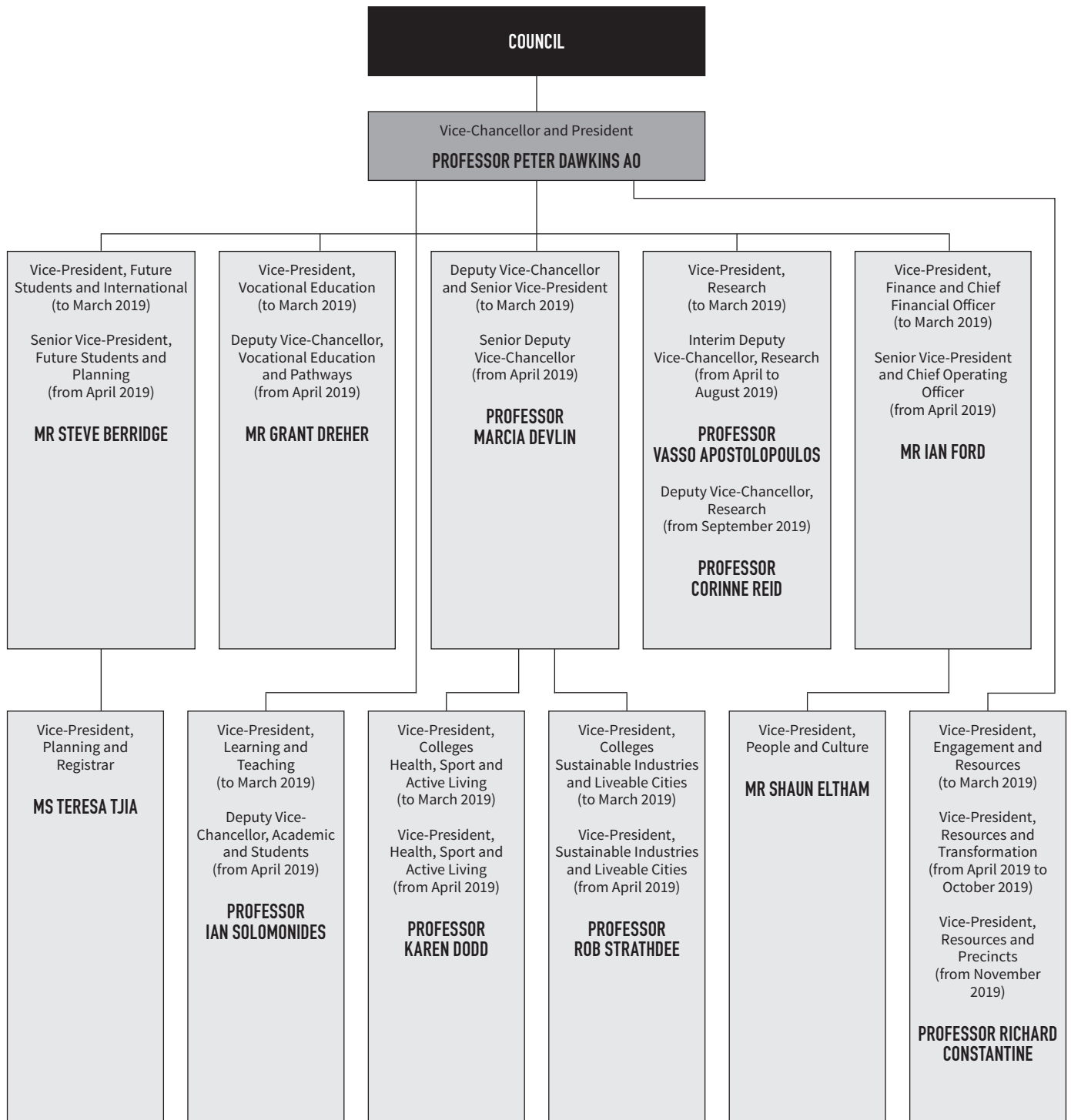
1.6

OPERATIONAL AND BUDGETARY OBJECTIVES 2019

BUDGETARY OBJECTIVES TO SUPPORT THE STRATEGIC PLAN	OUTCOME
<p>To be an agile, dynamic, innovative and growing University of Opportunity and Success</p> <ul style="list-style-type: none"> • Deliver a consecutive net financial surplus, which builds on the financial turnaround delivered in 2018 through the ongoing implementation of VU's transformational agenda and strong financial management. • Meet or exceed budgeted load for both Higher Education (HE) and Vocational Education included in the approved Financial Plan. • Continue to re-imagine and transform Professional Services in order to improve the way we work and staff productivity, reduce costs and contribute to long-term financial sustainability. 	<p>Building on the significant reform undertaken across the University in 2018 and a continued effort to reform all parts of the University, VU has delivered an operating surplus of \$24.4 million in 2019. On an underlying result basis, a \$6.9 million surplus was achieved (excluding capital grants and donations, investment income and losses from asset sales).</p> <p>This is the second consecutive year VU has achieved a net surplus result. This sees a significant financial turnaround for the University after four years of net deficits and builds a foundation for our long-term financial viability.</p> <p>The continued implementation of financial management approaches with portfolio budget holders ensured budget objectives were met.</p> <p>VU was marginally under budget in HE domestic load, there was significant growth in HE international load leading to substantial revenue growth.</p> <p>VU Polytechnic did not meet the expected load budget for 2019, with new challenges brought on by the introduction of Free TAFE. However total load and revenue were up on prior year actual results making a significant contribution to the University's overall performance.</p> <p>The transformation of Professional Services at VU continues, with an enterprise-wide system review and an institution-wide focus on building business process improvement capability.</p>
<p>Reconceptualising tertiary education through a transformational agenda</p> <ul style="list-style-type: none"> • Successfully implement and operationalise the Block Model teaching delivery model Beyond First Year and in all Senior Disciplinary Colleges. • Continuing to implement reforms associated with the implementation of VU Research. 	<p>2019 saw the extension of the Block Model into second year and the academic performance of these students continues to improve both in grades and pass rates.</p> <p>We also launched The VU Way and we have an ambitious program of rolling out the Block Model across all higher and vocational education courses by 2022, enhancing student experience and improving student outcomes.</p> <p>The Block Model Beyond First Year project continued in 2019 with the blocking of approximately 400 undergraduate units.</p> <p>We made great progress with the development of our strategies for our key interdisciplinary themes – Health, Sport and Active Living and Sustainable Industries and Liveable Cities. These themes are particularly important in focusing our research efforts and building the quality of our research.</p>

1.7 SENIOR EXECUTIVES 2019

This organisational chart depicts Victoria University's Senior Executives in 2019.



SENIOR EXECUTIVES' RESPONSIBILITIES

The following summarises the Senior Executives and their portfolios (listed alphabetically by surname):



PROFESSOR VASSO APOSTOLOPOULOS

Interim Deputy Vice-Chancellor, Research (to August 2019)

Vasso led the transformational research agenda until mid-September 2019. After that, Vasso reverted to her substantive role as Pro Vice-Chancellor (Research Partnerships).



MR STEVE BERRIDGE

Senior Vice-President, Future Students and Planning

Steve leads Future Students and Planning, which are the key corporate portfolios in the development of the university strategy, especially our growth agenda and student recruitment, and our international engagement. His portfolio also includes VU International (including offshore programs), Marketing and Communications, Engagement, VU Sydney and VU Innovations.



PROFESSOR RICHARD CONSTANTINE

Vice-President, Resources and Transformation

Richard leads the major infrastructure projects (such as the new City West Campus), facilities services, and information technology resources and projects. He also leads campus master planning and associated precincts strategies, community and government relations.



PROFESSOR PETER DAWKINS

Vice-Chancellor and President

Under the guidance of the University Council, Peter is the University's Chief Executive Officer and Chief Academic Officer, leading VU's vision and strategic direction and driving forward The VU Way and the reputation of the University for teaching, research and engagement.



PROFESSOR MARCIA DEVLIN

Senior Deputy Vice-Chancellor

Marcia is the Vice-Chancellor's senior deputy, responsible for implementing a major reform and transformation agenda, and leads the higher education portfolio including the Discipline-Based Colleges, the First Year College, Moondani Balluk, the Strategic Projects Office and the cross-university School for Transport Systems and Civic Infrastructure. Reporting to a Board on which Marcia sits, VU Online is also within her portfolio.



PROFESSOR KAREN DODD

Vice-President, Health, Sport and Active Living

Karen leads the Health, Sport and Active Living interdisciplinary theme, and Health and Sport College cluster, which includes the College of Health and Biomedicine and College of Sport and Exercise Science.



MR GRANT DREHER

**Deputy Vice-Chancellor,
Vocational Education and Pathways**

Grant is responsible for the development and delivery of our core vocational education and pathways business, including VU Polytechnic, VU College, Wyndham Tech School and our first cross-university school, the School for the Visitor Economy.



MR SHAUN ELTHAM

Vice-President, People and Culture

Shaun leads the People and Culture function, which is the major supporting and enabling service for our core teaching and research operations and integral to making VU a great place to work.



MR IAN FORD

**Senior Vice-President and
Chief Operating Officer**

Ian is responsible for key supporting and enabling services that manage institutional resources, including Finance, People and Culture, Sustainability and the Enterprise Business Transformation Office.



PROFESSOR CORINNE REID

**Deputy Vice-Chancellor, Research
(from September 2019)**

Corinne is responsible for VU Research, a whole of University department that supports all aspects of the University's research and research training including Centre for International Research in Education Systems (CIRES), Centre of Policy Studies (CoPS), Institute for Health & Sport (IHES), Institute of Sustainable Industries and Liveable Cities (ISILC), Mitchell Institute, Sir Zelman Cowen Centre, Research Services and the Office for Researcher Training, Quality and Integrity.



PROFESSOR IAN SOLOMONIDES

**Deputy Vice-Chancellor,
Academic and Students**

Ian leads Teaching and Learning and Student Support Services focused on the quality of student learning and student experience, and the delivery of The VU Way. This includes the PVC (Students) portfolio comprising Student Services and Administration, the Library and Centre for Employability and Success, together with Academic Quality and Standards, Connected Learning, Cultural Diversity, VU Academy, and Skunk Control.



PROFESSOR ROB STRATHDEE

**Vice-President,
Sustainable Industries and Liveable Cities**

Rob leads the Sustainable Industries and Liveable Cities interdisciplinary theme and a cluster of colleges which currently includes the College of Arts and Education and College of Engineering and Science.



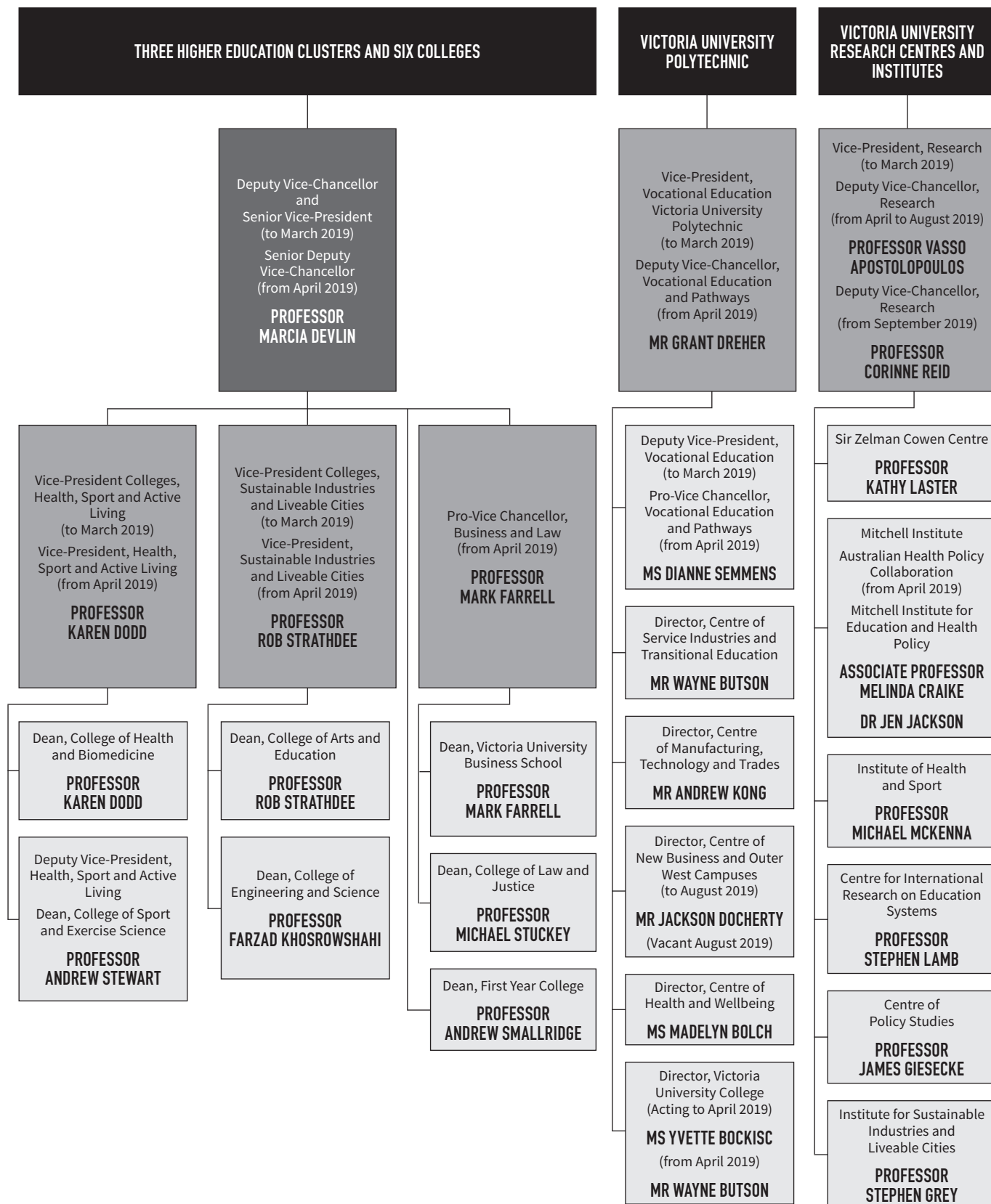
MS TERESA TJIA

**Vice-President,
Planning and Registrar**

Teresa leads our institutional planning and performance, data insights and governance. She is Council Secretary, responsible for providing advice to Council on the governance of the University. Other key functions within the portfolio include corporate services that ensure the University meets its regulatory obligations such as Policy and Compliance, Legal, Audit and Risk, Critical Incident Management and Business Continuity and Children's Services.

1.8 HIGHER EDUCATION CLUSTERS, COLLEGES, VU POLYTECHNIC AND INSTITUTES

The chart below depicts the educational structure of Victoria University as at December 2019.





SECTION 2

**REPORT OF
OPERATIONS**

2.1 THE UNIVERSITY OF OPPORTUNITY AND SUCCESS

Victoria University's strategy has three key elements:

- Position ourselves as an open and excellent university.
- Pursue a transformational agenda.
- Ensure financial sustainability.

Victoria University has a clear mission – to provide outstanding educational opportunities to any student from any background, in the west of Melbourne and beyond. We have a deep moral purpose to transform lives and communities through the power of education and research. Our vision as the University of Opportunity and Success is to be open and excellent, creating exceptional value for any student from any background and uplifting the communities in which we operate.

We will provide exceptional value to our diverse community of students by guiding and assisting them to achieve their career aspirations through flexible and industry-relevant learning opportunities. Our students and graduates will be able to demonstrate their employability, and their development of 21st-century skills including critical thinking, problem-solving, creativity and an entrepreneurial mindset.

Graduates need to be prepared to address complex real-world challenges in a changeable and uncertain future. This means they need different skills to succeed. It was clear that the conventional way of teaching was no longer giving our students the chance to reach their greatest levels of success and satisfaction. To this end, we have implemented our innovative and award-winning approach to learning and teaching - The VU Way.

We are transforming tertiary education, we are delivering a new way to do Uni. The VU Way is a student-centric, student-success led model delivering high impact, active, collaborative, and engaged learning, which is vital to preparing students for their future. We are seeing a dramatic increase in student success rates, especially for those first in the family, low SES and international students. Importantly, it is delivering on our moral purpose of being an open, excellent and accessible university – ensuring any

student from any background can achieve academic success.

This is the cornerstone of the education revolution at VU. The VU Block Model delivers a more progressive, smarter and sharper way to undertake tertiary study. It allows students to study one subject at a time: maximising their focus, deepening their learning and increasing their success, without conflicting deadlines. It is transforming the way our students learn, with increased student retention and pass rates, improved success and higher satisfaction levels.

We will continue to support our academic and professional staff in successfully developing and guiding our students' careers, connecting with industry and community, engaging in research with impact, and being committed to continuous improvement.

VU has defined areas of research focus that build on well-established capability and disciplinary expertise in flagship areas: Health, Sport and Active Living, and Sustainable Industries and Liveable Cities. Our areas of research focus will create opportunities for collaboration and growth. They will also enable innovative solutions for the immediate and pressing issues of the day in the communities of the west of Melbourne and beyond.

Victoria University is a university without boundaries. Our campuses and their locations are important enablers to our ambition to be a university without boundaries and to provide access to high quality and innovative tertiary education for a growing population and workforce in the west.

We have commenced a precinct-oriented development of our campuses in partnership with the State Government and other regional stakeholders, to grow and meet the education and training needs of the region, guaranteeing a sustainable and innovative university for the west of Melbourne. We will establish VU as a partner of choice for industry and community in the region, whether physically through campus co-location and integration, or virtually through collaborative networks, and play an

ongoing regional leadership role, in partnership with regional stakeholders, to address the opportunities and challenges of the west, including growth of knowledge and skills and the creation of high value jobs in the region.

Victoria University, the University of Opportunity and Success, is delivering next-generation education and is a leader in reconceptualising tertiary education.

2.2 LEARNING AND TEACHING

LEARNING, INNOVATION AND QUALITY

Victoria University continued the implementation of the revolutionary VU Block Model beyond the first year of study. The cross-disciplinary First Year College received its second cohort of commencing students, while students that started in 2018 progressed to their second year of study in this revolutionary approach to learning and teaching.

Well over 18,000 grades were released to students in their first and second years with an overall pass rate of 90% across all non-First Year units offered in Block Mode. Data shows that students continue to succeed and excel in and beyond first year, and that while all students have achieved better learning outcomes than under the traditional model, students from equity groups have benefitted the most, ensuring a greater overall outcome for all students. Preparations continued in the design and development of third-year units of study, and in support of Block Model teaching in VU Sydney and VU College, to be made available from February 2020. Many commencing students cited the Block Model as a primary reason for choosing Victoria University.

During 2019, further development of systems and processes used to support student learning and outcomes took place. This delivered a number of benefits, including rapid turnaround of marking and grades, identification of students at risk of failing and interventions to support them, reviews and enhancements to co-curricular provision such as study skills and employability, online study support services, success planning, and the development of a Student Mental Health Strategy 2018-2020 – one of the first in the Australian sector.

In September, we held the first Learning and Teaching Symposium since 2017. Under the banner, The VU Way: Work Ready, Tech Ready, Life Ready – breaking the rules in tertiary education, over 200 delegates and 50 presentations from across the University celebrated the creative and innovative work going on in support of the VU Block Model and teaching and learning innovation generally.

Teaching and learning innovation and management were externally recognised through receipt of several awards. Victoria University's focus on collaborative working with students was a feature of many of the awards, which included a Gold Australian Good Design award for the VU App, several Association for Tertiary Education Management awards, two LearnX Live Platinum awards for Best Learning Design Team and Best Talent Partnership, and several other peak body and industry-sponsored accolades.

In addition to awards, Victoria University's Block Model was showcased at national and international conferences, symposia, events, and through publications. Several staff presented keynotes and our Students as Staff program was highlighted. Visitors interested in hearing more about the VU Block Model included Professor David Helfand, inaugural Vice-Chancellor at Quest University, Canada on which some of the Block Model was based, representatives from Murdoch University, Flinders University, University of Melbourne, Australian Catholic University, Sunway College (Malaysia), University of Western Cape (South Africa), Coventry University, and Northumbria University (UK), and the University of Ljubljana (Slovenia), Abertay University, Scotland (the DVC visited) and University of Western Cape, South Africa (Andrew Smallridge was invited to present on the Block Model), the Australian Defence Force Academy, the New Zealand Tertiary Education Commission, Luther College, and Flinders Christian Community College, to name but a few.

DIGITAL TECHNOLOGIES

In 2019, the focus has been on improving the student experience, while enabling systems to digitise manual-based work practices to improve staff productivity. The five-year capital investment plan has been revised, reflecting recommendations from the KPMG review to further invest in underperforming platforms. These platforms include the Human Capital Management System, Records Management, and Student Management System for Higher Education.

In the first quarter (Q1), the Student Management System for VU Polytechnic was implemented successfully. This has enabled process enhancement and improved reporting compliance. The second phase is on track to digitise manual-based enrolments, in Q1 2020.

The focus on supporting the Block Model has been a priority for 2019. This has included extending the MyVU system to support our transformative business, whilst improving the student experience, and reducing the time it takes for students to accept new offers and enrolments.

Audio-visual equipment has been renewed in teaching spaces, to support the Block Model and reduce the rate of failures in ageing equipment. In addition, the cybersecurity program has been successful in improving the security controls to minimise cyber-attacks against the University. The cyber program has implemented technical controls and improved the overall awareness and importance of cyber threats among VU staff and students.

Several tenders have been released to the market that will enable the University to make decisions and potentially commence implementation activities in 2020 to digitise some of the manual-based administrative operations. This includes a Human Capital Management System, Records Management, Contracts Management, and a request for information for a Student Management System for Higher Education.

The digital technologies portfolio piloted the implementation of agile work practices, which has enabled new ways of working. Early feedback suggests an improvement in staff morale and productivity by empowering teams, and training managers to be coaches.

VU ONLINE

After commencing delivery of its first courses in September 2018, in 2019 VU Online enrolled 247 students into the Graduate Certificate in Business Administration and MBA. 70% of eligible students graduating from the Graduate Certificate re-enrolled into the MBA.

In November 2019, VU Online increased the number of fully-online courses, introducing a Master of Nursing, with specialisations in Leadership, Palliative Care, Chronic Disease and Ageing, and a nested Post Graduate Certificate.

HIGHER EDUCATION COLLEGES AND VICTORIA UNIVERSITY POLYTECHNIC

Victoria University Polytechnic offers a range of sub Bachelor programs including training packages and state-based curriculum programs. VU Polytechnic's programs span many industry sectors such as health, engineering, trades, manufacturing, business and education. VU Polytechnic also delivers higher education Diplomas and English language programs through VU College. With a focus on industry informed and validated skill development, VU Polytechnic delivers a learning experience that is customisable, responsive, scalable and transportable, providing students with the technical capabilities and 21st-century skills needed to succeed in the future.

COLLEGE HIGHLIGHTS

COLLEGE OF SPORT AND EXERCISE SCIENCE

The College of Sport and Exercise Science continued its multiple strategic partnership agreements with domestic and international sporting organisations and universities. These partnerships provide a range of unique learning, career development and employability experiences. The newest is an innovative partnership with the Outdoor Education Group (OEG), which includes the development and delivery of a new Bachelor of Outdoor Leadership course, 35 paid student internships per year, and the potential for a two-year employment contract upon graduation for those who excel.

COLLEGE OF HEALTH AND BIOMEDICINE

In 2019, the College of Health and Biomedicine increased mobility opportunities for students in their paramedicine course, giving students international exposure and employment offers from around the world. In the last

12 months, third-year students completed clinical placements in ambulance and emergency services in Canada, the USA and Europe.

The College has developed a new teaching facility called the VU Sunshine Clinical School, which was handed over this year. The site is purpose-built for all third year Nursing students and third and fourth year nursing and midwifery dual degree students. The facility is located on a new site which is adjacent to the Western Health Joan Kirner building and the Sunshine Hospital which is 2.5 kms from the teaching campus at St Albans.

This exciting new facility has classroom teaching spaces, nursing and midwifery teaching laboratories, specialist simulation spaces and a Self-Directed Learning space. With its close proximity to the hospital, student learning experiences will be enhanced with increased opportunities to link learning with the hospital environment. This year the College has been developing new course offerings in the areas of speech pathology, physiotherapy and dietetics, with the recruitment of new academics to support these discipline areas.

COLLEGE OF LAW AND JUSTICE

The College of Law and Justice introduced its inaugural Bachelor of Criminology and Bachelor of Law as a double degree in 2019. This course is a standout success. Enrolments in 2019 greatly exceeded expectations, with over 200 students. On the basis of student inquiries, it is already one of the most popular courses at Victoria University. The law degrees were also revitalised under the Block Model and The VU Way, where all units in all courses from years 1 - 4 were designed and developed under the Block Model principles.

The College of Law and Justice has continued its partnerships with WestJustice, Victorian Legal Aid, other Community Legal Centres, and the courts – providing its students with a raft of internship and placement opportunities. In 2019, as part of the LLB review, all law students are now required to complete 150 hours of legal placement work prior to graduation. This initiative is supported by our own Legal Placements Officer in

the College. In 2019, as part of its ATSI education strategy, the College of Law and Justice introduced a new unit, Indigenous People and the Law, which has proved extremely popular and is available to all students at VU.

College of Law and Justice students in 2019 were also part of the international law moot competition, the Willem C. Vis International Commercial Arbitration Moot, which saw a team of four VU students compete in finals in Vienna. Our students were able to demonstrate their study in the area of international commercial arbitration, and the resolution of business disputes by arbitration.

The College of Law and Justice also enjoyed considerable success in research output, which delivers direct and tangible benefits for the College's research ranking. Academic staff were successful in having an increased number of their research articles published in several highly esteemed, peer-reviewed law journals. A number of staff were also noted for their research both nationally and internationally via a number of media outlets.

COLLEGE OF ENGINEERING AND SCIENCE

The College of Engineering and Science has maintained its impressive Times Higher Education Ranking, positioned seventh and ninth in Australia, and second and third in Victoria for Computer Science and Engineering, respectively. These are underpinned by College ERA ratings in Engineering, Mathematics, Computing and Science.

We have achieved better relationships with students through our Class Representative Forum, led by students. Student employability is enhanced through events such as Engineer Your Dream Career. Our students are top performers in Student Leadership and International Student Awards. The College WISE group promotes Women in STEM through the engagement of students in industry-lead events.

The creation of the School of Transportation and Civic Infrastructure will forge a more fruitful engagement with industry and community, particularly in the west. In partnership with Maribyrnong City Council, we have secured an \$800,000

Smart Cities for Social Cohesion grant. The College works with over 100 industry partners on projects including SWER Power Line Networks, Treatment of Salmonid Aquaculture, Urban Traffic Congestion, Fire Performance Testing, Water Treatment, Cryptographic Library, Mineral Extraction, and Bio-membrane Waste Water Treatment.

COLLEGE OF ARTS AND EDUCATION

In 2019, the College of Arts and Education continued to build strong partnerships with industry, including the Footscray Learning Precinct, WestJustice and GoodStart. These partnerships enabled the College to respond to industry demand for highly skilled graduates in a range of disciplines, including teaching, criminal justice and youth work. Key changes in our courses include the inclusion of more work-integrated learning in our community education programs, the introduction of a Graduate Diploma in Early Childhood Teaching, and the continued implementation of the Victorian Selection Framework for initial teacher education.

We have also increased the impact of our courses in other ways. In our music course, for example, Greg Aronson and Robert Bell developed the VU Music booking agency which is now in its second year of operation. The agency provides paid employment for more than 50 Bachelor of Music Students at university events, corporate events, festivals and local venues. Such is the reputation of our music students, that Crown Entertainment Complex has appointed the VU Music agency as a permanent provider of musicians for its functions and venues.

Finally, in conjunction with the First Year College, we delivered our first higher education units at our Werribee Campus. More offers are in planning as we continue to drive up our impact in the west of Melbourne.

FIRST YEAR COLLEGE

The First Year College (FYC) was formed in 2018 to deliver all of the first-year units to our undergraduate bachelor students. In 2019 the FYC delivered 1,284 unit offerings (52,200 hours) to 4,299 EFTSL. The Block Mode teaching provided by the FYC again

resulted in high student engagement and success with more than 85% of student results a pass or better; this is slightly up on 2018. The FYC systematically reviewed the units it offered based on the experience from delivering Block Mode for the first time in 2018 and this resulted in a significant increase in student satisfaction with the units: 81.4% compared to 77.2% in 2018.

The staff in the FYC were active in promoting the Block Model and The VU Way with 26 staff presenting at national and international conferences and seven published refereed journal articles reporting on outcomes from the FYC Block Mode teaching. This is in addition to the discipline-based research undertaken in the FYC which saw an increase in publications in 2019.

VICTORIA UNIVERSITY BUSINESS SCHOOL

Victoria University Business School (VUBS) is deepening and strengthening industry partnerships to achieve our vision to be the most applied and industry-connected Business School in Australia. Associate Professor David Goodwin was appointed this year as Head of Industry and External Engagement. We have enhanced the student experience and links with industry through several initiatives:

- Victoria University is the new Academic Competence Centre location for SAP and will support the SAP University Alliances community in the Asia Pacific region of 600+ educational institutions in 18 countries. The new strategic partnership will help accelerate the education of next-generation leaders using the latest SAP technologies to ensure VU students are work ready.
- A Thought Leadership Series featuring prominent guest speakers was launched including the inaugural VUBS Executive-in-Residence, Dr Deni Ridwan, Director for Risk Management and Legal with Indonesia's Secretariat of Financial System Stability, and Mr Reg Johnson, General Manager Education and Industry Development at CISCO.
- 'Industry Week' where students visited workplaces including CISCO, Optus,

and RACV Club on the theme 'Digital Innovation and the Future of Work'.

- Several students engaged in a social entrepreneurial study tour with CERES Global, to Bali and Lombok, working on sustainable community development projects.
- Some students travelled to China and received student scholarships of the Study Melbourne Language & Internship Program in China, a partnership between the Victorian Government and the China Education Association for International Exchange (CEAIE).
- The Business School hosted the 2019 Environmental, Social Governance conference which was the result of a competitive conference grant provided by the Accounting and Finance Association of Australia and New Zealand (AFAANZ).

Our students and staff have been acknowledged for their achievements. Two MBA students were national finalists in the 2019 Australian Graduate Management Awards for Most Outstanding MBA Graduate and Most Innovative Project. The MBA course continues to be ranked as a Tier 1 program by CEO magazine and has expanded to the online space. Accounting lecturer, Kathy Michael, was the recipient of a citation for Outstanding Contribution to Student Learning in the 2019 Australian Awards for University Teaching.

VICTORIA UNIVERSITY POLYTECHNIC

Victoria University Polytechnic delivers a range of vocational education, sub-bachelor and industry-relevant programs, to over 14,000 students annually. VU Polytechnic students acquire new skills through a range of vocational education and training (VET) programs in high employment demand areas while developing transportable skills for a successful career.

2019 saw VU Polytechnic win Inclusive Training Provider of the Year at the Victorian Training Awards. The Award recognises exceptional training providers within VET who have demonstrated outstanding improvements with regard to the achievement, engagement and well-

being of students with additional needs. VU Polytechnic was also a finalist at the international LearnX e-learning and design awards and received five top honours at the national LearnX Live Awards, including Best Online Model and Best Talent Partnership.

VU Polytechnic has seen a significant uplift in numbers of students undertaking courses which form part of the Victorian Government's Free TAFE for Priority Courses Initiative. At the end of 2019, 29% of the VU Polytechnic's enrolments were Free TAFE. The initiative has seen a renewed focus on industry-relevant qualifications offered by public providers and has provided more students with access to VET. The initiative will continue in 2020.

VU Polytechnic has worked with a range of industry partners at the re-opened Werribee East Campus, including CPB John Holland, Rokon, Broadspectrum and BMD. Training at the campus has supported supplying skilled workers for the Victorian State Government's West Gate Tunnel Project and Level Crossing Removal Project. Courses range from Certificate II pre-apprenticeships, through to Certificates III and IV in Civil Construction and Operations. Industry partners actively participated in our Construction Industry Showcase and VET Discovery Day; both held at the Werribee East Campus.

In August 2019 the CISCO Cyber Security Operations Centre was officially launched at St Albans Campus, eliciting interest from a range of industry stakeholders and cyber organisations. Certificate IV in Cyber Security is in strong demand and is just one course in an emerging suite of digital transformation programs.

A number of students have received industry recognition including a plumbing student receiving the Reece Next Gen Grant, through Reece Group. Students currently studying Work Education won team of the year at the Victorian Disability Sport and Recreation Awards, along with winning the women's team event at the INAS World Half Marathon Championships in Portugal. Six hairdressing, beauty and make-up students won awards across various categories at the Hair Beauty Industry Association annual awards.

VICTORIA UNIVERSITY COLLEGE

VU College is responsible for delivery of ELICOS, Higher Education (HE) foundation and diploma pathway courses taught onshore or offshore with international partner institutions in China. In addition, Victoria University English (VUE) oversees the Pearson's Test of English testing centre and coordinates study tours.

HE Diplomas in Business (Enterprise), Information Technology and Engineering provide alternative pathways into second year bachelor degrees. In 2019, 32 merit scholarships were awarded to international students who passed and achieved at least a distinction in each unit in their first semester of study.

The International Foundation courses commenced in 2018 and in 2019 enrolments grew by 78%. The graduates who are currently studying in the first year have experienced a positive transition with 64% of all first-year unit attempts achieving a distinction grade or higher. The Foundations at VU (enabling) course provide students with a pathway to further tertiary study.

VUE delivers English Language Intensive Courses to international students to prepare students for academic study, or improve general English literacy. English for Academic Purposes supports admission into different courses at Victoria University. Students completing their first semester of study in 2019 had an overall pass rate of 82%, with 45% of grades being either distinction or high distinction.

VU College students are involved in a range of support programs including Mentoring, Cross-cultural cooking and Transition to VU and the Community.

VICTORIA UNIVERSITY AWARDS

2019 was a year for honouring the achievements of staff by recognising their outstanding contributions to Victoria University. These recognitions included the Vice-Chancellor's Awards:

CAREER ACHIEVEMENT AWARD

- Professor Peter Noonan

EXCELLENCE IN ENGAGEMENT AWARD

- Dr Maurice Guerrieri
VU Research and Institute of Sustainable Industries and Liveable Cities

EXCELLENCE IN LEARNING AND TEACHING (VOCATIONAL EDUCATION) AWARD

- Donald Divendran Gordon
Service Industries and Transition Education, VU Polytechnic

EXCELLENCE IN LEARNING AND TEACHING (HIGHER EDUCATION) AWARD

- Dr Fotios Sidioglou
First-Year College

EXCELLENCE IN LEARNING AND TEACHING (PROGRAMS THAT ENHANCE LEARNING) AWARD

- Connected Learning Students as Staff Team

EXCELLENCE IN RESEARCH AND RESEARCH TRAINING (EARLY CAREER) AWARD

- Dr Sarah Voisin
Institute of Health and Sport

EXCELLENCE IN PROFESSIONAL SERVICES AND INNOVATION AWARD

- Connected Learning Team; and
- First Year College Office Team

EXCELLENCE IN STUDENT ENGAGEMENT AWARD

- Julie Madden
Transition Education, VU Polytechnic

LEARNING AND TEACHING DATA

HIGHER EDUCATION

STUDENT ENROLMENTS AND LOAD	2017	2018	2019
Number of students – Total ¹	26,906	27,260	28,412
Number of Students – CSP, Undergraduate, Domestic	13,423	13,765	13,195
Load (EFTSL ²) – Total	19,141	20,183	21,235
Load (EFTSL) – CSP, Undergraduate, Domestic	10,229	10,549	10,198
MAJOR FUNDING GROUP (EFTSL)	2017	2018	2019
Australian Fee Paying	732	538	531
Domestic Tuition Fee Exempt	26	7	2
Exchange	73	71	39
Government Funded	11,090	11,126	11,093
International Offshore	3,154	3,366	3,772
International Onshore	2,538	2,739	3,101
International VU Sydney	1,199	2,042	2,323
No Fund Group	24	26	11
Research Training Program	304	269	286
Victoria University Online	0	12	77
COURSE CATEGORY (EFTSL)	2017	2018	2019
Undergraduate	14,647	15,074	15,816
Postgraduate Coursework	2,520	3,184	3,609
Sub bachelor	1,217	1,218	1,146
Research	508	463	455
Non Award	249	244	209
HOME RESIDENCE – WESTERN MELBOURNE REGION ³ (EFTSL)	2017	2018	2019
Western Regions	6,513	6,556	6,265
Other Regions	7,576	8,058	6,940
Overseas	4,981	5,484	7,910
Not Available	73	86	121
CAMPUS LOCATION (EFTSL)	2017	2018	2019
City	3,221	3,419	3,753
Footscray	8,425	8,482	8,570
St Albans	2,875	2,858	2,661
Werribee	57	41	47
VU Sydney	1,200	2,042	2,325
Victoria University Online	0	12	77
Offshore	3,111	3,275	3,708
Other ⁴	252	53	94
GENDER (EFTSL)	2017	2018	2019
Female	10,351	10,729	11,335
Male	8,785	9,440	9,881
Other	6	15	18

¹ 2019 student enrolments are estimates

² EFTSL = Equivalent Full-time Student Load (e.g. 8 units over 2 semesters equals 1.0 EFTSL for UG)

³ Based on self-identified home postcode information

⁴ Includes distance venues and online delivery

LEARNING AND TEACHING DATA (CONTINUED)

VOCATIONAL EDUCATION

TOTAL STUDENTS	2017	2018	2019
Number of Students	14,799	12,170	15,390
Total student contact hours (SCH)	5,671,660	4,942,336	5,504,709
Total load (EFTSL) ¹	7,877	6,864	7,645
MAJOR FUNDING GROUP ² (EFTSL)	2017	2018	2019
Government Funded	5,884	6,213	6,857
Full fee-paying (domestic)	141	135	230
International (onshore)	306	111	198
International (offshore)	784	139	171
Fee for Service	763	266	189
COURSE CATEGORY (EFTSL)	2017	2018	2019
Postgraduate coursework	20	9	13
Advanced Diploma/Diploma	2,326	2,093	2,185
Certificate IV	1,025	1,030	1,701
Certificate III	1,992	2,095	1,828
Certificates II & I	1,558	1,318	1,431
Other ³	956	319	487
HOME RESIDENCE – WESTERN MELBOURNE REGION ⁴ (EFTSL)	2017	2018	2019
Western Regions	5,278	5,010	5,500
Other Regions	1,949	1,719	1,945
Overseas	632	106	0
Not Available	19	29	200
CAMPUS LOCATION (EFTSL)	2017	2018	2019
City	871	656	819
Footscray	1,880	1,999	2,487
Sunshine ⁵	2,277	2,064	2,104
St Albans	717	726	851
Werribee	820	804	1,179
Other ⁶	661	575	204
Offshore	651	40	0
GENDER (EFTSL)	2017	2018	2019
Female	4,171	3,588	4,125
Male	3,704	3,268	3,508
Other	3	9	10

1 EFTSL = Equivalent Full Time Student Load (student contact hours divided by 720)

2 Major Fund Group – Fee for service includes VETiS

3 Includes ELICOS, VCE/VCAL and non-certificate enrolments

4 Based on self-identified home postcode information

5 Sunshine (includes Newport)

6 Includes workplace, distance venues and online delivery

2.3 STUDENTS

STUDENT LIFE AND LEADERSHIP

VU's Student Welcome comprises a comprehensive package of programs and services that focus on student success. These programs and services, underpinned by current practice in maximising the student experience, are offered to commencing and continuing students. A dedicated program of international orientation events is customised by the level of study.

The 2019 Student Welcome program incorporated 19 events in Semester 1, and 14 events in Semester 2, delivered across the eight Victorian VU campuses with over 8,500 attendees. Both Winter and Summer O-Fest activities delivered a Net Promoter Score (NPS) of 44, returned by student survey.

Student Life delivered more than 100 campus events and launched the new LEAD program (formerly Lead2Change) offering 11 new workshops with 162 students participating in the re-designed program. The sold-out Student Leadership Conference focused on the theme of Inclusive Leadership and set students on their leadership journey to build skills for employability and confidence.

Our Student Leadership Awards recognise and celebrate students across Victoria University for their leadership roles and outstanding achievements in co-curricular and extra-curricular activities. This year over 100 students applied for VU's 2019 Student Leadership Awards across 15 categories. The Awards Ceremony was attended by 203 guests, a 78% increase from 2018.

In 2019 VU's award-winning V4U Day was subscribed by 300 volunteers, an increase in engagement of 44% on 2018 records. VU students, staff, alumni and representatives of VU's 29 affiliated Student Clubs participated in this community volunteering event.

STUDENT COMMUNICATIONS

The Student Communications team ensures that all student communications from across the business are clear, concise, student-centric and engaging.

Enhancing the student experience is key to the work of Student Communications. The team segments communication to specific cohorts – ensuring the right message is received at the right time, via the right channel.

VU's communications platform MyVU has continued to see increased student engagement, with in excess of one million visits throughout the year, from students in domestic and international locations.

Ongoing optimisation work on MyVU has added value to the student experience in 2019.

This highly complex piece of work brings new and improved user experience to online enrolment, for commencing students, and customises the enrolment process for students studying in Block Mode. Students are now able to plan their unit enrolment in line with patterns of study designed to build their knowledge and skills throughout the first year – and in turn, maximise their opportunities for success.

In the latter part of 2019, Student Communications have worked with the business to create a single Student Calendar interface. Accessed via MyVU and the VU App, the calendar enables students to view key dates and events relating to their studies and extra-curricular activities in one place.

PATHWAYS AND PARTNERSHIPS

Pathways and Partnerships forms a key element of the Employability and Success team, one of four business units in the PVC (Students) Portfolio. The team is responsible for the strategic direction of over 200 internal and external domestic pathways at VU, working closely with VU Polytechnic, as well as a range of external education providers, to build and maintain fit-for-purpose pathways into Victoria University courses. This university-wide approach ensures that VU's diverse community is recognised and provided with opportunities for further study at vocational, bachelor and postgraduate levels.

Pathways and Partnerships engage with all areas of the University including the

First Year and Discipline-based Higher Education Colleges, Student Services and Administration, Marketing and Future Students, to ensure the success of pathway programs.

Key achievements in 2019 include plans to develop a formal Operational Process Framework for internal pathways, under the direction of the inaugural Pathways Operations Group and the Pathways Steering Committee. Both are management and governance groups designed to ensure pathways are well planned, monitored for quality purposes and well communicated to eligible students.

STUDENT RETENTION PROGRAM

In 2019 the approach to student retention was expanded to include the development and deployment of a more sophisticated suite of predictive learner analytics. In particular, the analytics refined the identification of students who were at risk of withdrawal from their studies. This development was intrinsically linked to emerging patterns of enrolment, engagement and assessment in the First Year College with Block Mode delivery.

The Student Link program collaborates with VU's Contact Centre to activate interventions. Students are identified via a range of engagement indicators, proactively contacted via telephone and provided referrals to support services and resources.

Over 7,200 calls were made in 2019 across a range of key times in the student lifecycle. In 2019 the focus of retention initiatives was extended to include a pilot campaign for VU Polytechnic for two vocational programs, which will be further developed in 2020. Intervention campaigns were also rolled out to the VU Sydney cohort. Student feedback to these calls was overwhelmingly positive with most expressing appreciation of the proactive nature of the support campaigns as well as the advice, support and targeted referrals provided to internal VU services.

In 2020, the focus will be to further expand the support call programs to include more cohorts included for customised campaigns that support student success and retention.

STUDENT EMPLOYABILITY

The focus on student employability was sharpened considerably in 2019, with the introduction of VU Employ. VU Employ is a conveniently located and accessible service, offering students a range of resources, advice, workshops and consultations. These services are specifically related to employment, part-time work, enterprise skills, career development workplace practices and industry mentoring. Launched in June 2019, VU Employ engaged with over 600 students across a variety of areas, and in 2020 will launch several new initiatives to further enhance the offering.

Many VU courses continue to offer embedded employability and workplace culture content, supported by an expanding suite of work-integrated learning activities. Simultaneously the VU Employ offering is designed to add further value for students by strengthening their skills and experience and optimising graduate employment outcomes.

Additionally, the Talent Connect industry mentoring program offers students an opportunity to engage with an intensive masterclass program. The program is designed to fast track students' preparations for the workplace, and to establish the foundations for their upcoming mentoring experience with a matched industry professional.

Beyond VU, a just-in-time intensive program was also piloted in November 2019 with students due to graduate at the end of 2019. The program includes developing a personal pitch, networking skills, job search and interview strategies.

ACADEMIC SUPPORT AND GUIDANCE

In 2019 VU's Learning Hubs delivered academic and career support and guidance to students. This model of support, implemented in 2018, complements what is learned in class. Individual support is provided in open and accessible Library spaces on all major campuses.

The Learning Hubs provide integrated services to guide and advise students

throughout their study, building and encouraging a culture of help-seeking. Learning Hubs provide targeted support and skill-building, to assist students through their units of study and to develop the 21st-century skills crucial to study success. Programs are tailored for different levels for undergraduate students, postgraduate and research students, and an increasing range of activities to support VU Polytechnic and Higher Education Diploma students. Alongside these tailored programs, all VU students can access regular drop-in sessions, study spaces and postgraduate support. This suite of support tools ensures that all VU students can access timely and relevant advice and assistance to develop the skills required to be a successful student and graduate. In addition, our 24/7 advice service, Learning Hub Tutoring, takes enquiries anytime via chat, providing students with access to academic support when and where they need it. In 2019, this service saw an increase in demand with more than 800 students accessing the service and over 1,500 online sessions conducted.

2019 has seen a new and clear governance structure for the Learning Hubs, to ensure a focus on strategic direction, and that the suite of services and activities it delivers continually align with the Block Mode of teaching and the needs of VU Polytechnic, Research and VU College students. Advisory and Working Groups are inclusive of many areas of VU, including students, to guide the Learning Hub team in the design and delivery of services and programs.

POSTGRADUATE SCHOLARSHIPS

In 2019, the University offered 24 new Commonwealth Government-funded research scholarships with a total value of \$662,400.* One new annual Indigenous Postgraduate Scholarship (the Lisa Bellair Postgraduate Research Scholarship) was awarded again through the University Scholarship Program. The Foley Collection Scholarship was also awarded for applications from indigenous and non-indigenous applicants who wish to focus their research on an aspect of the Foley Collection.

ALUMNI ENGAGEMENT

Engaging with our alumni is vital to the future of both VU and our students, as we seek to provide valuable opportunities for connection. In listening to feedback from the Alumni Barometer Survey in 2018, this year we focused on:

- Offering increased opportunities to participate in university life, such as joining our Alumni Expert Network to support and encourage collaboration between alumni and university staff.
- Building the Talent Connect program, which matches students with an industry partner to assist in the transition from university to work. In 2019 we matched VU students with 81 alumni.
- Working closely with our Alumni Advisory Panel to provide important inputs to the development of programs in line with our current strategic objectives.
- Collaborating with colleagues across the University, offering for the first time discounted MBA and Master of Nursing programs, which attracted strong interest from alumni.

All of these activities nurture and support our talented and motivated alumni to consider sharing their time and expertise to help provide more opportunities for more VU students.

ALUMNI AWARD RECIPIENTS

Our annual Alumni Awards showcase the exceptional achievements of our alumni. They reflect our values and help create our legacy. In 2019, we were proud to celebrate the outstanding achievements of VU alumni across the globe. Recipients this year were:

- Lifetime Achievement Alumni Award – Dr Collette Burke
- Professional Achievement Alumni Award – Dr Hanatsu Nagano
- Meritorious Service Alumni Award – Cr Kim McAliney
- Rising Star Alumni Award – Mr Ayden Shaw and Dr Ryan Storr
- Spirit of VU Award – Mr Mark Riley.

*Calculated on an annual basis irrespective of start date.

ALUMNI SPOTLIGHTS

Deni Ridwan, Director of Risk Management and Regulation, Secretariat of Financial System Stability Committee, Indonesian Government

As the Inaugural Executive in Residence for the School of Business & Law, Deni was invited by Victoria University International (VUI) to attend a program of events and reconnect with VU, from where he graduated in 2014 with a PhD in Accounting and Finance. Deni met with students and staff in the Business School and an audience of alum were invited to attend his presentation on “Being Prepared for the Possible Occurrence of GFC2”. Alumni Relations spent time with Deni interviewing him for our 'Five Minutes With...' feature and taking photographs both in-studio and on location. He was presented with a plaque to show his employers the respect and high regard with which VU holds him.

Oliver Percovich, Founder and Executive Director, Skateistan

As a recipient of the 2018 Alumni Award for Professional Achievement, Oliver Percovich represents the very best in VU's values of Access, Opportunity, Success and Entrepreneurship. Oliver gave up his time on a rare visit back to Melbourne in May 2019 from his base in Berlin to talk with students, staff and the general public at Footscray Park Campus about his award-winning NGO, Skateistan.

HONORARY DEGREES

In 2019 Victoria University awarded an honorary degree to Mr John McCall McBain OC, in recognition of his significant contribution to the business and philanthropic sectors, by working to improve education and health outcomes, and the environment, to advance the welfare of humanity, and for his sustained contributions to Victoria University. He is Chair of the McCall MacBain Foundation and its investment arm, Pamoja Capital SA.

In 2014 Pamoja Capital partnered with VU on the development of a 500-bed student accommodation complex in Footscray. Mr McCall MacBain is a firm believer in the power of scholarships,

and the power of education to transform lives and communities. The McCall MacBain Foundation was a founding donor to Victoria University Asylum Seeker Scholarships and, through UniLodge, has supported the University's Achievement Scholarship fund over a number of years.

STUDENT SPEAKERS (GRADUATIONS)

At each graduation ceremony an outstanding student gives the farewell address on behalf of graduates. In 2019, Victoria University adopted the term Student Speaker for this role, the previous term utilised at VU was Valedictorian.

COLLEGE	STUDENT SPEAKER	COURSE
VU POLYTECHNIC	Dillaisha (Amrita) Hameen	Diploma of Early Childhood Education and Care.
	Ibrahim Atta	Certificate IV in Liberal Arts
BUSINESS SCHOOL	Kaveri Mussafeer	Master of Business (Industrial Relations/Human Resource Management)
	Alexandra McDonald	Bachelor of Business
	Marija Tastanoska	Bachelor of Business
	Shaun Harwick	Master of Business
	Mr Oscar Soo Chun Yao	Bachelor of Business (Banking & Finance/Financial Risk Management) [Malaysia graduation ceremony]
ARTS AND EDUCATION	Joshua Lamb	Bachelor of Youth Work
	Maggie Snowdon	Bachelor of Education (P-12)
	Matthew Bremner	Master of Teaching (Primary Education)
HEALTH AND BIOMEDICINE	Maree Pigdon	Bachelor of Midwifery
	Atinuke Kolade	Bachelor of Social Work
	Joshua Contaoi	Bachelor of Nursing
ENGINEERING AND SCIENCE	Ahlasadat Taghavi	Bachelor of Engineering (Honours) (Mechanical Engineering)
	Keith Huiqi Zhu	Bachelor of Information Technology

MEDALLISTS

COLLEGE	MEDALLIST	COURSE	CATEGORY	GPA
SPORT AND EXERCISE SCIENCE	Javier Alejandro Alvarez Romero	Bachelor of Sport and Exercise Science (Honours)	Honours	7
	Samantha Hobson	Graduate Certificate in Sport Marketing	PG	7
VU COLLEGE	Francis Myles Roxas	Diploma of Business (Enterprise)	UG	7
	Kyle Valentino	Diploma in Information Technology	UG	7
BUSINESS SCHOOL	Elissa Guenbaut	Graduate Certificate in Organisational Change Management	PG	7
	Inga Corneliussen	Master of Business (Enterprise Resource Planning Systems)	PG	7
ARTS AND EDUCATION	Arwa Kassar	Master of Teaching	PG	7
	Debbie Qadri	PhD	Excellence in Research Training	N/A
	Cassandra Ross	Bachelor of Education (Early Childhood/Primary)	UG	7
HEALTH AND BIOMEDICINE	Andrew Bibby	Bachelor of Health Science	UG	7
	Amy Livingstone	Bachelor of Psychological Studies (Honours)	Honours	7
ENGINEERING AND SCIENCE	Jamie Linsdell	Bachelor of Science (Honours) (Chemical Sciences)	Honours	7
	Neil Peavey	Graduate Certificate in Cyber Security	PG	7
LAW AND JUSTICE	Edith Pringle	Bachelor of Laws (Honours)	Honours	7
	Lachlan Martin	Bachelor of Laws (Honours) (Graduate Entry)	Honours	7
VU POLYTECHNIC	Rebecca Stephen	Advanced Diploma of Music Industry (Performance/Composition)	Vocational Education	N/A

2.4

INDUSTRY, PARTNERSHIPS, ENGAGEMENT AND COMMUNITY

In 2019, Victoria University created the Precincts, Communities and Government Relations department under the Resources and Precincts Portfolio, charged with coordinating and aligning our activities with the broader strategic priorities/direction of the University.

Built around strengthening our partnerships and collaborations with local Councils, community organisations and industry, VU's emerging focus on precincts is leading a more integrated approach to its campuses and educational offer in Melbourne's west.

Precincts strategies for the Werribee, Sunshine/St Albans and Footscray are being developed to help us align with VU's broader strategies and transformation agenda. As a University without boundaries, we provide education and training pathways that connect students to industry and jobs; and we deliver community outreach programs that meet the needs of local communities.

The Cybersecurity Training Centre at St Albans, developed in conjunction with Cisco, the new Sunshine Skills Hub, the Health Hub in Sunshine and the School of Transport Systems and City Infrastructure to be based in Werribee are all working in partnership with industry to provide the skills and knowledge underpin the growth of high value local jobs and opportunity in Melbourne's west.

WESTERN BULLDOGS

VU's partnership with the Western Bulldogs (WB) continues to positively evolve. In 2019 our sponsorship extended to the newly formed VFLW and we are now a sponsor of all four teams at the club (AFL, AFLW, VFL, VFLW).

VU Sport Scientists continued to be embedded in the WB Football department with projects analysing kicking, skill acquisition and recovery. Over 100 students undertook placement at the club, in disciplines ranging from marketing to sport science and events to teaching. A significant number of students were placed in the Western Bulldogs Community Foundation who worked on the delivery and evaluation of the Foundation's programs.

The WB continue to engage VU's student cohort by offering exclusive ticketing offers and experiences. For the first time in 2019 the Western Bulldogs worked with Study Melbourne to engage international Students in the game. Over 150 international students attended the Introduction to AFL Clinics, with students learning AFL skills and attending an AFL game—creating lifelong friends and a connection to the team of the mighty west.

WESTERN HEALTH

VU's strongest partnership in the health sector is with Western Health (WH). The relationship involves working closely with a key industry partner to improve the student experience and employment outcomes, deliver applied and translational research output and keep staff relevant to industry.

During 2019, planning was undertaken with WH for a VU space to be co-located in the \$1.5 billion Footscray Hospital, to be constructed by 2025 at the Health, Wellbeing and Active Living precinct at Footscray Park Campus. The VU space will include three areas for learning and teaching, research for the Institute of Health and Sport, and a co-created space, due in 2020. During 2019, the VU Sunshine Hospital Health Hub was constructed at WH's Sunshine Hospital to be fully operational in 2020. This co-located space is designed to facilitate the strengthening of the partnership with WH in learning and teaching, particularly nursing, midwifery and allied health. In the latter part of 2019, the senior executives of VU and WH have worked together to develop a 2020-2025 partnership plan to cover key areas of collaboration: workforce development, research, precincts and the broader community wellbeing.

WEST OF MELBOURNE ECONOMIC DEVELOPMENT ALLIANCE

The West of Melbourne Economic Development Alliance (WoMEDA) – chaired by former Victorian Premier, Steve Bracks, and supported by key stakeholders in the west – focuses on strengthening employment in the region, where job growth is not matching population growth.

The key strategy is to create clusters of industries in which different parts of the west can specialise. For example, WoMEDA's research was crucial to the Government's decision to locate the new hospital close to the heart of Footscray in order to maximise the employment benefits. Former Minister for Industry, Wade Noonan, has been appointed as incoming WoMEDA Executive Director for 2019.

VICTORIA POLICE DIVERSITY RECRUITMENT PROGRAM

Footscray University Town and VU Polytechnic worked in partnership with Victoria Police, African Australian Multicultural Employment and Youth Services, Jesuit Social Services and other community partners to develop and deliver the innovative Victoria Police Diversity Recruitment Program. A core feature of the program, which has attracted funding support from the Victorian Government, is a new nationally accredited 15-week course to address barriers to entry to Victoria Police for people from African backgrounds. The course will play an important role in strengthening the cultural diversity of Victoria Police with over 60 participants engaged in the three pilot programs conducted to date.

CITY WEST WATER

City West Water (CWW) plays a significant role in Melbourne's west, not only providing water but fostering community and social change in our region. The strong overlap in strategic focus offered the opportunity for CWW and VU to work together to deliver improved outcomes for the region, and a Memorandum of Understanding.

Broad themes of VU and CWW's engagement include VU/CWW Roundtables, learning and growing together, driving change together, supporting each other's success and leveraging our internal programs. In February, CWW and VU announced the inaugural VU-CWW Women in STEM Scholarship, worth \$15,000 for three years (\$5,000 annually) awarded to Nunu Sarum, studying a Bachelor of Engineering (Civil Engineering). Nunu along with three other female students was a part of a CWW Female Mentoring Program.

VU and CWW submitted an application which was shortlisted from over 150 to the Business Higher Education Round Table (BHERT) Awards, in the category of Research and Development on Assessing the Potential for Recovery of Excess Energy from the CWW Network. It showcases the important work being done by our key water people to harness the lost energy in the water network.

VICTORIAN CHAMBER OF COMMERCE & INDUSTRY (VCCI)

VCCI and Melbourne Chamber of Commerce (MCC) have been partners with VU for many years. In 2019, the successful ignite and VU event, Mental Health – it’s on everyone’s mind, took place at our Footscray Park Campus. Leading VU Researchers, Associate Professor Melinda Craike, Dr Sian McLean and Professor Alex Parker spoke about the urgent need to improve Australia’s mental health system. The event attracted 200 people from various organisations in different sectors, a testament to the importance of the link we provide to facilitate crucial conversations between the public, researchers and industry.

JOHN HOLLAND

VU Polytechnic is the proud training partner of the Westgate Tunnel Project – headed by the John Holland/CPB alliance. Commencing early 2019, VU Polytechnic has been providing Certificate IV in Civil Construction (Operations) and Certificate IV in Civil Construction (Supervision) training to a range of staff and contractors associated with the large infrastructure project. Term 3 saw the commencement of the Certificate III in Civil Construction (Tunneling) qualification. Partly delivered on-site in the West Zone of the project precinct, the tunneling training forms a key milestone of our partnership with John Holland/CPB.

Up to 30 contractors who will be responsible for the tunneling operation, will undertake the qualification, fine-tuning their skills inside the Tunnel Simulator, stationed at our Werribee East Campus. Further Certificate IV courses, along with Road Construction and Maintenance

qualifications, are scheduled for 2020 delivery.

MELBOURNE VICTORY FOOTBALL CLUB

The partnership between Victoria University and Melbourne Victory was formed in 2017, with a focus on VU providing sport science and performance support for the Melbourne Victory Academy teams. In September 2019, we celebrated the expansion of the partnership with the announcement of VU as the Official University and Major Partner of Melbourne Victory Football Club.

The collaboration provides further opportunities for VU to engage, connect and collaborate with the local community. Additionally, it provides a range of unique learning experiences for current and prospective VU students, in areas including research and professional development.

WESTERN UNITED FOOTBALL CLUB

September 2019 saw the formation of the unique partnership between VU Polytechnic and Western United Football Club.

Together we share a passion and commitment to Melbourne’s west and the greater western region of Victoria by supporting and contributing to the prosperity and vibrancy of one of the fastest-growing regions in Australia.

Western United is dedicated to growing the world game in the region, including in the regional towns of Geelong and Ballarat.

Plans for a world-class stadium in Tarneit will provide widespread infrastructure, economic and community benefits to Wyndham and beyond.

The partnership will provide University staff and students with special opportunities to engage with the newest A-League Club.

VU IN THE COMMUNITY

The VU in the Community program builds on the Footscray University Town initiative and seeks to strengthen Victoria University’s engagement, partnerships and collaborations with local communities. It works to strengthen place-based

approaches and networks across the University, aligning with VU’s precinct framework for future investment in teaching, research and skills development in Melbourne’s west.

In 2019, the program undertook the Brimbank in Focus project to better understand local conditions and issues and map key networks in the City of Brimbank. This work is informing VU’s approach to engagement and how it can add value to VU’s teaching, research, training and campuses for the benefit of industries and communities in Melbourne’s west.

FOOTSCRAY UNIVERSITY TOWN (FUT)

The FUT 10-year partnership with Maribyrnong City Council continues to contribute to Footscray’s revitalisation as a hub of knowledge, creativity and opportunity, through place-based community engagement, collaboration with industry and community partners and leveraging investment in jobs and health, education and transport infrastructure.

FUT highlights in 2019 included the Footscray Art Prize for contemporary artworks which were held for the second time in July, attracting over 800 entries from local and national artists. Over 300 people attended the opening with the main prize winner being VU Alumni, Dr Megan Evans, for her powerful work, Parlour. The Picturing Footscray photographic competition also attracted high levels of interest with 240 entries and many visitors to the launch and month-long exhibition.

Conversations and knowledge sharing events included Our Path from Home, which celebrated African culture and was presented by VU’s African Society; and Knowing Our Languages which, in the International Year of Indigenous Languages, highlighted research into Aboriginal languages and its importance to cultural heritage and community revitalisation, and was presented as a collaboration between the FUT team and Moondani Balluk. Secondary students from Gilmore Girls High School and Footscray City College identified a range of topics to debate ABC radio broadcaster, Sami Shah, in front of an audience of 80 people.

A very successful One Night in Footscray was delivered in partnership with Maribyrnong City Council for the third successive year. This initiative continues to grow in energy and vitality. Over 10,000 people visited Footscray to explore 30 artistic activations, including VU's Music Agency stage, and seven special food and drink outlets. VU at MetroWest welcomed hundreds of people on the evening and presented the VU Polytechnic Diploma of Visual Arts graduate exhibition, the launch of the ThreadIN collaborative needlepoint artwork to mark 16 Days of Activism against gender-based violence and VU's Choir of Opportunity.

VU's partnership with Maribyrnong City Council on the delivery of a Smart City project will deploy integrated smart technologies to improve services for local citizens and businesses in Footscray. VU's College of Engineering and Science will contribute to the development of an open data platform that will inform city planning, innovation and citizen experience in areas related to urban congestion and mobility, local economic activity and opportunities, safety, air quality and physical activity. The initiative received \$400,000 under the Federal Government's Smart Cities and Suburbs grants program.

VU at MetroWest continued to be an important focus for VU's outreach and engagement with the communities of Footscray and surrounding areas, attracting over 22,000 visitors and hosting 60 events and over 100 meetings, workshops and learning activities for VU, community, government and business groups in 2019.

MOONDANI BALLUK

Moondani Balluk Indigenous Academic Unit works across Aboriginal, non-governmental organisations and community space to engage in respectful and equal partnerships based in the aspirations of the Bathelmun Yalingwa Strategy 2017-2020 to Grow (Gamadji), Share (Dambunmon) and Connect (Jerrboongun). These partnerships aim to advance the opportunities and provide voice for Aboriginal people in the west of Melbourne to actively engage in self-determination, local civic activities and a connection to VU programs.

They include the Footscray Community Arts Centre Board and Indigenous Advisory Group; Wyndham City Council Wunggurrwil Dhurrung Centre; DHHS Aboriginal Governance Committee, the Footprints for Success and Wyndham Aboriginal Community Centre projects; DoJR Western Metropolitan Regional Aboriginal Justice Advisory Committee; and the AAV Local Aboriginal Network reference committees.

FOOTSCRAY LEARNING PRECINCT (FLP)

Victoria University is a key partner in the Victorian Government's FLP, an innovative networked model of education from early years through to tertiary education. The precinct includes the redeveloped Footscray High School which will open in 2020, following detailed planning and community engagement.

In partnership with local schools, VU has sponsored the STEAM Learning Laboratories, engaging students, teachers, local businesses and community participants in an innovative, inquiry-based approach to curriculum development across the FLP schools.

TIMOR-LESTE

A key focus for the VU relationship with Timor-Leste in 2019 was the joint VU and National University of Timor-Leste sixth biennial conference - Engaging Young People in the Sustainable Development Goals (SDGs). Held in July, it focused on the role of young people in advancing the United Nations' sustainable development goals in Timor-Leste.

The conference themes covered sustainable agriculture, health, work and the informal economy, climate change and gender equity. The conference provided an insight into the country's present and future opportunities and challenges, and how the next generation is positioning itself as a driver of a sustainable future.

2.5

VU INNOVATIONS

VU Innovations continues to build on the achievements of the Entrepreneurs-in-Residence program in driving sustainable and disruptive innovation. VU Innovations is a vehicle to create value, in the broadest possible way, across the ecosystem in which the University exists.

In 2019 VU Innovation entrepreneurs provided over 100 hours of 1:1 consults to students, staff and community on their start-up or small business ideas. Building upon the Entrepreneurial Mindset minor, VU Innovations delivered cohort-based programs within the community across Melbourne's west, as well as professional development to VU staff.

Exciting investments made and managed during 2019 included the launch of Found – a magazine design and telling stories from founders for founders in partnership with StartUp Victoria, Techstars Global Sports Tech Accelerator in partnership with Tennis Australia as well as Chasing Sound Music School Concert band program to name a few.

2.6 RESEARCH

Victoria University (VU) focuses on applied and translational research in the two flagship areas of Health, Sport and Active Living and Sustainable Industries and Liveable Cities. This focus stems from a commitment to achieve real and lasting impact from our research which will be valued by our collaborators and the industries and communities of Melbourne's west and beyond.

Our strategies focus on producing research of the highest quality that will produce a tangible difference for society, industry and the lives of people.

In 2019, the University continued to:

- fortify the VU Research model (introduced in 2018)
- prioritise support for research aligned with the flagship areas of strength
- develop a critical mass of high-quality researchers and research students across priority fields
- promote and develop domestic and international partnerships with industry and community.

VU RESEARCH

Research and research training at VU is delivered via a dedicated, whole-of-University department known as VU Research.

VU Research supports a model of conducting, managing and resourcing institutional research and research training in direct alignment with identified areas of research focus (or objectives). Furthermore, the explicit discipline expertise that VU will apply to support these objectives is defined.

The most capable and high performing researchers at the University are resourced to undertake research and research training activity. Coordination of college-based academic staff contributes to the strategic research effort achieved through a competitive Research Fellowship scheme. A VU Research Fellowship is the mechanism by which academic resources are shared between VU Research and colleges for strategic research outcomes.

In 2019, this model was awarded a 2019 ATEM/Campus Morning Mail Best Practice Award in Tertiary Education Management for Excellence in Research Management.

Four research entities are comprised of VU Research, delivering high-calibre research for the benefit of local and global industries and communities:

- Institute of Health and Sport
- Institute for Sustainable Industries and Liveable Cities
- Centre of Policy Studies
- Centre for International Research on Education Systems.

VU Research also houses the two major research support offices: Research Services and the Office for Researcher Training, Quality and Integrity. Resourcing is directed in alignment with objectives, which define and enrich our engagement with industry, government and community to help shape healthier, smarter and more sustainable communities.

These are:

- enabling healthy and active populations
- enhancing high performance in sport
- building resilient and inclusive communities
- improving teaching and learning practices for diverse populations
- strengthening the evidence base for public policy development
- supporting industry responses to change.

RESEARCH PERFORMANCE

In 2019, a focus for the research arm of the University continued to be consolidated. Research delivered improvement across performance measures and will be ripe for dedicated investment and a growth pathway from 2021.

INTERNATIONAL RANKING

The Times Higher Education World University Ranking is the key ranking scheme identified by the University due

to its balanced approach to ranking and acknowledgement of institution size. In 2019, VU's ranking was maintained in the top 350 or two per cent of universities worldwide. This is a good result given greater competition globally and the fact that more universities have been ranked than ever before. Our citation impact and international outlook scored particularly highly. Among the Australian universities ranked, VU is positioned equal fourth in Victoria.

Also of note was the world ranking of 151-175 in the discipline of Engineering and Technology and 201-250 in Computer Science. This effectively ranks VU as third in Victoria for Engineering and Technology and equal second in Victoria for Computer Science.

Subject/special focus rankings were also released by the Academic Ranking of World Universities. These prestigious rankings saw our Tourism program ranked 37th worldwide up from 46th in the world the previous year.

RESEARCH INCOME, PUBLICATIONS AND CITATIONS

Data reported to the Commonwealth in 2019 on research income performance¹ revealed a 20% total increase over previous year performance, recording a total of \$16.5 million. VU's research publication output in 2018 also improved in quantity and quality. Total article publications increased by six per cent on 2017 figures, despite a reduced researcher cohort and a total number of citations by 16%.

EXCELLENCE IN RESEARCH FOR AUSTRALIA AND RESEARCH IMPACT

The University improved performance in the Excellence in Research for Australia (ERA) national assessment and achieved impressive results in the inaugural Impact Assessment. These achievements are consistent with VU's mission to deliver high quality applied and translational research.

ERA results released in 2019 evidence an expansion of VU's world-class research performance. Performing 'well above world standard' in engineering, medical and health sciences, and sports science.

¹ External research income received in the 2018 calendar year.

The University's research is also highly competitive nationally, in tourism, biological sciences and education. Overall, 70% of the University's discipline-based research was rated at, above, or well-above world standard.

Through ERA, VU gave prominence and profile to its Aboriginal and Torres Strait Islander research, consolidating this research into a single assessable code, which was rated 'at world standard'.

The University's research also received highly rated recognition through the Impact Assessment, receiving top marks across both impact and approach to impact. Material underpinning this research will become publicly available in 2020 with the launch of the Aboriginal History Archive. This first and only scholarly digital archive documents nearly a century of Aboriginal activism from the 1920s to the present.

Overall, 10 of the University's 11 impact submissions were assessed as having made a significant contribution to society, community and culture. This ranked VU equal 17th nationally on impact performance.

More recent examples of VU-led research on pathways to impact include:

- Improving the reduction of depression and anxiety symptoms in young people experiencing mental illness through the integration of physical activity within psychological treatments.
- Developing a simple, low-cost and environmentally friendly process to concentrate and remove per- and poly-fluorinated alkyl substances (PFAS) from contaminated water.
- Informing the Australian public debate on energy policy via the Victorian Energy Policy Centre.
- Improving the safety of major commuter tunnels by reducing the risk of collapse due to explosions and fires.

HIGHER DEGREES BY RESEARCH

VU continues to recalibrate its Higher Degree by Research (HDR) training portfolio and as part of an intentional strategy to build critical mass, is restricting research training activity to areas of research focus and in-priority discipline areas.

A further reduction in HDR enrolment was experienced in 2019, while 105 doctoral students graduated. Analysis of the HDR student experience undertaken annually¹ shows high and improved levels of overall satisfaction on the previous year, with at least 80% of all respondents satisfied in particular with supervision, goals and expectations and skill development.

¹ HDR students are surveyed at the end of the calendar year with analysis and reporting completed by March the following year. This detail consequently relates to the HDR student experience in 2018.

2.7 INTERNATIONAL

The University's innovative Block Model continued to receive international recognition, with the initiative being shortlisted as a finalist in The PIEoneer Awards 2019, global awards that celebrate achievement and innovation in the international education sector. VU was shortlisted in two categories - the Progressive Education Delivery Award and PIEoneer of the Year Award.

The Block Model continued to bring benefits to international students, with First and Second Year students achieving a pass rate of 92%, while 54% (compared with 53% in 2018) of First-Year students and 56% (compared with 46% in 2018) of Second Year students achieved a high distinction or distinction (as at September 2019).

The 2016-2020 Strategic Plan has continued to drive the initiatives across Victoria University International (VUI) and the International Partnerships team. We have remained committed to delivering a world-class education to a diverse student population and continued to maintain our international reputation through our position in the top 350 universities worldwide (Times Higher Education World University Rankings 2019), though our actual position has declined.

VUI exceeded the commencing onshore international student targets (load and revenue) for both Higher Education and VET. The University continued to strengthen its existing delivery partnerships through the delivery of VU qualifications well-regarded partners across Asia.

STUDENTS

In 2019, the University's onshore international student population exceeded 7000 students, enrolled in more than 145 courses across our Melbourne and Sydney Campuses. Onshore international HE commencements grew by 12.5%, while total international enrolments grew by 13.5% (year-on-year). VET commencing onshore international enrolments increased significantly, albeit from a low base of 66 to 142 (year-on-year), though total enrolments have declined. Sydney's onshore international student load increased by 14.3% (year-on-year).

International enrolments grew by 370 EFTSL and 290 EFTSL across Melbourne and Sydney Campuses, respectively in 2019. While VUBS continues to have the largest number of onshore international student enrolments, the College of Health and Biomedicine and the College of Arts and Education saw the most significant growth in terms of international student numbers in Melbourne. International student enrolments contribute increasingly to the financial viability of the University, with onshore HE international student revenue for Melbourne exceeding \$82 million in 2019, compared with \$68 million in 2018. While revenue from Sydney exceeded \$11.3 million in 2019, compared with \$8.9 million.

Reflecting our growing internationalisation, VU continued to attract Federal Government funding to support VU students to gain an international study experience. In 2019, VU was awarded almost \$300,000 to fund 84 students' mobility experience under the Australian Government's New Colombo Plan Mobility Program.

VU was again able to celebrate the successes of our students, with Olena Nguyen and Ruwangi Fernando, both finalists in the Victorian International Education Awards 2019. Scott Fordyce was the University's fourth VU student to be awarded a highly competitive New Colombo Plan (NCP) Scholars award.

TRANSNATIONAL EDUCATION PARTNERSHIPS

VU's offshore partnerships continued to deliver many benefits to the University including extending brand and reputation, contributing to the global talent pool of the communities and industries in which our programs are located, and delivering significant revenue to the university of around \$11 million per year, with transfers to programs in Melbourne from offshore programs contributing another \$6 million annually. With 6000 students offshore, VU's offshore enrolments constitute around 20% of the total student load. 2019 marked notable milestones for two of VU's partnerships: VU celebrated its 25th anniversary of collaboration with

Sunway College in Malaysia, and 20 years of the Asia-Australia Business College joint institute with Liaoning University in China.

INTERNATIONAL RELATIONS

During 2019, VU welcomed numerous delegations of foreign government ministers and bureaucrats, university presidents and their staff from all over the world, especially Asia. In May we welcomed more than 20 international recruitment agents and five in-country representatives to a week-long, intensive program of training at VU, where participants were introduced to VU's key programs and campuses. In April, we welcomed seven overseas partners to the annual Victoria Abroad Study Overseas Fair.

VICTORIA UNIVERSITY SYDNEY

Operating in its twelfth year as a specialised international student delivery location in partnership with Education Centre of Australia, VU Sydney managed continued growth alongside improvements in student outcomes. The campus in Sussex Street, Sydney has enjoyed a significant revamp, incorporating the VU rebranding, and VU Sydney now occupies all of the teaching floors in the building. The steady growth during 2019, has led to VU Sydney being close to the approved capacity of students. The campus has continued to make a significant financial contribution to the University. There has been an appreciable evolution in the relationship between VU and VU Sydney, with work on the implementation of the Block Model in VU Sydney for 2020, being a prime example of the cooperation and collaboration that has developed.

2.8 PEOPLE

Developed in response to the 2018 Staff Engagement Survey, the 2019-2020 People Plan includes a range of programs and actions across the University, focused on the four key principles of Right Culture, Right Capability, Right Staff and Right Care.

Throughout 2019, Victoria University continued to progress specific elements of the 2019-2020 People Plan, designed to cultivate a diverse, agile and high-performing workforce and a safe, respectful and innovative work environment, which enables staff to thrive.

STRATEGY

In 2019 Victoria University launched three key strategic programs:

Together, Making VU a Great Place to Work – People Strategy 2019-2020

Our new People Strategy has been designed to create the best environment for all employees. Welcoming and empowering, it is supportive, inclusive and champions diversity. The strategy comprises six main pillars, each one initiating actionable steps that will drive desirable outcomes.

Yannoneit Employment Strategy 2019-2021

The Yannoneit Employment Strategy 2019 – 2021 supports the work of the Bathelmun Yalingwa Strategy and outlines the ways we can gamadji (grow), dambunmon (share) and jerrboongun (connect) our Aboriginal and Torres Strait Islander community and culture through employment.

Health, Safety & Wellbeing Strategy 2018-2022

The Health, Safety & Wellbeing Strategy was designed to actively progress and continuously improve VU's Health, Safety and Wellbeing culture over the next four years, ultimately achieving a resilient, mature and generative safety culture.

ENTERPRISE AGREEMENT

Negotiations for TAFE teachers and Higher Education (academics and staff) Agreements were finalised in 2019. Both Agreements have been certified and approved by the Fair Work Commission. The University has commenced the

process of implementation in 2019, and will continue into 2020. Importantly, these new agreements have been designed to meet the needs and aspirations of staff as well as supporting the transformation and sustainability agenda of the University through the critical next three to four years.

APPLICATION OF EMPLOYMENT AND CONDUCT PRINCIPLES

The primary document governing employment and conduct principles is the Appropriate Workplace Behaviour Policy which promotes a professional, inclusive, safe, and productive workplace at Victoria University. This is supported by other associated policies and procedures including Recruitment and Selection, Discrimination and Harassment Prevention, Sexual Assault and Sexual Harassment, Disability and Accessibility, Bullying Prevention and Management, Diversity, Inclusion and Equal Opportunity, and Health, Safety and Wellbeing.

EMPLOYEE ENGAGEMENT

Victoria University has continued to progress the actions drawn from the 2018 Staff Engagement Survey. In line with the People Plan, the University continues to monitor progress through targeted surveys with 10 pulse surveys to be completed by the end of 2020.

The Senior Leadership visibility program continued throughout 2019 ensuring genuine connectivity between our staff and our senior leaders. Senior Executive Group meetings were held across VU's campuses, with all staff invited to join the group for lunch. The Senior Deputy Vice-Chancellor, Professor Marcia Devlin led VU's first Professional Staff Festival in November 2019. The highly successful five-day event recognised and celebrated professional staff across VU.

The festival offered six unique streams, the Me stream, the Creative Thinking & Innovation stream, the Knowledge stream, the How to Win Friends & Influence People stream, the Working Smarter stream and the Wellness & Health stream. The festival offered staff a range of professional development sessions showcasing the

skills, expertise and stories of our amazing staff and their enormous contribution to the success of the University.

GENDER EQUITY, DIVERSITY AND INCLUSION

The Diversity and Inclusion portfolio delivered a range of activities to promote gender equity, diversity and inclusion at the University. Some key achievements included:

- Awarding of a citation as an Employer of Choice for Gender Equality from the Workplace Gender Equality Agency.
- A further 2.5% increase in senior female staff in line with the annual target in the University Gender Equity Strategy.
- Implementation of a range of activities in the Gender Equity Strategy including activities concerning recruitment and promotion of female staff.
- Professional development activities for female staff including workshops, webinars and sessions on female leadership.
- Development and launch of the Yannoneit Employment Strategy 2019-2021.
- Regular Aboriginal and Torres Strait Islander cultural awareness workshops delivered for staff, encouraging staff awareness and support of the University's Aboriginal employment targets.
- Development of supporting material for hiring managers to assist with employment of Aboriginal and Torres Strait Islander employment including information on creating a culturally safe environment.
- Inclusive leadership workshops delivered into the frontline and middle manager development programs.
- LGBTIQ+ and gender diverse celebration days involving staff, students and senior leaders; regular awareness sessions for staff and ongoing meetings of VU Ally Network.

- Recognition as a Participating Employer in the Australian Workplace Equality Index.

RESPECT AND RESPONSIBILITY

Victoria University remains committed to implementing the Respect and Responsibility Preventing Violence against Women Ten Point Plan, launched by the Vice-Chancellor in August 2016. Significant achievements in 2019 include:

- Development of a new Consent and Respectful Relationships online resource co-designed with a student reference group and produced in partnership with VU Polytechnic.
- Participation in a Randomised Control Trial with VicHealth and the Behavioural Insights Team (BIT), funded by the Office for Women, studying our award-winning Bystander Awareness and Action online resource. The research trial collaboration has been shortlisted for a 2019 VicHealth Award for Gender Equality.
- Execution of a \$203,000 funding grant received in 2018 from the Office for Women for Project Momentum. This ground-breaking new approach undertaken in partnership with Health West, involves young men in the workplace to prevent violence against women. This program is being evaluated by researchers from the College of Health and Biomedicine.
- Continuing to build engagement and collaboration with community partners, including through the Preventing Violence Together regional partnership, and with Domestic Violence Resource Centre Victoria.
- Third consecutive year of involvement in the global 16 Days of Activism to Prevent Gender-Based Violence campaign, featuring the Vice-Chancellor's Leadership Forum with University and community leaders committing to continue this difficult, yet vital work.

OCCUPATIONAL HEALTH AND SAFETY

The University commenced implementation of key initiatives of its health, safety and wellbeing strategic plan. The main focus for 2019 has been on improving safety consultation and communication and developing safety capabilities in our leaders. This focus has led to a restructure of health and safety committees to ensure better engagement between employees and senior leaders, a Health and Safety Representatives Forum, and the development and implementation of a Safety Accountability and Responsibility Framework for managers.

Other new projects include; a full review of all dangerous goods storage facilities, development of new online learning modules and the engagement of a Health and Wellbeing Advisor to work on a strategic plan for employee wellbeing.

OHS PERFORMANCE INDICATORS

WORKCOVER CLAIMS 2010–2019			
YEAR	No. PHYSICAL CLAIMS	No. PSYCHOLOGICAL CLAIMS	No. CLAIMS
2010	29	9	38
2011	38	12	50
2012	26	8	34
2013	23	11	34
2014	12	6	18
2015	14	2	16
2016	14	6	20
2017	9	3	12
2018	13	9	22
2019*	9	14	23

* As per Insurer Report 12th December 2019.

In 2019, Victoria University's premium increased due to an increase in claims costs.

OHS HAZARDS, INCIDENTS, STANDARD CLAIMS, ASSOCIATED COSTS 2016–2019

	2016	2017	2018	2019
Number of lost time standard claims per 100 EFT	0.32	0.38	0.35	0.67*
Average cost per claim	\$27,123	\$40,815	\$66,366	\$13,361**
Hazard/ Injury Reports / 100 EFT	22.3	26.2	24.3	19.34***

* Due to a higher number of psychological injury claims.
 ** As per Insurer Report 12th December 2019. Costs not fully developed.
 *** Includes all incidents; staff, students, clients, and visitors.

Increased rate is due to an increase in number of WorkCover Claims reported in 2019. The above 'WorkCover Claims 2010-2019' data is updated information of the previously reported historical data on physical and psychological claims.

WORKFORCE DATA

TABLE 1: WORKFORCE DATA AS AT 31 DECEMBER 2019 (INCLUDING CASUAL STAFF)

	HEADCOUNT				EQUIVALENT FULL TIME (EFT)			
	FEMALE	MALE	SELF-DESCRIBED	TOTALS	FEMALE	MALE	SELF-DESCRIBED	TOTALS
ACADEMIC STAFF								
Ongoing/Continuing	191	210	0	401	174.70	200.29	0.00	374.99
Contract/Fixed Term	65	79	0	144	51.60	64.52	0.00	116.12
Casuals	579	443	6	1028	44.63	34.38	0.31	79.32
Subtotals	835	732	6	1573	270.93	299.18	0.31	570.42
PROFESSIONAL STAFF								
Ongoing/Continuing	562	249	2	813	512.82	245.75	1.80	760.37
Contract/Fixed Term	228	121	1	350	206.74	112.97	1.00	320.70
Casuals	617	387	1	1005	90.88	55.25	0.03	146.15
Subtotals	1407	757	4	2168	810.44	413.96	2.83	1227.23
VET TEACHING STAFF								
Ongoing/Continuing	122	79	0	201	101.40	75.40	0.00	176.80
Contract/Fixed Term	32	27	0	59	28.90	26.60	0.00	55.50
Casuals	264	209	0	473	39.94	40.36	0.00	80.30
Subtotals	418	315	0	733	170.24	142.36	0.00	312.60
SENIOR MANAGEMENT								
Ongoing/Continuing	1	2	0	3	1.00	2.00		3.00
Contract/Fixed Term	4	6	0	10	4.00	6.00		10.00
Subtotals	5	8	0	13	5.00	8.00		13.00
ALL STAFF								
Ongoing/Continuing	876	540	2	1418	789.92	523.44	1.80	1315.16
Contract/Fixed Term	329	233	1	563	291.24	210.08	1.00	502.32
Casuals	1460	1039	7	2506	175.44	129.99	0.34	305.77
Grand Totals	2665	1812	10	4487	1256.60	863.51	3.14	2123.25

Note: Data was extracted on 6th January 2020.

Staff occupying multiple jobs at 31st December 2019 have been counted for each individual job within the head count figures.

There were 152 staff (8 ongoing/fixed term, 144 casual) who held multiple jobs as at 31st December 2019.

Difference in decimal FTE numbers is due to rounding.

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

WORKFORCE DATA (CONTINUED)

TABLE 2: WORKFORCE TRENDS 2017-2019 BY EMPLOYMENT CATEGORY – HEADCOUNT AND EFT (INCLUDING CASUAL STAFF)

HEADCOUNT AND EFT		2017	2018	2019
ACADEMIC STAFF	Headcount	1,616	1,532	1,573
	EFT	553.09	550.76	570.42
PROFESSIONAL STAFF	Headcount	2,300	2,116	2,168
	EFT	1,166.47	1,158.74	1,227.23
VET TEACHING STAFF	Headcount	660	670	733
	EFT	283.48	277.57	312.60
SENIOR MANAGEMENT	Headcount	10	12	13
	EFT	10.00	12.00	13.00
TOTALS	Headcount	4,586	4,330	4,487
	EFT	2,013.03	1,999.07	2,123.25

Note: Data was extracted on 6th January 2020. Staff occupying multiple jobs at 31st December 2019 have been counted for each individual job within the head count figures. There were 152 staff (8 ongoing/fixed term, 144 casual) who held multiple jobs as at 31 December 2019. Difference in decimal FTE numbers is due to rounding. All employees have been correctly classified in the workforce data collections.

TABLE 3: WORKFORCE TRENDS 2017-2019 BY EMPLOYMENT CATEGORY AND EMPLOYMENT TYPE – HEADCOUNT (INCLUDING CASUAL STAFF)

HEADCOUNT AND EFT		2017	2018	2019
ACADEMIC STAFF	Ongoing/Continuing	369	400	401
	Contract/Fixed Term	159	135	144
	Casual	1,088	997	1,028
PROFESSIONAL STAFF	Ongoing/Continuing	835	841	813
	Contract/Fixed Term	220	251	350
	Casual	1,245	1,024	1,005
VET TEACHING STAFF	Ongoing/Continuing	204	189	201
	Contract/Fixed Term	48	45	59
	Casual	408	436	473
SENIOR MANAGEMENT	Ongoing/Continuing	0	2	3
	Contract/Fixed Term	10	10	10
TOTALS	Ongoing/Continuing	1,408	1,432	1,418
	Contract/Fixed Term	437	441	563
	Casual	2,741	2,457	2,506
ALL STAFF		4,586	4,330	4,487

Note: Data was extracted on 6th January 2020. Staff occupying multiple jobs at 31st December 2019 have been counted for each individual job within the head count figures. There were 152 staff (8 ongoing/fixed term, 144 casual) who held multiple jobs as at 31st December 2019. Difference in decimal FTE numbers is due to rounding. All employees have been correctly classified in the workforce data collections.

TABLE 4: WORKFORCE BY EMPLOYMENT CLASSIFICATION AND GENDER AS AT 31 DECEMBER 2019 (INCLUDING CASUAL STAFF)

EMPLOYEE CLASSIFICATION	NO. OF WOMEN	NO. OF MEN	NO. OF SELF-DESCRIBED
ACADEMIC STAFF			
Level A	53	44	0
Level B	108	93	0
Level C	55	63	0
Level D	27	30	0
Level E and Above	13	59	0
Casual	579	443	6
Total	835	732	6
PROFESSIONAL STAFF			
HEW 1 – 5	217	75	2
HEW 6	183	79	1
HEW 7	189	70	0
HEW 8	85	61	0
HEW 9	65	42	0
HEW 10	21	14	0
HEW 10+ and Above	30	29	0
Casual	617	387	1
Total	1407	757	4
VET TEACHING STAFF			
Teacher	125	91	0
Senior Educator 1	9	5	0
Senior Educator 2	6	3	0
Senior Educator 3	13	7	0
Head of School/Other	1	0	0
Casual	264	209	0
Total	418	315	0
SENIOR MANAGEMENT			
Executives	5	8	0
GRAND TOTALS	2,665	1,812	10

Note: Data was extracted on 6th January 2020. Staff occupying multiple jobs at 31st December 2019 have been counted for each individual job within the head count figures. There were 152 staff (8 ongoing/fixed term, 144 casual) who held multiple jobs as at 31st December 2019. Difference in decimal FTE numbers is due to rounding. The overall workforce headcount has increased 3.6% in 2019 with respect to continuing and fixed term categories - Increase in Casual Academic staff, Fixed-Term VET Teaching staff and Fixed-Term Professional staff. All employees have been correctly classified in the workforce data collections.

WORKFORCE DATA (CONTINUED)

ATTACHMENT B: WORKFORCE DATA – WORKFORCE DISCLOSURES (DECEMBER 2018 – DECEMBER 2019)

DECEMBER 2018							
HEADCOUNT ONLY	ALL EMPLOYEES		ONGOING			FIXED TERM AND CASUAL	
	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	FTE	NUMBER (HEADCOUNT)	FTE
GENDER							
Women Executives	4	4.00	1	0	1.00	3	3.00
Women (Total Staff)	2,533	1,181.60	630	246	794.29	1,657	387.31
Men Executives	8	8.00	1	0	1.00	7	7.00
Men (Total Staff)	1,794	817.38	506	50	537.71	1,238	279.67
Self-Described	3	0.09	0	0	0.00	3	0.09
AGE							
15-24	377	48.86	6	1	6.80	370	42.06
25-34	973	362.95	184	34	206.47	755	156.48
35-44	974	505.64	282	85	338.97	607	166.67
45-54	915	534.03	335	75	385.00	505	149.03
55-64	845	462.94	284	83	339.51	478	123.43
Over 64	246	84.64	45	18	55.25	183	29.39
Total Employees	4,330	1,999.06	1,136	296	1,332.00	2,898	667.07

DECEMBER 2019							
HEADCOUNT ONLY	ALL EMPLOYEES		ONGOING			FIXED TERM AND CASUAL	
	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	FTE	NUMBER (HEADCOUNT)	FTE
GENDER							
Women Executives	5	5.00	1	0	1.00	4	4.00
Women (Total Staff)	2,584	1,256.59	631	245	789.92	1,708	466.67
Men Executives	8	8.00	2	0	2.00	6	6.00
Men (Total Staff)	1,746	863.51	497	43	523.44	1,206	340.07
Self-Described	9	3.14	1	1	1.80	7	1.34
AGE							
15-24	298	48.12	5	1	5.60	292	42.52
25-34	1,058	394.03	169	31	187.80	858	206.22
35-44	1,053	538.76	293	72	338.17	688	200.59
45-54	948	563.52	313	81	367.59	554	195.93
55-64	834	476.57	300	81	353.85	453	122.73
Over 64	296	102.25	49	23	62.15	224	40.10
Total Employees	4,487	2,123.25	1,129	289	1,315.16	3,069	808.09

Note: Data was extracted on 6th January 2020.

Staff occupying multiple jobs at 31st December 2019 have been counted for each individual job within the head count figures.

There were 152 staff (8 ongoing/fixed term, 144 casual) who held multiple jobs as at 31st December 2019.

Difference in decimal FTE numbers is due to rounding.

The overall increase in FTE of 6.2% is due to increase in Casual Academic staff, Fixed-Term VET Teaching staff and Fixed-Term Professional staff.

Women executives has increased in 25% (1 FTE).

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



SECTION 3

UNIVERSITY
GOVERNANCE

3.1

OBJECTIVES

Victoria University is a body politic and corporate pursuant to the *Victoria University Act 2010* (the *Act*). The objectives of the University as provided by Section 5 of the *Act* are:

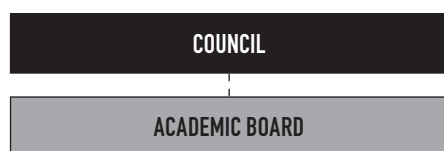
- To provide and maintain a teaching and learning environment of excellent quality, offering higher education at an international standard.
- To provide vocational education and training, further education and other forms of education determined by the University to support and complement the provision of higher education.
- To undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and to apply those matters to the advancement of knowledge and to the benefit of the wellbeing of the Victorian, Australian and international communities.
- To equip graduates of the University to excel in their chosen careers and to contribute to the life of the community.
- To serve the Victorian, Australian and international communities and the public interest by:
 - 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.
- 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; and
 - ii. Safeguarding the ancient and rich Aboriginal and Torres Strait Islander cultural heritage.
- To provide programs and services in a way that reflects principles of equity and social justice.

- To confer degrees and grant diplomas, certificates, licences and other awards.
- To utilise or exploit its expertise and resources, whether commercially or otherwise.
- To develop and provide educational, cultural, professional, technical and vocational services, in particular, to foster participation in post-secondary education for people living or working in the western metropolitan region of Melbourne.

The powers, functions and duties of the University are set out in the *Act* and exercised by the University Council subject to the *Act* and University statutes and regulations.

3.2 GOVERNANCE OVERVIEW

STRUCTURE



COUNCIL

The Council is the governing body of the University. It is responsible for approving the strategic direction, monitoring the ongoing progress and performance of the University and its management, and fostering an environment which supports the achievement of its strategic objectives.

Council makes final decisions on matters of fundamental concern to the University and is ultimately responsible for overall governance, including academic governance. The Council has the following seven standing committees to assist in discharging its responsibilities:

- Compliance, Audit and Risk Committee, ensures effective oversight of risk management, compliance, audit functions, annual report and financial statements
- Finance and Investment Committee
- Infrastructure Planning Committee
- Leadership and Culture Committee
- Nominations Committee
- Remuneration Committee
- Footscray Hospital Sub-Committee*

Membership of the standing committees consists primarily of members of Council.

The table below details the number of times that Council and its standing committees met during 2019.

Further information regarding University Council and standing committees is available at: vu.edu.au/about-us/administration-governance/university-council.

CHANCELLOR'S RESPONSIBILITIES

The Chancellor chairs the University Council, which is the governing body of the University, and leads the strategic direction of the organisation. The Chancellor also represents and advocates the University's interests to the wider community and presides at ceremonial occasions such as graduations.

COUNCIL AND STANDING COMMITTEE MEETINGS

	MEETINGS	ADDITIONAL MEETINGS	RETREATS	RESOLUTIONS WITHOUT MEETINGS OF COUNCIL
Council	5	1	1	2
Compliance, Audit and Risk Committee	6	-	-	1
Finance and Investment Committee	9	-	-	-
Infrastructure Planning Committee	5	1	-	-
Leadership and Culture Committee	4	-	-	-
Nominations Committee	3	-	-	1
Remuneration Committee	3	-	-	-
Footscray Hospital Sub-Committee	5	-	-	-

ACADEMIC BOARD

The Academic Board is responsible to the Council for academic oversight of the University's research, academic programs and courses of study in further education, vocational education and higher education.

The Academic Board provides advice to the Council on the conduct and content of such research, and the delivery of educational and research support services. It also advises on academic programs and courses, the awarding of degrees, diplomas, certificates and other awards.

The committees supporting the work of the Academic Board include the Courses, Research and Research Training and Learning and Teaching Quality Committees.

The Academic Board met 10 times in 2019.

STATUTE AND REGULATIONS

There were no University Statutes approved in 2019. The following Regulations were made in 2019.

UNIVERSITY REGULATION	DATE MADE BY COUNCIL
Awards Regulations 2018	31 January 2019
Student Appeals Regulations 2019	8 April 2019
Student Misconduct Regulations 2019	8 April 2019
Exclusion for Safety Reasons Regulations 2019	5 July 2019
Elections Regulations 2016	16 December 2019
Academic Board Regulations 2017	16 December 2019
Fees and Charges Regulations 2013	16 December 2019

*Previous meetings have been held under the title of Queen Street Precinct Sub-Committee of Council and the Queen Street Precinct and Footscray Hospital Sub Committee of Council. The title of the Committee has been changed to reflect the work being undertaken by the Committee. The Committee is now known as the Footscray Hospital (sub-committee) of Council due to the focus of the Committee now concentrating solely on the development of the Footscray Hospital at the Footscray Park Campus.

3.3 COUNCIL MEMBERS

	NAME	CATEGORY OF MEMBERSHIP	PROFESSION / MEMBER OF OTHER BOARDS	FIRST APPOINTED TO COUNCIL	MOST RECENT APPOINTMENT
1	Mr George Pappas	Official Member Chancellor	Chairman – Marmad Pty Ltd Chairman – Zanthryn Pty Ltd Chairman – Pappas Superannuation Director – Hellenic Museum	01.01.2010	01.01.2015
2	Professor Peter Dawkins	Official Member Vice-Chancellor	Non-Executive Director – UniSuper	01.01.2011	19.01.2012
3	Ms Deborah Tyler	Official Member Chair, Academic Board	Nil	04.11.2015	01.11.2017
4	Ms Elizabeth Beattie	Appointed by Government	Trustee – Greater Metropolitan Cemetery Trust	01.01.2016	01.07.2019
5	Mr Geoff Dale	Appointed by Council	Trustee – Dale Family Trust Director – Dale Consulting Pty Ltd	01.01.2010	01.01.2018
6	Mrs Gaye Hamilton	Appointed by Government	Director – Western Bulldogs Community Foundation Director – Western Chances	01.07.2012	01.01.2018
7	Ms Virginia Simmons	Appointed by Government	Director – Virsis Consulting	01.01.2016	01.07.2019
8	Mr Mark Toohey	Appointed by Government	Director – State Trustees Ltd Co Sec – Hyperion Investments Pty Ltd Director – MJT Family Trust	21.10.2014	01.01.2017
9	Ms Susan Schlesinger	Appointed by Minister	Nil	01.01.2018	01.01.2018
10	Mr Peter George	Appointed by Council	Director – CIE Legal Pty Ltd Director – George Murphy Pty Ltd	25.08.2015	27.06.2019
11	Ms Rhonda Hawkins	Appointed by Council	Deputy Chair – Evolve Housing Director – Wentworth Institute Chair – Fitzgerald Aged Care Chair – Salvation Army Western Sydney Advisory Board Chair – Riverside Theatres Advisory Board	01.01.2016	01.01.2018
12	Mr Wayne Kayler-Thomson	Appointed by Council	Director – Wayne Kayler-Thomson Pty Ltd Trustee – Kayler-Thomson Family Superannuation Fund Chairman – Vic Super Pty Ltd Chairman and Director – Great Ocean Rd Regional Tourism Ltd	01.01.2010	01.01.2019
13	Dr Jenny Gray	Appointed by Council	CEO – Zoos Victoria Director – Guide Dogs Victoria	01.01.2019	01.01.2019
14	Ms Ghofran Al-Nasiri	Student elected member	Nil	01.08.2016	01.08.2018
15	Dr Siew Fang Law	Staff elected member	Nil	01.08.2017	01.08.2018

3.4 COUNCIL AND COMMITTEES ATTENDANCE

COUNCIL

MEMBER	TOTAL NO. MEETINGS ATTENDED	NO. ELIGIBLE TO ATTEND
Mr George Pappas (Chair and Chancellor)	6	6
Ms Ghofran Al-Nasiri	5	6
Ms Elizabeth Beattie	6	6
Mr Geoff Dale	6	6
Professor Peter Dawkins	6	6
Mr Peter George	6	6
Mrs Gaye Hamilton	6	6
Ms Rhonda Hawkins	5	6
Mr Wayne Kayler-Thomson	6	6
Dr Siew Fang Law	5	6
Ms Virginia Simmons	5	6
Ms Susan Schlesinger	6	6
Mr Mark Toohey	5	6
Ms Deborah Tyler	6	6
Dr Jenny Gray	5	6

REMUNERATION COMMITTEE

MEMBER	TOTAL NO. MEETINGS ATTENDED	NO. ELIGIBLE TO ATTEND
Mr George Pappas (Chair)	3	3
Mr Geoff Dale	3	3
Mrs Gaye Hamilton	3	3
Mr Wayne Kayler-Thomson	2	3

NOMINATIONS COMMITTEE

MEMBER	TOTAL NO. MEETINGS ATTENDED	NO. ELIGIBLE TO ATTEND
Mrs Gaye Hamilton (Chair)	3	3
Professor Peter Dawkins	3	3
Mr George Pappas	3	3
Ms Virginia Simmons	3	3
Ms Liz Beattie	3	3

FINANCE AND INVESTMENT COMMITTEE

MEMBER	TOTAL NO. MEETINGS ATTENDED	NO. ELIGIBLE TO ATTEND
Mr Mark Toohey (Chair)	8	9
Mr Tony Brain	8	9
Mr Geoff Dale	8	9
Professor Peter Dawkins	9	9
Mr Peter George	8	9
Ms Jenny Gray	8	9
Ms Rhonda Hawkins	8	9
Mr Wayne Kayler-Thomson	6	9

COMPLIANCE, AUDIT AND RISK COMMITTEE

MEMBER	TOTAL NO. MEETINGS ATTENDED	NO. ELIGIBLE TO ATTEND
Mr Peter George (Chair)	6	6
Ms Susan Schlesinger	6	6
Mr David Fisher	6	6
Mr Alan Fotheringham	4	6
Mrs Gaye Hamilton	6	6
Dr Susan Gould	5	6

INFRASTRUCTURE PLANNING COMMITTEE

MEMBER	TOTAL NO. MEETINGS ATTENDED	NO. ELIGIBLE TO ATTEND
Ms Rhonda Hawkins (Chair)	6	6
Professor Richard Constantine	6	6
Professor Peter Dawkins	5	6
Mr Ian Ford	5	6
Mr Roger Poole	3	6
Ms Pru Sanderson	3	4
Mr George Pappas	4	6
Professor Marcia Devlin	3	6
Mr Kevin McCarthy	4	6

LEADERSHIP AND CULTURE COMMITTEE

MEMBER	TOTAL NO. MEETINGS ATTENDED	NO. ELIGIBLE TO ATTEND
Mr Geoff Dale (Chair)	3	4
Ms Lisa Bradley	4	4
Professor Peter Dawkins	3	4
Mr Grant Dreher	1	4
Mr Shaun Eltham	4	4
Mr Ian Ford	3	4
Professor Marcia Devlin	3	4
Mr Craig Murphy	4	4
Mr George Pappas	4	4
Ms Virginia Simmons	3	4

FOOTSCRAY HOSPITAL SUB-COMMITTEE

MEMBER	TOTAL NO. MEETINGS ATTENDED	NO. ELIGIBLE TO ATTEND
Mr George Pappas (Chair)	5	5
Mrs Gaye Hamilton	5	5
Mr Peter Dawkins	4	5
Ms Rhonda Hawkins	3	5
Mr Mark Toohey	4	5
Mr Roger Poole	4	5
Professor Marcia Devlin	4	5

3.5 DISCLOSURE STATEMENTS

SUMMARY OF THE APPLICATION AND OPERATION OF THE FREEDOM OF INFORMATION ACT 1982

The *Freedom of Information Act 1982* (the Act) provides members of the public with a general right to access information held by Victorian agencies. Victoria University is subject to the provisions of the Act and has procedures in place to ensure it meets its compliance obligations. Requests for access to documents under the Act must be made in writing to the University's Freedom of Information Coordinator and accompanied by the prescribed application fee.

2019 ACTIVITY

In 2019, the University received 15 requests for access to documents under the Act. Most requests were from current or former students or staff, seeking information relating to themselves, or information about matters in which they were involved. Other requests were from the media, law firms and members of the public on various subject matters. The following table details activities during the reporting period:

Requests	15
Requests refused	0
Decisions to release	12
– In part	1
– In full	11
Decisions denying access in full	1
Decisions where no documents identified	1
Requests not proceeded with by the applicant	1
Requests not finalised by the end of 2019	1
FOI Commissioner reviews	2
Victoria Civil and Administrative Tribunal appeals	1
Requests receiving timely responses	15

Further information regarding Victoria University's Freedom of Information procedures is available at vu.edu.au/freedom-of-information-foi

SUMMARY OF THE APPLICATION AND OPERATION OF THE PROTECTED DISCLOSURE ACT 2012

Victoria University is committed to the aims and objectives of the *Protected Disclosure Act 2012* (the Act) and has developed a Protected Disclosure Policy and Procedure which has been clearly communicated to the University community and is publicly available at policy.vu.edu.au. The University does not tolerate improper conduct by the organisation, its employees, officers or members, nor the taking of detrimental action in reprisal against those who come forward to disclose such conduct. The requirements under the Act are further supported by the University's Anti-Corruption and Fraud Prevention Policy and Procedure.

According to the Independent Broad-based Anti-corruption Commission (IBAC), Victoria University is not permitted to receive disclosures made under the Act. Individuals wishing to make a disclosure are instructed to make that disclosure directly to IBAC. Whilst the University is not able to receive protected disclosures, the Protected Disclosure Coordinator remains available for individuals wishing to make reports or raise concerns that would not give rise to protected disclosures, with the assurance of confidentiality.

STATEMENT OF LOCAL JOBS FIRST

During the 2019 reporting period, Victoria University did not enter any arrangements, where the Local Jobs First policy applied in accordance, with the *Local Jobs First Act 2003*.

STATEMENT OF COMPLIANCE WITH BUILDING AND MAINTENANCE PROVISIONS OF THE BUILDING ACT 1993

Victoria University is committed to compliance with the building and maintenance provisions of the *Building Act 1993* (the Act). All new Victoria University buildings and renovations are designed and built to comply with the building and maintenance requirements of the Act. To ensure compliance with the current

building regulations and codes, all relevant projects are referred to an independent building surveyor for certification. All existing buildings comply with the standards applicable at the time of their construction.

STATEMENT OF COMPLIANCE WITH THE EDUCATION SERVICES FOR OVERSEAS STUDENTS ACT 2000

Victoria University is committed to meeting the requirements of the *Education Services for Overseas Students Act 2000*, including the National Code of Practice.

STATEMENT OF NATIONAL COMPETITION POLICY AND COMPETITIVE NEUTRALITY POLICY

Victoria University is committed to compliance with the principles of the National Competition Policy, and its obligations under the *Competition and Consumer Act 2010*, including compliance with the requirements of Competitive Neutrality Policy, Victoria and any subsequent reform.

SUMMARY OF ENVIRONMENTAL PERFORMANCE

Victoria University is committed to improving environmental sustainability performance across all campuses and developing education for sustainability in its learning, teaching and research.

The University continues to maintain extensive programs for recycling, energy efficiency and water conservation, paper use, transportation fuel consumption, greenhouse gas emissions and sustainable procurement, as well as various sustainability education and awareness initiatives. Environmental sustainability is also embedded into various courses. A number of the University's research centres and institutes conduct environmental sustainability research, such as the Institute for Sustainable Industries and Liveable Cities.

The University's usage in 2019 is summarised as follows:

RESOURCE USAGE

RESOURCE USAGE	2016	2017	2018	2019
Water consumption (KL)	153,322	131,995	115,748	109,343
Water consumption per FTE (KL per FTE)	84.1	77.9	68.3	59.5 FTE 1,839.24
Energy Usage (MJ)	184,339,000	175,801,057	167,198,948	152,877,019
Energy Usage per FTE (MJ per FTE)	101,300	103,717	98,642	83,120
Energy Usage per floor area (MJ per GFA, m ²)	570	624	631	582 GFA 262,720
Greenhouse Gas Emission (tonnes CO ₂ -e)	36,653	34,205	32,826	29,995
Greenhouse Gas Emission per floor area (tonnes CO ₂ -e per GFA, m ²)	0.1129	0.1215	0.1988	0.1149
Waste – Landfill (Kg)	911,163	887,566	839,688	806,721
Waste – Recycling (Kg)	181,649	194,396	197,317	196,566
Recycling Rate	16.60%	18.00%	19.00%	19.59%
Greenhouse Gas Emissions – Waste (tonnes CO ₂ -e)	1,093	1,065	1,008	968

PAPER USE

PAPER USAGE*	2014	2015	2016	2017	2018	2019
No reams used	35,903	35,535	33,139	30,579	30,352	24,765
Usage per FTE	18.26	19.38	18.32	18.04	15.18	11.66

*91% of the total paper used in 2019 was from 100% recycled content, 4% from recycled content between 1% and 99%, and 5% was from 0% recycled content.

The University procures its large format and digital print from a University procured panel of print providers. The paper consumption from our Preferred Print Suppliers is 13,142 reams of A4 paper.

Environmental benefits/impacts, where applicable to the services, form part of the evaluation criteria and decision making for the University's procurement processes. All new building projects are designed to achieve a high level of environmental sustainability. These projects together with our program of replacing aged infrastructure will ensure continued improvement in Victoria University's environmental performance.

The University's Environment Policy covers energy, water, waste and procurement objectives to minimise our environmental impact in line with operational best practice. Environmental responsibility by all members of the University community is facilitated by fostering and targeting positive and specific behaviours across all areas of operations. In addition, the University is committed to protecting and enhancing biodiversity on all campuses.

TRANSPORTATION

2019 Air Travel total:

- 14,135,865 km
- 1523 CO₂ tonne

PROCUREMENT

VU is committed to integrating Social, Financial and Environmental Sustainability in the University's procurement practices and decision making. Our commitment to taking sustainability seriously is backed by our procurement decisions to appoint like-minded organisations who can demonstrate their commitment and actions.

The University uses a range of sustainability criteria in its procurement decisions. Examples include where suppliers are asked to:

- provide details of the sustainability attributes of the products or services proposed in their submission. Elements include, the raw materials, product design, packaging, manufacturing process, resources management, and product lifecycle;
- provide examples of their organisations commitment and strategies to improving workplace diversity;
- indicate their compliance with the *Modern Slavery Act 2018 (Cth)* and related Australian and international legislation.
- The following are examples of 2019 tenders and contracts where sustainability was a core focus in the evaluation process:
 - Promotional Products – appointment of a Supply Nation certified organisation who utilises manufacturers who are members of SEDEX (Supplier Ethical Data Exchange). The operational side of the contract will include establishing a catalogue of pre-approved environmentally sustainable promotional products. For example, products made from sustainable materials will be prioritised, additionally a core initiative will be to not procure single use plastics promotional products.

TRANSPORTATION		TOTAL DATA 2019
Total Energy Consumption by Vehicle Type	Megajoules	608344.5367
Diesel	Megajoules	106098.191
ULP	Megajoules	502246.3457
Total Travel Associated with Fleet Vehicles	Kilometres	206997
Diesel	Kilometres	23838
ULP	Kilometres	183159
Total Greenhouse Gas Emissions Vehicle Type	tCO ₂ -e	43.93
Diesel	tCO ₂ -e	7.54
ULP	tCO ₂ -e	36.39
Total Greenhouse Gas Emissions Vehicle Type per 1000km	tCO ₂ -e/1000km	0.04
Diesel	tCO ₂ -e/1000km	0.01
ULP	tCO ₂ -e/1000km	0.04

– Furniture Supplier Panel - a key focus of this tender has been for suppliers to demonstrate how they meet the social and environmental sustainability requirements of the tender with respect to modern slavery, ethical supply chain, products sourced from sustainable sources, deforestation free supply chains and recycling.

– Office Products (Stationery) - the University has been working with its existing contracted supplier to improve its range of environmentally sustainable products.

COMPULSORY NON-ACADEMIC FEES AND CHARGES

Victoria University applied the following compulsory Student Services and Amenities Fees (SSAF) in 2019 for eligible students:

2019 SSAF FEES

	VOCATIONAL EDUCATION / TAFE STUDENTS	HIGHER EDUCATION DOMESTIC STUDENTS
Full-Time	\$151.50 per year (government subsidised students with no concession, studying more than 25 hours per year)	\$151.50 per semester (maximum \$303 for the year)
Part-Time	\$151.50 per year (government subsidised students with no concession, studying more than 25 hours per year)	\$75.75 per semester (maximum \$151.50 for the year)
Off-Campus and Industry Training	\$45.45 per year (students studying off-campus, and industry training)	N/A
Concession	\$90.90 (students currently eligible for concession rates on tuition)	N/A

The fee is invested into supporting student representation, maintaining the provision of services, improving facilities and creating opportunities for students to make the most of their time at VU. The fees support key activities on campus, such as Orientation and other student events throughout the year, the provision of health, advocacy, housing and welfare services, improved sport and fitness facilities and programs. The SSAF is also used to support student groups and programs, including clubs and societies, Victoria University Student Union (VUSU) and our leadership and student volunteering programs. Revenue from the fee was spent in accordance with Part 3.2 of the *Education and Training Reform Act 2006*.

Students and staff can apply for up to \$10,000 in grant money through the SSAF Student Experience Initiative Grant program, giving both groups the opportunity to plan and deliver a project that benefits VU students. Applications are assessed by the SSAF Consultative Committee which consists of students and staff and who meet regularly throughout the year to oversee the governance and management of SSAF-funded initiatives each year.

The amount of compulsory non-academic fees and charges collected by the University is also disclosed in the Notes to Financial Statements – 5 Fees and Charges. Further information regarding Victoria University student fees and charges is available at <https://www.vu.edu.au/current-students/your-course/fees/your-ssaf-contribution/where-your-ssaf-goes>.

FURTHER INFORMATION

Consistent with the provisions of the *Freedom of Information Act 1982*, the following information is available upon request:

- a statement on declarations of pecuniary interests duly completed by all relevant officers
- details of shares held by senior officers as nominees
- details of publications produced and how these can be obtained
- details of changes in prices, fees, charges, rates and levies
- details of major external reviews
- details of major research and development activities
- details of overseas visits including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities to develop community awareness and services provided
- details of occupational health and safety assessments and measures
- a general statement on industrial relations and time lost through accidents and disputes
- details of major committees, sponsored purpose of each committee and extent to which purposes have been achieved
- details of consultancies and contractors including:
 - consultants / contractors engaged
 - services provided
 - expenditure committed to for each engagement.

Enquiries should be emailed to records@vu.edu.au

RELEVANT MINISTER

The relevant minister for Victoria University's 2019 annual reporting period was The Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education.

ADDITIONAL INFORMATION

Consistent with the requirements of the *Financial Management Act 1994*, the following information is available upon request:

- declarations of pecuniary interests
- shares held by senior officers
- publications
- changes in prices, fees, charges, rates and levies
- major external reviews
- major research and development activities
- overseas visits
- major promotional, public relations and marketing activities
- occupational health and safety assessments and measures
- industrial relations
- major committees sponsored
- consultancies and contractors.

Enquiries regarding the above should be directed to:

Vice-President, Planning and Registrar
Victoria University
Footscray Park Campus
PO BOX 14428
Melbourne VIC 8001
Email: compliance@vu.edu.au

3.6 RISK MANAGEMENT

OVERVIEW

Victoria University is committed to the maintenance of an effective risk management framework in accordance with the Risk Management Standard (AS/NZS ISO 31000:2018). Victoria University applies the core principles of the Victorian Government's Risk Management Framework in terms of identifying, reviewing and evaluating risks regularly at all levels of the organisation, and ensuring appropriate mitigation policies are in place.

In addition, as per the framework, resources including specialist external expertise are devoted to effective risk management in the organisation. Risk identification and management are addressed through the Annual Planning exercise of the University.

Risk management is an integral part of the University's governance. It encompasses the identification and assessment of risks, the adoption of appropriate risk mitigation strategies to effectively manage risks, and regular monitoring, review and reporting of risks. In the light of changes in the operating environment, the Strategic and Enterprise risks were comprehensively reviewed and revised, based on extensive consultation within the University, and reported to the Compliance, Audit and Risk Committee and Council itself. This approach enables Victoria University to proactively maintain a robust risk management framework.

Victoria University has implemented a Risk Management Policy and Procedure to ensure that risk management is effectively integrated into the University's planning cycle, including Strategic and Annual Planning, and to develop a culture of risk management and continuous improvement.

The University's risk management framework includes:

- Risk Management Policy and Procedure that articulate and assign roles and responsibilities across the organisation.

- Leadership by the Vice-Chancellor and the Senior Executive Group and oversight by the Compliance, Audit and Risk Committee of Council, to ensure that robust risk management practices operate throughout the University.
- Ongoing development and implementation of a university-wide risk management plan, including the development of operational risk registers and risk plans for each unit.
- Identification of the University's high-level strategic and enterprise risk profiles by the University's Senior Executive Group and, via the planning process, the integration of high-level risk management to the University's strategic objectives.
- Regular monitoring of risks and progress reports to the Vice-Chancellor and the Compliance, Audit and Risk Committee, including the implementation of action plans developed to mitigate risks.
- Provision of risk management training to staff on how to identify, assess, mitigate, report and review risks in accordance with the University's Risk Management Policy.
- The development of a risk-based strategic internal audit plan that is aligned with the University's high-risk register.



Peter Dawkins
Vice-Chancellor and President
Victoria University
01 May 2020

ATTESTATION ON COMPLIANCE WITH THE AUSTRALIAN/ NEW ZEALAND RISK MANAGEMENT STANDARD

I, Peter Dawkins (Vice-Chancellor and President) certify that Victoria University has risk management processes in place consistent with the Victorian Government's Risk Management Framework, and the Australian/New Zealand Risk Management Standard (AS/NZS ISO 31000:2018 or its successor), and that an internal control system is in place that enables the executive to identify, understand, manage and satisfactorily control risk exposures.

The Compliance, Audit and Risk Committee verifies this assurance, and that the risk profile of Victoria University has been critically reviewed within the last 12 months.

3.7 CONSULTANCIES AND ICT EXPENDITURE

In 2019, there were 36 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2019 in relation to these consultancies is \$2,695,000 (excluding GST). Details of individual consultancies can be viewed at <http://www.vu.edu.au/about-us/facts-figures/annual-reports>.

In 2019, there were 14 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2019 in relation to these consultancies is \$64,000 (excluding GST).

ICT EXPENDITURE

A summary of the information and communication technology expenditure is included below:

BAU ICT EXPENDITURE TOTAL (\$ MILLION)	NON-BUSINESS AS USUAL ICT EXPENDITURE (\$ MILLION)	OPERATIONAL EXPENDITURE (\$ MILLION)	CAPITAL EXPENDITURE (\$ MILLION)
TOTAL	TOTAL = A + B	A	B
54	22	1	21

3.8 COMMERCIAL ACTIVITIES

The details of the University's subsidiary companies are as follows:

INCOME STATEMENT

NAME	PRINCIPAL ACTIVITIES	DOMICILE	OWNERSHIP INTEREST	TOTAL REVENUE 2019	TOTAL REVENUE 2018	TOTAL EXPENDITURE 2019	TOTAL EXPENDITURE 2018	TAX/ EXTRA ORD ITEMS 2019	TAX/ EXTRA ORD ITEMS 2018	OPERATING RESULT*** 2019	OPERATING RESULT*** 2018	CONTRIBUTION TO UNI OPERATING RESULTS*** 2019	CONTRIBUTION TO UNI OPERATING RESULTS*** 2018
			%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Victoria University Foundation Ltd *	Trustee for the trust	Australia	100%	-	-	-	-	-	-	-	-	-	-
Victoria University Foundation Trust*	Fund raising for VU	Australia	100%	1,009	864	7,023	1,177	-	-	(6,014)	(313)	(6,014)	(313)
Victoria University Enterprises Pty Ltd	Administers IP from research related spin-off companies	Australia	100%	-	-	-	-	-	-	-	-	-	-
Victoria University International Pty Ltd**	Dormant	Australia	100%	-	-	-	-	-	-	-	-	-	-
VU Online Pty Ltd	Online course provider	Australia	100%	2,141	287	2,113	280	-	-	28	7	28	7
VU Online*****	Dormant	Australia	100%	-	-	-	-	-	-	-	-	-	-
Total - University Commercial Activities				3,150	1,151	9,136	1,457	-	-	(5,986)	(306)	(5,986)	(306)

BALANCE SHEET

NAME	WORKING CAPITAL 2019	WORKING CAPITAL 2018	PHYSICAL ASSETS 2019	PHYSICAL ASSETS 2018	TOTAL ASSETS 2019	TOTAL ASSETS 2018	INTERNAL BORROWINGS 2019	INTERNAL BORROWINGS 2018	EXTERNAL BORROWINGS 2019	EXTERNAL BORROWINGS 2018	TOTAL LIABILITIES 2019	TOTAL LIABILITIES 2018	EQUITY 2019	EQUITY 2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Victoria University Foundation Ltd*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Victoria University Foundation Trust*	-	369	-	28	-	6,022	-	-	-	-	-	9	-	6,013
Victoria University Enterprises Pty Ltd ****	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Victoria University International Pty Ltd**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VU Online Pty Ltd	55	7	-	-	607	78	-	-	-	-	572	72	34	6
VU Online*****	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - University Commercial Activities	55	376	-	28	607	6,100	-	-	-	-	572	81	34	6,019

* Victoria University Foundation Ltd, a company limited by guarantee acted as trustee of Victoria University Foundation Trust. Entity activity has been transferred back into the University and entities wound up during 2019.

** Company had \$2 share capital which was represented in its cash assets. Entity no longer required and deregistered during 2019.

*** Before other economic flows included in the net result.

**** Company has shareholdings in a research spin-off company, which is valued at nominal value of \$1. Hence, the total asset value at 31 December 2019 is \$1.

***** Entity no longer required (VU Online activity operating through the company) and wound up during 2019.



SECTION 4

FINANCIAL STATEMENTS

4.1 FINANCIAL OVERVIEW 2019

(1) INTRODUCTION

Victoria University (VU) and its controlled entities (the Group) posted a total net operating surplus of \$24.4 million for the year ending 31 December 2019. This has resulted in an operating margin of 5.1%, (2018: 1.5%) on gross revenue. A positive underlying result was also achieved of \$6.9 million excluding capital grants and donations, investment income and losses from asset sales.

The University's surplus is in part a reflection of the benefits realised through the continued transformation and implementation of the Toward Success Program. This has resulted in productivity improvements from both cost savings and an increase in Higher Education student load.

Table One: Key Financial Data - Group

	2015 \$M	2016 \$M	2017 \$M	2018 \$M	2019 \$M
Revenue	420.3	430.5	443.8	453.0	480.8
Expenses	432.1	441.4	473.0	446.1	456.5
Operating Surplus/Deficit after tax	(11.8)	(10.9)	(29.2)	6.9	24.4
Operating Margin %*	(2.8%)	(2.5%)	(6.6%)	1.5%	5.1%
Cash Flows from Operating Activities	25.8	22.1	16.8	40.4	69.0
Net Assets	820.9	838.0	990.4	966.0	1,001.5
Liquidity Ratio	1.26	0.68	0.71	1.05	0.90

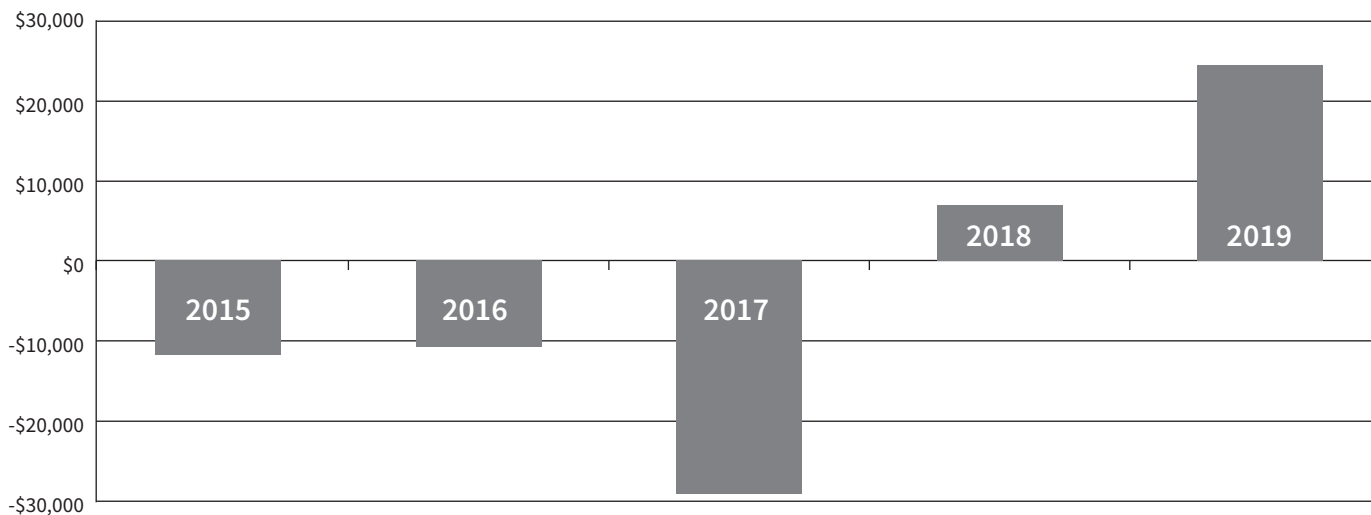
*Operating margin calculations exclude deferred government superannuation contributions

Table One, above (Key Financial Data - Group), shows that Group revenue increased by 6.1% from the 2018 level of \$453.0 million to \$480.8 million. Group expenses has increased by 2.3% during the financial year to \$456.5 million.

During 2019, the Group experienced an increase of \$35.5 million in the value of its net asset base, representing a 3.7% increase (2018: 2.5% decrease). The Group's net assets at 31 December 2019 were \$1,001.5 million.

Group Operating Results for period 2015-2019

Operating Results \$'000



(2) REVENUE

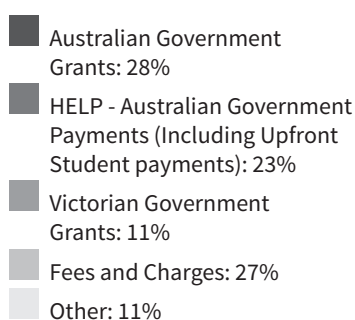
The increase in Group revenue amounted to \$27.8 million or 6.1% (2018: 2.1% growth), total revenue generated for the year amounted to \$480.8 million, which is largely attributed to:

- Increase in course fees and charges of \$20.0 million, primarily as a result of fee-paying onshore overseas students.
- Increase in consultancy and contracts of \$1.2 million specifically in relation to Research.
- Growth in investment income of \$15.2 million.

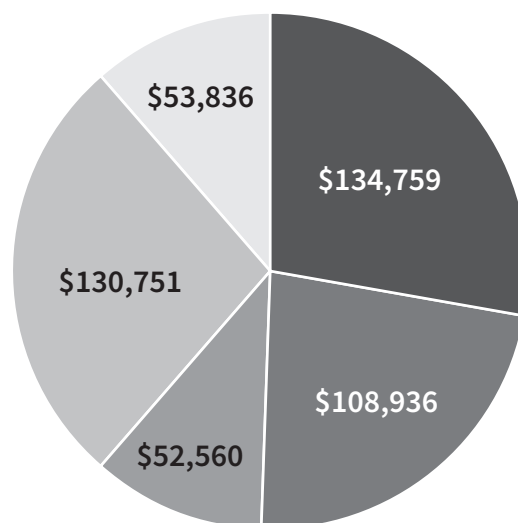
- Reduction in state and local government funding overall by \$2.5m – whilst non-capital government funding grew by \$5.5m, funding for capital projects declined by \$7.9m as the Sunshine Skills Hub and Wyndham Tech School are completed.

Commonwealth Government funding (including HELP-Australian Government payments) continued to be the main source of funding for the Group, closely followed by fees and charges and Victorian government grants. This is further illustrated below:

Source of Income \$'000



Note that 'Other Income' is comprised of investment, consultancies and contract research (Non-Government related funding), sale of goods, property leases, childcare fees, fees and other miscellaneous income.



(3) EXPENSES

The Group expenses increased by \$10.4 million during 2019 (2.3% increase on 2018). Separation costs of \$3.5 million in 2019 were slightly higher than 2018 (by \$1.9 million) – this continues the strategic plan to strengthen the University's focus and to improve the use of resources. Other salary costs have increased as a result of endorsements of Enterprise Agreements.

Total non-salary costs decreased \$1.5 million year to year (2019 \$178.3 million; 2018 \$179.8 million). Major movements include:

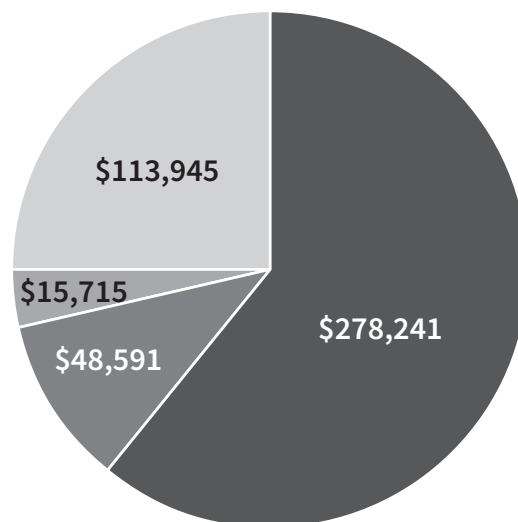
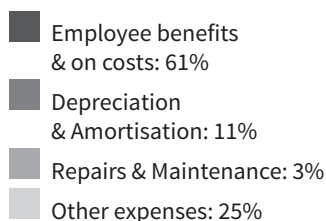
- \$13.2 million increase in depreciation and amortisation and \$3.7 million increase in borrowing costs as a result of bringing leased assets and corresponding lease liabilities onto the balance sheet (previously expensed or recognised as a finance lease) as a result of changes to the accounting standard for Leases;

- \$2.0 million increase in repairs, maintenance and security;
- offset by a \$12.0 million decrease other expenses – mainly in operating

lease rental expenses, advertising and marketing and consulting, legal and professional expenses.

The following graph shows the composition of the Group's main expense categories:

Expenditures \$'000



The main components of 'Other Expenses' are scholarships, grants & prizes, telecommunications, non-capitalised equipment, travel & staff development, energy costs, printing & stationary, consumables, postage, advertising/marketing, legal and professional fees, borrowing costs and impairment.

(4) MAJOR BALANCE SHEET MOVEMENTS

Victoria University Group has continued to maintain a strong and healthy net asset position; as at 31 December 2019 the Group held net assets of \$1,001.5 million (2018: \$966.0 million). Whilst this has increased from 2018, the liquidity ratio has reduced from 1.05 to 0.90, due to holding and maximising returns from excess funds on a longer term basis.

(5) REPORT ON KEY PERFORMANCE INDICATORS

The University's Strategic Plan 2016-2020 establishes Key Performance Indicators (KPIs) against which outcomes are monitored and reported as indicators of progress towards the achievement of strategic objectives.

The non-government income ratio (with HELP schemes included as Government Income) measures the proportion of University revenue generated from non-government income sources as a proportion of total income. There has been little change in this ratio in recent years. Measured against our benchmark competitors, Australian Universities, the contribution of non-government to government income remains below the 2017 benchmark ratio of 44:56; VU's group ratio for 2018 was 39:61 (2018 was 33:67).

The current ratio KPI is a liquidity ratio measuring the University's ability to meet its short-term financial obligations. At 31 December 2019, the Group's current ratio was 0.90 (2018: 1.05) compared to the Australian Universities benchmark of 1.29. However the University holds \$126 million within the non-current asset "Other financial assets at fair value through profit or loss - managed funds" that can be redeemed into cash within three business days, which if classified as a current asset would equate to a current ratio of 1.85.

The Groups' operating margin of 5.1% is just below the Australian Universities 2017 benchmark ratio of 6.2% (national) however there was a strong improvement from prior year's performance of 1.5%.

4.2

FIVE YEAR FINANCIAL SUMMARY FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 000s \$	2018 000s \$	2017 000s \$	2016 000s \$	2015 000s \$
CONSOLIDATED INCOME STATEMENT					
Income from Continuing Operations					
Government Sources					
Australian Government Grants	134,759	143,872	142,961	153,799	147,955
HELP- Australian Government Payments	103,873	102,538	103,371	107,454	105,128
State and Local Government financial assistance	52,560	55,053	54,109	36,975	30,562
Non-Government Sources					
Fees and charges	130,751	110,743	97,436	91,574	97,025
Other income	58,899	40,808	45,962	40,659	39,582
Total revenue	480,842	453,014	443,839	430,461	420,252
Total operating expenses	456,492	446,072	473,000	441,335	432,064
Operating result for the year	24,350	6,942	(29,161)	(10,874)	(11,812)
Accumulated funds at the beginning of year	377,776	369,799	400,480	411,918	424,060
	402,126	376,741	317,319	401,044	412,248
Transfer to/(from) reserves	(814)	1,035	(1,519)	(564)	(330)
Accumulated funds at end of year	401,312	377,776	369,799	400,480	411,918
CONSOLIDATED BALANCE SHEET					
Current assets	118,916	116,157	85,160	72,912	135,955
Non-current assets	1,266,122	1,171,723	1,221,965	1,070,495	994,209
Current liabilities	(132,179)	(110,633)	(120,465)	(107,922)	(107,647)
Non-current liabilities	(251,366)	(211,240)	(196,289)	(197,491)	(201,596)
Net Assets	1,001,493	966,007	990,371	837,994	820,921
Reserves	600,181	588,231	620,572	437,514	409,003
Accumulated funds	401,312	377,776	369,799	400,480	411,918
Total Equity	1,001,493	966,007	990,371	837,994	820,921

The table above provides a summary of the University's financial results for 2019 and the preceding four reporting periods.

4.3 REPORT BY THE MEMBERS OF COUNCIL

Victoria University

ABN: 83776954731

Report By The Members Of The Council 31 December 2019

The members of the Council present their report on the Group consisting of Victoria University and the entities it controlled at the end of, or during, the year ended 31 December 2019.

1. General Information

Members

A list of Victoria University Council members during 2019 is shown in Note 28 of the notes to the financial statements. The number of meetings of the members of Victoria University Council and each Council committee held during the year ended 31 December 2019, and the number of meetings attended by each member are as disclosed in the annual report.

Principal Activities

During the year, the principal continuing activities of the Group consisted of the provision of educational and related services.

No significant changes in the nature of the activities of the Group occurred during the year.

2. Operating Results and Review of Operations for the Year

Review of Operations

Information on the operations and financial position of the Group are disclosed in the financial report.

3. Other items

No significant changes in the Group's state of affairs occurred during the year.

Matter Subsequent to the End of the Financial Year

Since the reporting period ending 31 December 2019, the Coronavirus (COVID-19) outbreak in Wuhan (China) has developed, causing worldwide uncertainties resulting in travel restrictions, and creating major volatility on equity markets. Whilst the University has developed a digital platform to allow students to undertake studies online, the various impacts of COVID-19 may make it more difficult for international students to complete one or more semesters. This could lead to significant reductions in student revenue, possibility of refund of enrolment fees, investments could be adversely impacted due to global market volatility, possible global recession and international debtors impacted and their ability to repay outstanding debt.

The length and extent of the spread of the virus and actions being undertaken by both the Australian Federal and State Governments will continue to determine the scale of the impact on the finances of the University. Due to this significant uncertainty surrounding the COVID-19 outbreak and the government's response to this, it is not possible to estimate the full impact on the University's operations, financial position and cashflows at this point in time. This being the case, the University does not consider it practicable to provide a quantitative or qualitative estimate of the potential impact of this outbreak on the Group at this time. The University will continue to monitor the non-financial and financial impacts of COVID-19 on its operations, and has put in place various mitigation strategies that will ensure it will remain a going concern for at least the next 12 months.

Likely Developments and Expected Results of Operations

No significant developments have arisen since the end of the financial year which significantly affect the results of the operations, or the state of affairs of the consolidated entity in future financial years.

Victoria University

ABN: 83776954731

Report By The Members Of The Council
31 December 2019

Environmental Regulation

The University is subject to environmental regulation in respect of its building works. The relevant authorities are provided with regular updates, and to the best of our knowledge, all activities have been undertaken in compliance with the requirements of the planning approvals.

Insurance of Officers

As provided under the Constitution, the University indemnifies members of the Council against all actions and claims (whether arising during or after the term of the office of that member) in respect of any act or thing done or omitted to be done in good faith in their capacity as members. During the year, the University paid an insurance premium in respect of a contract insuring its members and senior employees against a liability of this nature. In accordance with normal commercial practices, under the terms of the insurance contract, the nature of the liabilities insured against and the amount of premiums paid are confidential.

Proceedings on Behalf of Victoria University

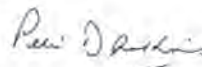
No person has applied for leave of court to bring proceedings on behalf of the Victoria University or intervene in any proceedings to which the Victoria University is a party for the purpose of taking responsibility on behalf of the Victoria University for all or any part of those proceedings.

The Victoria University was not a party to any such proceedings during the year.

This report is made in accordance with a resolution of the members of the Council.



Chancellor



Vice-Chancellor and President

Dated at Melbourne on the 23 day of April 2020

4.4

2019 FINANCIAL STATEMENTS INDEX

CONTENTS

FIVE YEAR FINANCIAL SUMMARY	58
REPORT BY THE MEMBERS OF THE COUNCIL	59
AUDITOR-GENERAL'S INDEPENDENCE DECLARATION	62
INDEPENDENT AUDIT REPORT	63
STATEMENT BY THE CHANCELLOR, THE VICE-CHANCELLOR AND PRINCIPAL ACCOUNTING OFFICER	65
INCOME STATEMENT	66
STATEMENT OF COMPREHENSIVE INCOME	67
STATEMENT OF FINANCIAL POSITION	68
STATEMENT OF CHANGES IN EQUITY	69
STATEMENT OF CASH FLOWS	70
NOTES TO THE FINANCIAL STATEMENTS	71

AUDITOR-GENERAL'S INDEPENDENCE DECLARATION

VAGO

Victorian Auditor-General's Office

Auditor-General's Independence Declaration

To the Council, Victoria University

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

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

Independence Declaration

As auditor for Victoria University for the year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

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

MELBOURNE
28 April 2020



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

Independent Auditor's Report

To the Council of Victoria University

VAGO

Victorian Auditor-General's Office

Opinion	<p>I have audited the consolidated financial report of Victoria University (the university) and its controlled entities (together the consolidated entity) which comprises the:</p> <ul style="list-style-type: none"> • consolidated entity and university statements of financial position as at 31 December 2019 • consolidated entity and university income statements for the year then ended • consolidated entity and university statements of comprehensive income for the year then ended • consolidated entity and university statements of changes in equity for the year then ended • consolidated entity and university statements of cash flows for the year then ended • notes to the financial statements, including the summary of significant accounting policies • statement by the Chancellor, Vice-Chancellor and President and Principal Accounting Officer. <p>In my opinion the financial report is in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"> • presenting fairly, in all material respects, the financial position of the university and the consolidated entity as at 31 December 2019 and their financial performance and cash flows for the year then ended • complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2013</i>.
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the university and the consolidated entity in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Emphasis of Matter - subsequent events COVID-19 pandemic	<p>I draw attention to Note 34 of the financial report, which describes the effects of the COVID-19 pandemic as a material subsequent event. My opinion is not modified with respect to this matter.</p>
Council's responsibilities for the financial report	<p>The Council of the university is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, Part 7 of the <i>Financial Management Act 1994</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the Council determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Council are responsible for assessing the university and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Level 31 / 35 Collins Street, Melbourne Vic 3000
 T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

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

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

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

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Council with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

MELBOURNE
28 April 2020



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

STATEMENT BY THE CHANCELLOR, THE VICE-CHANCELLOR AND PRESIDENT AND PRINCIPAL ACCOUNTING OFFICER

Victoria University ABN: 83776954731

Statement by the Chancellor, Vice-Chancellor and President and Principal Accounting Officer

In our opinion:

(a) the financial statements of Victoria University and the consolidated entity present fairly the financial transactions during the financial year ended 31 December 2019 and the financial position for the year ended on that date;

(b) the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and Victoria University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure;

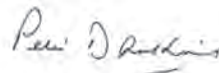
(c) the Student Services and Amenities Fees were charged strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act; and

(d) the financial statements have been prepared in accordance with *Australian Accounting Standards*, applicable requirements of the *Financial Management Act 1994* including Financial Reporting Directions, the *Australian Charities and Not-for-profits Commission Act 2012*, other mandatory professional reporting requirements and the Financial Statement Guidelines for Australian Higher Education Providers for the 2019 Reporting Period as issued by the Australian Government, Department of Education.

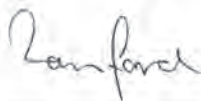
In addition, we are not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate and there are reasonable grounds to believe that Victoria University and the consolidated entity will be able to pay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



W Kayler-Thomson
Chancellor



P Dawkins
Vice-Chancellor and President



I Ford
Senior Vice-President Finance and Chief Operating Officer
Principal Accounting Officer

Dated at Melbourne on the23..... day ofApril..... 2020

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
INCOME FROM CONTINUING OPERATIONS					
Australian Government financial assistance					
Australian Government grants	3	134,759	143,872	134,759	143,872
HELP - Australian Government payments	3	103,873	102,538	103,873	102,538
State and local government financial assistance	4	52,560	55,053	52,560	55,053
HECS-HELP - Student payments		5,063	4,945	5,063	4,951
Fees and charges	5	130,751	110,743	128,612	110,463
Investment revenue and other investment income	6	16,030	866	15,393	952
Consultancy and contracts	7	15,196	13,962	15,356	13,967
Other revenue and income	8	22,610	21,035	28,790	21,188
Total income from continuing operations		480,842	453,014	484,406	452,984
EXPENSES FROM CONTINUING OPERATIONS					
Employee related expenses	10	278,241	266,280	277,725	266,218
Depreciation and amortisation	11	48,591	35,439	48,591	35,439
Repairs, maintenance, cleaning and security	12	15,715	13,696	15,714	13,696
Borrowing costs	13	4,190	484	4,190	484
Impairment of assets	14	1,111	2,439	1,111	2,439
Loss on disposal of assets	20	264	7,305	264	7,305
Other expenses	15	108,380	120,429	106,475	120,156
Total expenses from continuing operations		456,492	446,072	454,070	445,737
Net result for the period		24,350	6,942	30,336	7,247

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

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Net result for the period		24,350	6,942	30,336	7,247
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS					
Gain/(loss) on revaluation of land, buildings and artwork	27(b)	2,620	(48,045)	2,620	(48,045)
Increase in Deferred government contribution for superannuation	39	9,794	6,069	9,794	6,069
(Increase) in Deferred employee benefits for superannuation	39	(9,794)	(6,069)	(9,794)	(6,069)
Total		2,620	(48,045)	2,620	(48,045)
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS					
Gain on equity instruments designated at fair value through other comprehensive income	27(b)	15,318	9,525	15,318	9,525
Total		15,318	9,525	15,318	9,525
Other comprehensive income for the period		17,938	(38,520)	17,938	(38,520)
Total comprehensive income for the period		42,288	(31,578)	48,274	(31,273)

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

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	16	21,757	44,317	21,205	43,883
Receivables	17	33,858	28,496	34,253	28,474
Contract assets	9(d) & 17	1,335	-	1,335	-
Other financial assets	18	50,561	34,841	50,561	34,841
Other non-financial assets	19	11,405	8,503	11,405	8,503
Total current assets		118,916	116,157	118,759	115,701
NON-CURRENT ASSETS					
Receivables	17	157,243	147,842	157,243	147,842
Other financial assets	18	135,839	99,142	135,989	93,676
Property, plant and equipment	20	903,259	853,128	903,259	853,100
Intangible assets	21	69,781	65,485	69,781	65,485
Other non-financial assets	19	-	6,126	-	6,126
Total non-current assets		1,266,122	1,171,723	1,266,272	1,166,229
Total assets		1,385,038	1,287,880	1,385,031	1,281,930
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	22	43,513	36,073	43,457	35,995
Borrowings	23	117	1,091	117	1,091
Lease Liabilities	24.1	12,951	-	12,951	-
Provisions	25	58,015	53,882	57,971	53,882
Other liabilities	26	496	19,587	496	19,587
Contract liabilities	9(d)	17,087	-	17,087	-
Total current liabilities		132,179	110,633	132,079	110,555
NON-CURRENT LIABILITIES					
Trade and other payables	22	200	243	200	243
Borrowings	23	10	10,897	10	10,897
Lease Liabilities	24.1	41,024	-	41,024	-
Provisions	25	163,491	153,291	163,470	153,291
Contract liabilities	9(d)	46,641	-	46,641	-
Other liabilities	26	-	46,809	-	46,809
Total non-current liabilities		251,366	211,240	251,345	211,240
Total liabilities		383,545	321,873	383,424	321,795
Net assets		1,001,493	966,007	1,001,607	960,135
EQUITY					
Reserves	27	600,181	588,231	600,181	582,242
Retained earnings	27	401,312	377,776	401,426	377,893
Total equity		1,001,493	966,007	1,001,607	960,135

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	RESERVES 000s \$	RETAINED EARNINGS 000s \$	TOTAL 000s \$
2018 - CONSOLIDATED			
Balance at 1 January 2018	620,572	369,799	990,371
Operating result for the period	-	6,942	6,942
Revaluation (decrement)	(48,045)	-	(48,045)
Amount restated through reserves on adoption of AASB 9	7,232	-	7,232
Transfer in	84	-	84
Movement in retained earnings on adoption of AASB 9	-	721	721
Transfer/(to) special purpose reserve	(313)	313	-
Transfer out	(824)	-	(824)
Gain on equity designated at fair value through other comprehensive income	9,525	-	9,525
Balance at 31 December 2018	588,231	377,776	966,007
2019 - CONSOLIDATED			
Balance at 1 January 2019	588,231	377,776	966,007
Operating result for the period	-	24,350	24,350
Revaluation increment	2,620	-	2,620
Movement in retained earnings on adoption of AASB 15, AASB 1058 and AASB 16	-	(6,803)	(6,803)
Transfer / (to) special purpose reserve	(5,985)	5,985	-
Transfer out	(3)	4	1
Gain on equity designated at fair value through other comprehensive income	15,318	-	15,318
Balance at 31 December 2019	600,181	401,312	1,001,493
2018 - VICTORIA UNIVERSITY			
Balance at 1 January 2018	614,271	369,924	984,195
Operating result for the period	-	7,247	7,247
Revaluation (decrement)	(48,045)	-	(48,045)
Amount restated through reserves on adoption of AASB 9	7,232	-	7,232
Movement in retained earnings on adoption of AASB 9	-	721	721
Transfer out	(740)	-	(740)
Gain on equity designated at fair value through other comprehensive income	9,525	-	9,525
Balance at 31 December 2018	582,242	377,893	960,135
2019 - VICTORIA UNIVERSITY			
Balance at 1 January 2019	582,242	377,893	960,135
Operating result for the period	-	30,336	30,336
Revaluation increment	2,620	-	2,620
Movement in retained earnings on adoption of AASB 15, AASB 1058 and AASB 16	-	(6,803)	(6,803)
Gain on equity designated at fair value through other comprehensive income	15,318	-	15,318
Balance at 31 December 2019	600,181	401,426	1,001,607

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
CASH FLOWS FROM OPERATING ACTIVITIES:					
Australian Government Grants received		238,777	240,458	238,777	240,458
OS-HELP (net)		78	(145)	78	(145)
Superannuation Supplementation		8,350	7,332	8,350	7,332
State Government Grants received		52,682	55,801	52,682	55,801
Local Government Grants received		-	58	-	58
HECS-HELP - Student payments		5,077	4,945	5,077	4,951
Dividends received		8,774	1,187	8,499	931
Interest received		416	546	407	535
Interest and other costs of finance paid		(307)	(469)	(307)	(469)
Royalties received		1	10	1	10
Receipts from student fees and other customers (inc. of GST)		171,516	163,900	175,264	164,271
Payments to suppliers and employees (inc. of GST)		(422,420)	(432,317)	(419,889)	(432,557)
GST recovered/paid		6,035	(890)	5,920	(838)
Net cash provided by/(used in) operating activities	35	68,979	40,416	74,859	40,339
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of property, plant and equipment		46,228	110,249	46,228	110,249
Payments for property, plant and equipment		(76,347)	(39,904)	(76,375)	(39,904)
Payments for intangible assets		(18,773)	(18,533)	(18,773)	(18,533)
Payment for financial assets		(30,258)	(80,017)	(36,228)	(79,761)
Net cash provided by/(used in) investing activities		(79,150)	(28,205)	(85,148)	(27,949)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Repayment of borrowings		(117)	(177)	(117)	(177)
Repayment of finance leases		(12,272)	(161)	(12,272)	(161)
Net cash provided by/(used in) financing activities		(12,389)	(338)	(12,389)	(338)
Net increase/(decrease) in cash and cash equivalents		(22,560)	11,873	(22,678)	12,052
Cash and cash equivalents at beginning of year		44,317	32,444	43,883	31,831
Cash and cash equivalents at the end of the financial year	16	21,757	44,317	21,205	43,883

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Group for the year ended 31 December 2019 are set out below within these financial statements. These policies have been consistently applied to each year presented unless otherwise stated. The financial statements include separate statements for Victoria University and the consolidated entity consisting of the University and its subsidiaries, referred to as the Group.

The principal address of the University is Ballarat Road, Footscray VIC 3011 Australia.

(A) BASIS OF PREPARATION

The annual financial statements represent the audited general purpose financial statements of the Group and have been prepared as follows:

- Prepared on an accrual basis and apply Tier 1 reporting requirements.
- Prepared in accordance with Australian Accounting Standards, *the Higher Education Support Act 2003*, *Financial Management Act 1994* and *Australian Charities and Not-for-Profits Commission Act 2012*.
- Prepared under the historical cost convention, except for debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or income statement, certain classes of property, plant and equipment.
- The University is a not-for-profit entity and these financial statements have been prepared on that basis. Some of the Australian Accounting Standards requirements for not-for-profit entities are inconsistent with the IFRS requirements.
- Prepared on a going-concern basis, which assumes the continuity of normal operations.
- Presented in Australian dollars, which is the Group's functional and presentation currency.

- Rounded to the nearest thousand dollars unless otherwise specified.
- Where necessary, comparative amounts have been restated, where applicable, to conform with the current period presentation.

Date of authorisation for issue

The financial statements were authorised for issue by the members of Victoria University on 23 April 2020.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and judgements. Estimates and judgements are continually evaluated by management and are based on historical experience and other factors, including expectations of future events that may have financial impact on the Group and believed to be reasonable under the circumstances. Estimates and assumptions that have a risk of causing a material adjustment to carrying amounts of assets and liabilities are found in the following notes:

Estimates

- Impairment of assets Note 14;
- Provisions Note 25;
- Other financial assets Note 18;
- Property, plant and equipment Note 20; and
- Fair value of financial assets and financial liabilities Note 37.

Judgements

- Income Notes 3 – 9;
- Impairment of assets Note 14; and
- Property, plant and equipment Note 20

(B) FOREIGN CURRENCY TRANSACTIONS

(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 entity operates ('the functional currency'). The consolidated financial statements are presented in

Australian dollars, which is the Group'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.

Exchange differences arising on the translation of non-monetary financial assets and liabilities are reported as part of the foreign currency translation reserve in equity.

(iii) Group entities

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 end of the reporting period;
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation on 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 are taken to equity.

(C). INCOME TAX

Victoria University and its subsidiaries are exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997 (ITAA)*.

(D) 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 of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the Statement of Financial Position.

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

(E) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

As at the date of this report, new accounting standards and interpretations have been published that are not mandatory for the financial year ending 31 December 2019. The Group does not intend to early adopt these standards. The Group's assessment of the impact of this new standard is set out above.

STANDARD/INTERPRETATION	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER	EXPECTED IMPACT ON THE FINANCIAL STATEMENTS OF THE GROUP
AASB 1059 Service Concession Arrangements: Grantors	1 January 2020	The assessment has identified that there will be no impact to the Group resulting from AASB 1059.

A number of other new or revised standards, amendments to standards and interpretations applicable to future reporting periods have been issued, none of which are expected to have a material impact on the Group's future financial reports.

(F) INITIAL APPLICATION OF AAS

The Group has adopted AASB 15, AASB 1058 and AASB 16 in accordance with the transitional provisions applicable to each standard. The nature and effect of the changes as a result of adoption of these new accounting standards are described.

The following interpretations and amending standards have also been adopted:

STANDARD/INTERPRETATION	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	EXPECTED IMPACT ON THE FINANCIAL STATEMENTS OF THE GROUP
AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities	1 January 2019	AASB 2016-8 includes a number of examples of different types of income to demonstrate how to apply the new Standards AASB 15 & AASB 1058. The assessment has identified that there is no material impact arising from AASB 2016-8 to the reporting Group.
AASB 2017-7 Amendment to Australian Accounting Standards - Long term interests in Associates and Joint Ventures	1 January 2019	No impact to the reporting Group.
AASB 2018-4 Amendment to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Public Sector Licensors	1 January 2019	No impact to the reporting Group.
AASB 2018-8 Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities	1 January 2019	AASB 2018-8 provides a temporary option for not-for profit entities to be applied to right-of-use assets on a class by class basis and allows to measure right-of-use assets at cost rather than at fair value. The assessment has identified that there is no material impact arising from AASB 2018-8 to the reporting Group.

AASB 15 and AASB 1058

The Group adopted AASB 15 and AASB 1058 using the modified retrospective method of transition, with the date of initial application of 1 January 2019. In accordance with the provisions of this transition approach, the Group recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e., 1 January 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income. In addition, the Group has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 January 2019.

As the Group is applying the modified retrospective approach, the Group did apply the practical expedient described in AASB 15.C5 (c) was applied for contracts that was modified before the beginning of the earliest period presented.

The Group did not retrospectively restate the contract for those modifications in accordance with AASB 15.20-21. Instead, the Group reflected the aggregate effect of all of the modifications that occur before the beginning of the earliest period presented when:

- Identifying the satisfied and unsatisfied performance obligations
- Determining the transaction price
- Allocating the transaction price to the satisfied and unsatisfied performance obligation

The new accounting policies for revenue and other income for not-for-profit in accordance with AASB 15 and AASB 1058 respectively are disclosed in Note 9 below.

Overview of AASB 15 and AASB 1058

Under the new income recognition model applicable to not-for-profit entities, the Group shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'.

If an enforceable agreement exists and the promises are 'sufficiently specific' (to

a transaction or part of a transaction), the Group applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, the Group shall consider whether AASB 1058 applies.

The nature and effect of the changes as a result of adoption of AASB 15 and AASB 1058 are described as follows:

	REF. ADJUSTMENTS	CONSOLIDATED 1 JANUARY 2019 000s \$	VICTORIA UNIVERSITY 1 JANUARY 2019 000s \$
ASSETS			
Current assets			
Contracts assets		1,122	1,122
Total current assets		1,122	1,122
Non-current assets		-	-
Total assets		1,122	1,122
LIABILITIES			
Current liabilities			
Trade and other payables		420	420
Contract liabilities		1,090	1,090
Total current liabilities		1,510	1,510
Non-current liabilities		-	-
Total liabilities		1,510	1,510
Net assets	(a)	(388)	(388)
Total adjustment on equity Retained earnings	(a)	(388)	(388)
Total equity		(388)	(388)

Set out below are the amounts by which each financial statement line item is affected as at and for the year ended 31 December 2019 as a result of the

adoption of AASB 15 and AASB 1058. The adoption of AASB 15 did not have a material impact on OCI or the Group's operating, investing and financing cash flows.

The first column shows amounts prepared under AASB 15 and AASB 1058 and the second column shows what the amounts would have been had AASB 15 and AASB 1058 not been adopted:

	REF. ADJUSTMENTS	AMOUNTS PREPARED UNDER					
		CONSOLIDATED			VICTORIA UNIVERSITY		
		AASB 15/ AASB 1058 000s \$	PREVIOUS 000s \$	INCREASE /DECREASE 000s \$	AASB 15/ AASB 1058 000s \$	PREVIOUS 000s \$	INCREASE /DECREASE 000s \$
REVENUE AND INCOME FROM CONTINUING OPERATIONS							
Australian Government financial assistance							
Australian Government grants	(b)	134,759	135,110	(351)	134,759	135,110	(351)
HELP – Australian Government payments	(b)	103,873	104,248	(375)	103,873	104,248	(375)
State and local government financial assistance		52,560	52,560	-	52,560	52,560	-
HECS-HELP – Student payments	(b)	5,063	5,077	(14)	5,063	5,077	(14)
Fees and charges	(b)	130,751	131,084	(333)	128,612	128,945	(333)
Royalties, trademarks and licenses		1	1	-	1	1	-
Investment revenue and other investment income		16,030	16,030	-	15,393	15,393	-
Consultancy and contracts	(c)	15,196	16,077	(881)	15,356	16,237	(881)
Other revenue and income		22,609	22,609	-	28,789	28,789	-
Total revenue and income from continuing operations		480,842	482,796	(1,954)	484,406	486,359	(1,954)
Employee related expenses		278,241	278,241	-	277,725	277,725	-
Depreciation and amortisation		48,591	48,591	-	48,591	48,591	-
Repairs, maintenance, cleaning and security		15,715	15,715	-	15,714	15,714	-
Borrowing costs		4,190	4,190	-	4,190	4,190	-
Impairment of assets		1,111	1,111	-	1,111	1,111	-
Loss on disposal of assets		264	264	-	264	264	-
Other expenses		108,380	108,380	-	106,475	106,475	-
Total expenses from continuing operations		456,492	456,492	-	454,070	454,070	-
Net result after expenses per income statement		24,350	26,304	(1,954)	30,336	32,289	(1,954)

	REF. ADJUSTMENTS	AMOUNTS PREPARED UNDER					
		CONSOLIDATED			VICTORIA UNIVERSITY		
		AASB 15/ AASB 1058 000s \$	PREVIOUS 000s \$	INCREASE /DECREASE 000s \$	AASB 15/ AASB 1058 000s \$	PREVIOUS 000s \$	INCREASE /DECREASE 000s \$
STATEMENT OF FINANCIAL POSITION							
ASSETS							
Current assets							
Cash and cash equivalents		21,757	21,757	-	21,205	21,205	-
Receivables	(d)	33,858	33,762	96	34,253	34,157	96
Contract assets	(e)	1,335	-	1,335	1,335	-	1,335
Other financial assets		50,561	50,561	-	50,561	50,561	-
Other non-financial assets		11,405	11,405	-	11,405	11,405	-
Total current assets		118,916	117,485	1,431	118,759	117,328	1,431
Non-current assets							
Receivables		157,243	157,243	-	157,243	157,243	-
Other financial assets		135,839	135,839	-	135,989	135,989	-
Property, plant and equipment		903,258	903,258	-	903,259	903,259	-
Intangible assets		69,781	69,781	-	69,781	69,781	-
Total non-current assets		1,266,121	1,266,121	-	1,266,272	1,266,272	-
Total assets		1,385,037	1,383,606	1,431	1,385,031	1,383,600	1,431
LIABILITIES							
Current liabilities							
Trade and other payables	(f)	43,513	43,093	420	43,454	43,034	420
Borrowings		117	117	-	117	117	-
Lease liabilities		12,951	12,951	-	12,951	12,951	-
Provisions		58,015	58,015	-	57,971	57,971	-
Other liabilities	(g)	496	15,553	(15,057)	496	15,553	(15,057)
Contract liabilities	(h)	17,087	-	17,087	17,087	-	17,087
Total current liabilities		132,179	129,729	2,450	132,076	129,626	2,450
Non-current liabilities							
Trade and other payables	(i)	200	255	(55)	200	255	(55)
Borrowings		10	10	-	10	10	-
Lease liabilities		41,024	41,024	-	41,024	41,024	-
Provisions		163,491	163,491	-	163,470	163,470	-
Contract liabilities	(h)	46,641	-	46,641	46,641	-	46,641
Other liabilities	(g)	-	45,263	(45,263)	-	45,263	(45,263)
Total non-current liabilities		251,366	250,043	1,323	251,345	250,022	1,323
Total liabilities		383,545	379,772	3,773	383,421	379,648	3,773
Net assets		1,001,493	1,003,834	(2,342)	1,001,607	1,003,952	(2,342)
Equity							
Reserves		600,181	600,181	-	600,181	600,181	-
Retained earnings		401,312	401,701	(388)	401,426	401,815	(388)
Total equity		1,001,493	1,001,882	(388)	1,001,607	1,001,996	(388)

Nature of adjustments

The nature of the adjustments as at 1 January 2019 and the reasons for the significant changes in the statement of financial position as at 31 December 2018 and the income statement for the year ended 31 December 2019 are described below:

(a) The opening balance adjustment of (\$0.388m) to retained earnings as a result of the adoption of AASB 15 is associated with the following:

- Contract assets (research contracts) - \$1.122m
- Trade and other payables - (\$0.420m) and
- Contract liabilities (research contracts) - (\$1.090m)

(b) Revenue is recognised over time when the course is delivered to students over the semester. Adjustments refer to teaching periods spanning two calendar years.

(c) The adjustments are associated with the opening balance adjustments as a result of the adoption of AASB 15 and the assessment of research and other contracts as over time under AASB 15.

(d) The adjustment is associated with the reclassification of receivables to contract assets and contract liabilities.

(e) The adjustment is associated with the reclassification of income to contract assets for services transferred to a customer but not yet invoiced/paid.

(f) The adjustment is associated with the reclassification of income recognised previously under retaining earnings to trade and other payables.

(g) The adjustment is associated with the reclassification of other liabilities to contract liabilities for performance obligations not yet provided and the consideration has been paid in advance.

(h) The adjustment is associated with the reclassification of income received in advance to contract liabilities for performance obligations not yet provided but the consideration for those services has been paid in advance.

(i) The adjustment is associated with the reclassification of trade and other payables to contract liabilities for performance obligations not yet provided but the consideration for those services has been paid in advance.

AASB 16

Victoria University has adopted AASB 16 using the modified retrospective method of transition, with the date of initial application date of 1 January 2019. Under the modified approach, Victoria University has chosen, on a lease-by-lease basis, to measure the related right-of-use asset at either:

- its carrying amount as if AASB 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application, or
- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application.

In accordance with the provisions of this transition approach, Victoria University recognised the cumulative effect of applying this new standard as an adjustment to opening retained earnings at the date of initial application i.e. 1 January 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on leases - AASB 117 and AASB Interpretation 4 to determining whether an arrangement contains a lease (Interpretation 4). The new accounting policies for leases in accordance with AASB 16 is disclosed in Note 24.

The nature and effect of the changes as a result of adoption of AASB 16 are as described below:

Definition of a lease

Previously, Victoria University determined at contract inception whether an arrangement is or contains a lease under Interpretation 4. Under AASB 16, Victoria University will continue to assess at contract inception whether a contract is, or contains, a lease but now uses the new definition of a lease.

On transition to AASB 16, Victoria University elected to apply the practical expedient to grandfather the assessment of which transactions are or contain leases. This means that for arrangements entered into before 1 January 2019, Victoria University has not reassessed whether they are, or contain, a lease in accordance with the new AASB 16 lease definition.

Consequently, contracts existing prior to 1 January 2019 which were assessed per the previous accounting policy described below in accordance with AASB 117 and Interpretation 4 as a lease will be treated as a lease under AASB 16. Whereas, contracts previously not identified as a lease, will not be reassessed to determine whether they would meet the new definition of a lease in accordance with AASB 16. Therefore, Victoria University applied the recognition and measurement requirements of AASB 16 only to contracts that were previously identified as leases, and does not apply AASB 16 to contracts that were previously not identified as leases. The new definition of lease under AASB 16 will only be applied to contracts entered into or modified on or after 1 January 2019.

Assets in relation to make good provisions

Upon transition, the assets in relation to make good provisions were included as part of the right-of-use asset depending on their nature.

Victoria University as a lessee

Victoria University previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset to Victoria University.

Under AASB 16, this classification no longer exists for Victoria University as a lessee. Instead, practically all leases are now recognised on the statement of financial position as right-of-use assets with corresponding lease liabilities comprising all amounts which are considered to be lease payments (see Note 20.1. and Note 24 for the new leases policy which explains what amounts are included in lease payments).

Leases previously classified as operating leases under AASB 117

On transition to AASB 16, the Group recognised lease liabilities for leases previously classified as operating leases by discounting the remaining lease payments using the incremental borrowing rate as at the date of initial application, i.e. 1 January 2019. The right-of-use assets were recognised at either:

(a) its carrying amount as if AASB 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application; or

(b) an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application.

Victoria University has applied the following practical expedients in transitioning existing operating leases.

(a) Applied the exemption not to recognise right-of-use assets and lease liabilities where the remaining leases term is 12 months or less from the date of initial application

(b) Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

(c) Excluded initial direct costs from the measurement of right-of-use asset at the date of initial application.

Leases previously classified as finance leases under AASB 117

On the date of initial application, right-of-use assets and lease liabilities continued to be recognised for leases previously classified as finance leases at the same carrying amounts of the leased assets and finance lease liabilities recognised in accordance with AASB 117 immediately before the date of initial application.

Reconciliation of operating lease commitments under AASB 117 and lease liabilities under AASB 16

As a lessee, the weighted average incremental borrowing rate applied to lease liabilities recognised in the statement of financial position on the date of initial application was 5.60%.

The difference between the operating lease commitments disclosed previously by applying AASB 117 and the value of the lease liabilities recognised under AASB 16 on 1 January 2019 is explained as follows:

	CONSOLIDATED	VICTORIA UNIVERSITY
	1 JANUARY 2019 000s \$	1 JANUARY 2019 000s \$
Operating lease commitments disclosed at 31 December 2018	852,099	852,099
Discounted using the Victoria University weighted average incremental borrowing rate of 5.6%	804,382	804,382
Add: Finance lease liabilities recognised as at 31 December 2018	11,744	11,744
(Less): Short-term leases recognised on a straight-line basis as an expense	(4)	(4)
(Less): Low-value leases recognised on a straight-line basis as an expense	(7,844)	(7,844)
Add/(less): Adjustments as a result of a different treatment of extension and termination options	(57,452)	(57,452)
Add/(less): Adjustments relating to changes in the index or rate	2,326	2,326
Add/(less): Managed Print Service not being a lease as defined under AASB 16	(507)	(507)
Add/(less): Property Leases committed to, with a commencement date post 1 January 2019	(690,057)	(690,057)
Lease liability recognised as at 1 January 2019	62,588	62,588

Victoria University as a lessor – overview

Victoria University is not required to make any adjustments on transition to AASB 16 where it is a lessor.

Sale and leaseback transactions

Sale and leaseback transactions entered into before the date of initial application and recognised under AASB 117:

(a) Victoria University does not reassess whether it meets the requirements of AASB 15 to be accounted for as a sale.

(b) If a sale and leaseback transaction was accounted for as a sale and a finance lease applying AASB 117, Victoria University as seller-lessee accounts for the leaseback in the same way as it accounts for any other finance lease that exists at the date of initial application.

(c) If a sale and leaseback transaction was accounted for as a sale and operating lease applying AASB 117, Victoria University as seller-lessee accounts for the leaseback in the same way as it accounts for any other operating lease that exists at the date of initial application.

2 DISAGGREGATED INFORMATION

(A) GEOGRAPHICAL - CONSOLIDATED ENTITY

	REVENUE		RESULTS		ASSETS	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Australia	468,294	442,379	17,025	1,537	1,384,047	1,286,248
Asia	12,548	10,635	7,325	5,405	991	1,632
	480,842	453,014	24,350	6,942	1,385,038	1,287,880
Total Geographical	480,842	453,014	24,350	6,942	1,385,038	1,287,880

(B) INDUSTRY - PARENT ENTITY

INCOME STATEMENT						
	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
	2019 000s \$	2019 000s \$	2019 000s \$	2018 000s \$	2018 000s \$	2018 000s \$
INCOME FROM CONTINUING OPERATIONS						
Australian Government financial assistance						
Australian Government grants	134,759	-	134,759	143,868	4	143,872
HELP - Australian Government payments	99,310	4,563	103,873	96,019	6,519	102,538
State and local government financial assistance	1,550	51,010	52,560	5,258	49,795	55,053
HECS-HELP - Student payments	5,063	-	5,063	4,951	-	4,951
Fees and charges	107,731	20,881	128,612	90,745	19,718	110,463
Investment income	13,094	2,299	15,393	809	143	952
Consultancy and contracts	15,344	12	15,356	13,957	10	13,967
Other revenue and income	24,253	4,537	28,790	18,279	2,909	21,188
Income from continuing operations	401,104	83,302	484,406	373,887	79,098	452,984
EXPENSES FROM CONTINUING OPERATIONS						
Employee related expenses	211,745	65,980	277,725	207,418	58,800	266,218
Depreciation and amortisation	34,374	14,217	48,591	24,423	11,016	35,439
Repairs, maintenance, cleaning and security	13,205	2,509	15,714	11,427	2,270	13,696
Borrowing costs	3,955	235	4,190	442	42	484
Impairment of assets	(164)	1,275	1,111	2,406	33	2,439
Losses on disposal of assets	238	26	264	7,145	160	7,305
Other expenses	88,607	17,868	106,475	99,899	20,257	120,156
Total expenses from continuing operations	351,960	102,110	454,070	353,160	92,578	445,737
Net result for the period	49,144	(18,808)	30,336	20,726	(13,480)	7,246

(B) INDUSTRY - PARENT ENTITY (CONTINUED)

STATEMENT OF COMPREHENSIVE INCOME						
	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
	2019 000s \$	2019 000s \$	2019 000s \$	2018 000s \$	2018 000s \$	2018 000s \$
Net result for the period	49,144	(18,808)	30,336	20,727	(13,480)	7,247
Items that will not be reclassified subsequently to profit or loss						
Increase in Deferred government contributions for superannuation	9,794	-	9,794	6,069	-	6,069
(Increase) in Deferred employee benefits for superannuation	(9,794)	-	(9,794)	(6,069)	-	(6,069)
Gain/(loss) on revaluation of land, buildings and artwork	2,119	501	2,620	(37,001)	(11,044)	(48,045)
Items that may be reclassified to profit or loss						
Gain on equity instruments designated at fair value through other comprehensive income	11,041	4,277	15,318	6,858	2,667	9,525
Other comprehensive income for the period	13,160	4,778	17,938	(30,143)	(8,377)	(38,520)
Total comprehensive income for the period	62,304	(14,030)	48,274	(9,416)	(21,857)	(31,273)

(B) INDUSTRY - PARENT ENTITY (CONTINUED)

STATEMENT OF FINANCIAL POSITION						
	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
	2019 000s \$	2019 000s \$	2019 000s \$	2018 000s \$	2018 000s \$	2018 000s \$
ASSETS						
Current Assets						
Cash and cash equivalents	56,704	(35,499)	21,205	86,883	(43,000)	43,883
Receivables	27,147	7,106	34,253	22,821	5,653	28,474
Contract Assets	1,335	-	1,335	-	-	-
Other financial assets	49,279	1,282	50,561	27,888	6,953	34,841
Other non-financial assets	9,709	1,696	11,405	7,375	1,128	8,503
Total Current Assets	144,174	(25,415)	118,759	144,967	(29,266)	115,701
Non-Current Assets						
Receivables	157,240	3	157,243	147,839	3	147,842
Other financial assets	166,746	(30,757)	135,989	90,881	2,795	93,676
Property, plant and equipment	612,022	291,237	903,259	588,091	265,009	853,100
Intangible assets	47,709	22,072	69,781	45,449	20,036	65,485
Other non-financial assets	-	-	-	5,535	591	6,126
Total Non-Current Assets	983,717	282,555	1,266,272	877,795	288,434	1,166,229
Total Assets	1,127,891	257,140	1,385,031	1,022,762	259,168	1,281,930
LIABILITIES						
Current Liabilities						
Trade and other payables	28,679	14,778	43,457	25,123	10,872	35,995
Borrowings	10,849	2,219	13,068	1,074	17	1,091
Provisions	45,340	12,631	57,971	42,262	11,619	53,882
Other liabilities	294	202	496	15,330	4,257	19,587
Contract liabilities	14,456	2,631	17,087	-	-	-
Total Current Liabilities	99,618	32,461	132,079	83,789	26,765	110,555
Non-Current Liabilities						
Trade and other payables	153	47	200	188	55	243
Borrowings	34,058	6,976	41,034	10,878	19	10,897
Provisions	162,071	1,399	163,470	152,134	1,157	153,291
Contract liabilities	46,239	402	46,641	-	-	-
Other liabilities	-	-	-	46,610	199	46,809
Total Non-Current Liabilities	242,521	8,824	251,345	209,810	1,430	211,240
Total Liabilities	342,139	41,285	383,424	293,599	28,195	321,795
Net Assets	785,752	215,855	1,001,607	729,162	230,973	960,135
EQUITY						
Reserves	442,976	157,205	600,181	429,816	152,426	582,242
Retained surplus	342,776	58,650	401,426	299,346	78,547	377,893
Total Equity	785,752	215,855	1,001,607	729,162	230,973	960,135

(B) INDUSTRY - PARENT ENTITY (CONTINUED)

STATEMENT OF CHANGES IN EQUITY									
	RESERVES			RETAINED EARNINGS			TOTAL		
	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$
Balance at 1 January 2018	455,493	158,778	614,271	278,778	91,146	369,924	734,271	249,924	984,195
Operating result for the period	-	-	-	20,727	(13,480)	7,248	20,727	(13,480)	7,247
Revaluation (decrement)	(37,001)	(11,044)	(48,045)	-	-	-	(37,001)	(11,044)	(48,045)
Amount restated through reserves on adoption of AASB 9	5,207	2,025	7,232	-	-	-	5,207	2,025	7,232
Gain on available for sale financial assets	6,858	2,667	9,525	-	-	-	6,858	2,667	9,525
(Loss) on foreign exchange	(740)	-	(740)	-	-	-	(740)	-	(740)
Remeasurements of Defined Benefit Plans	-	-	-	(160)	881	721	(160)	881	721
Balance at 31 December 2018	429,816	152,426	582,242	299,346	78,547	377,893	729,162	230,973	960,135
Balance at 1 January 2019	429,816	152,426	582,242	299,346	78,547	377,893	729,162	230,973	960,135
Operating result for the period	-	-	-	49,144	(18,808)	30,336	49,144	(18,808)	30,336
Revaluation increment	2,119	501	2,620	-	-	-	2,119	501	2,620
Movement in retained earnings on adoption of AASB 15, AASB 1058 and AASB 16	-	-	-	(5,713)	(1,090)	(6,803)	(5,713)	(1,090)	(6,803)
Gain on equity instruments designated at fair value through other comprehensive income	11,041	4,277	15,318	-	-	-	11,041	4,277	15,318
Balance at 31 December 2019	442,976	157,204	600,181	342,777	58,649	401,426	785,753	215,854	1,001,607

(B) INDUSTRY - PARENT ENTITY (CONTINUED)

STATEMENT OF CASH FLOWS						
	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
	2019 000s \$	2019 000s \$	2019 000s \$	2018 000s \$	2018 000s \$	2018 000s \$
CASH FLOWS FROM OPERATING ACTIVITIES						
Australian Government Grants	234,822	3,955	238,777	234,200	6,258	240,458
OS-HELP (net)	78	-	78	(145)	-	(145)
Superannuation Supplementation	8,350	-	8,350	7,332	-	7,332
State Government Grants	1,550	51,132	52,682	5,554	50,247	55,801
Local Government Grants received	-	-	-	(10)	68	58
HECS-HELP - Student Payments	5,077	-	5,077	4,951	-	4,951
Receipts from student fees and other customers	151,097	24,167	175,264	140,419	23,852	164,271
Royalties received	1	-	1	8	2	10
Interest received	346	61	407	532	3	535
Payments to suppliers and employees (inclusive of GST)	(334,776)	(85,113)	(419,889)	(337,714)	(94,843)	(432,557)
Interest and other costs of finance paid	(261)	(46)	(307)	(423)	(46)	(469)
GST recovered/paid	4,908	1,012	5,920	(2,085)	1,248	(837)
Dividends received	7,225	1,274	8,499	792	140	932
Net cash provided by/(used in) operating activities	78,417	(3,558)	74,859	53,411	(13,071)	40,339
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of property, plant and equipment	39,638	6,591	46,229	76,796	33,453	110,249
Payments for property, plant and equipment	(45,823)	(30,552)	(76,375)	(30,475)	(9,429)	(39,904)
Payments for financial assets	(80,692)	44,463	(36,229)	(79,761)	-	(79,761)
Payments for intangibles	(11,766)	(7,007)	(18,773)	(7,607)	(10,926)	(18,533)
Net cash provided by/(used in) investing activities	(98,643)	13,495	(85,148)	(41,047)	13,098	(27,949)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from borrowings	(100)	(18)	(118)	-	-	-
Repayment of borrowings	-	-	-	(150)	(27)	(177)
Repayment of finance leases	(9,852)	(2,420)	(12,272)	(161)	-	(161)
Net cash provided by/(used in) financing activities	(9,951)	(2,438)	(12,389)	(311)	(27)	(338)
Net increase/(decrease) in cash and cash equivalents	(30,179)	7,500	(22,679)	12,053	-	12,053
Cash and cash equivalents at the beginning of the financial year	86,886	(43,000)	43,883	74,833	(42,999)	31,834
Cash and cash equivalents at the end of the financial year	56,704	(35,499)	21,205	86,883	(43,000)	43,883

3 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP)

(A) COMMONWEALTH GRANTS SCHEME AND OTHER GRANTS

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Commonwealth Grants Scheme #1		117,931	118,170	117,931	118,170
Indigenous Student Success Program #3		188	351	188	351
Access and Participation Program		3,701	3,767	3,701	3,767
Disability Performance Funding #2		151	180	151	180
Superannuation Supplementation*		-	7,957	-	7,957
Total Commonwealth Grants Scheme and Other Grants	40(a)	121,971	130,425	121,971	130,425

(B) HIGHER EDUCATION LOAN PROGRAMS

HECS - HELP #5		85,779	84,045	85,779	84,045
FEE - HELP #5		10,582	8,958	10,582	8,958
VET FEE - HELP		-	(3)	-	(3)
SA - HELP		2,949	3,017	2,949	3,017
VET Student Loan Program		4,563	6,521	4,563	6,521
Total Higher Education Loan Programs	40(b)	103,873	102,538	103,873	102,538

(C) SCHOLARSHIPS

Research Training Program		7,475	7,482	7,475	7,482
Total Scholarships	40(c)	7,475	7,482	7,475	7,482

(D) EDUCATION RESEARCH

Research Support Program		4,034	4,255	4,034	4,255
Total Education Research	40(c)	4,034	4,255	4,034	4,255

(E) OTHER CAPITAL FUNDING

Linkage Infrastructure Equipment and Facilities Grant #4		-	235	-	235
Total Other Capital Funding	40(e)	-	235	-	235

(F) AUSTRALIAN RESEARCH COUNCIL

(i) Discovery					
Discovery - Projects	40(f)(i)	527	442	527	442
(ii) Linkages					
Linkages - Projects	40(f)(ii)	282	367	282	367
Total ARC		809	809	809	809

**3 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING
AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP) (CONTINUED)**
(G) OTHER AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Non-Capital					
Other		21	400	21	400
National Health & Medical Research Council		449	266	449	266
Total Other Australian Government Financial Assistance	40(g)	470	666	470	666
Total Australian Government Financial Assistance		238,632	246,410	238,632	246,410

*In accordance with the 2019 financial reporting guidelines provided by the Department of Education and AASB 119, the "Superannuation Supplementation funding" for 2019 is now disclosed under employee related expense.

#1 Includes the basic CGS grant amount, CGS-Enabling Loading, Allocated Places and Non-Designated Courses.

#2 Includes additional support for students with disabilities and Australian Disability Clearinghouse on Education and Training.

#3 Replaced the Indigenous Commonwealth Scholarship Program and the Indigenous Support Program as of 1 January 2017.

#4 ARC Linkage Infrastructure, Equipment and Facilities grants is reported in (e) Other Capital Funding.

#5 For acquittal purposes in Note 40(b), 2018 HECS-HELP revenue and 2018 FEE-HELP revenue has been adjusted to reflect adoption of AASB 15.

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Reconciliation				
Australian Government grants (A + C + D + E + F + G)	134,759	143,872	134,759	143,872
HECS - HELP payments	85,779	84,045	85,779	84,045
FEE - HELP payments	10,582	8,958	10,582	8,958
VET FEE - HELP payments	-	(3)	-	(3)
SA - HELP	2,949	3,017	2,949	3,017
VET Student Loan Program	4,563	6,521	4,563	6,521
Total Australian Government financial assistance	238,632	246,410	238,632	246,410

4 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Non-capital				
TAFE - Recurrent funding	9,436	5,035	9,436	5,035
TAFE - Specific funded programs	3,733	3,240	3,733	3,240
TAFE - Fee for service	66	95	66	95
TAFE - Other	202	68	202	68
Higher Education - Other	1,440	1,218	1,440	1,218
TAFE Contestable Income	37,573	37,357	37,573	37,357
Total Non-capital	52,450	47,013	52,450	47,013
Capital				
Higher Education - Capital	110	4,040	110	4,040
TAFE - Capital	-	4,000	-	4,000
Total capital	110	8,040	110	8,040
Total State and Local Government financial assistance	52,560	55,053	52,560	55,053

5 FEES AND CHARGES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Course Fees and Charges				
Fee-paying onshore overseas students	95,051	78,024	95,051	78,024
Fee-paying offshore overseas students	12,814	11,014	12,814	11,014
Fee-paying domestic postgraduate students	2,661	2,128	522	1,848
Fee-paying domestic undergraduate students	294	157	294	157
Fee-paying domestic non-award students	906	698	906	698
Other domestic course fees and charges:				
TAFE tuition fees and full fee Australian Award	5,358	5,690	5,358	5,690
Fee for service	7,442	7,872	7,442	7,872
Total Course Fees and Charges	124,526	105,583	122,387	105,303
Other Non-Course Fees and Charges				
Student Services and Amenities Fees from students	2,782	1,618	2,782	1,618
Enrolment fees	56	75	56	75
Other	922	827	922	827
Graduation fees	25	413	25	413
Student material fees	2,440	2,227	2,440	2,227
Total Other Fees and Charges	6,225	5,160	6,225	5,160
Total Fees and Charges	130,751	110,743	128,612	110,463

6 INVESTMENT REVENUE AND OTHER INVESTMENT INCOME

Interest Income:				
Interest revenue	416	546	407	535
Dividends received	8,774	1,187	8,499	931
Net fair value gains/(losses) on financial assets designated at fair value through profit & loss	6,840	(867)	6,487	(514)
Total investment revenue	16,030	866	15,393	952
Total investment income	16,030	866	15,393	952

Accounting Policy

Interest revenue is recognised as it is earned. Dividend revenue is recognised as received.

7 CONSULTANCY AND CONTRACTS

Consultancy	263	273	263	273
Contract research	17	90	17	90
Other contract revenue	14,916	13,599	15,076	13,604
Total consultancy and contracts	15,196	13,962	15,356	13,967

8 OTHER REVENUE AND INCOME

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Sale of goods	2,004	2,319	2,004	2,319
Commissions, subscriptions and sale of publications	2,458	1,709	2,458	1,709
Facilities and equipment hire	1,453	1,317	1,453	1,317
Seminar/conference income	754	822	754	822
Parking meter and fines	2,148	1,932	2,148	1,932
Childcare	2,785	2,924	2,785	2,924
Disbursements oncharged/reimbursements	2,001	1,878	2,005	1,878
Library fees and fines	11	30	11	30
Health unit fees	312	351	312	351
Non-government grants	302	99	302	99
Property leases	2,597	2,683	2,597	2,683
Donations and bequests	3,224	2,753	8,490	1,876
Scholarships and prizes	397	312	1,294	1,350
Foreign exchange gains	338	341	338	341
Miscellaneous	1,826	1,565	1,839	1,557
Total other revenue and income	22,610	21,035	28,790	21,188

9 REVENUE AND INCOME FROM CONTINUING OPERATIONS

Basis for disaggregation

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

Revenue and income streams: the streams are distinguishing the different activities performed by the Group as well as acknowledge the different type of users of the programs and services provided:

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

(A) DISAGGREGATION

The Group derives revenue and income from:

	CONSOLIDATED								2019	
	SOURCES OF FUNDING								TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	TOTAL INCOME OF NOT-FOR-PROFIT ENTITIES
	HIGHER EDUCATION LOAN PROGRAM ('HELP')	STUDENT FEES	AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE	STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE	COMMERCIAL ARRANGEMENTS	DONATIONS, INCLUDING CORPORATE SPONSORSHIP	BEQUEST	OTHERS		
000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	
REVENUE AND INCOME STREAMS										
Course fees and charges										
Domestic students undergraduate	85,155	6,914	-	-	-	-	-	-	92,069	-
Onshore overseas students undergraduate	-	56,145	-	-	-	-	-	-	56,145	-
Offshore overseas students undergraduate	-	8,925	-	-	-	-	-	-	8,925	-
Domestic students postgraduate	14,155	2,662	-	-	-	-	-	-	16,817	-
Onshore overseas students postgraduate	-	37,687	-	-	-	-	-	-	37,687	-
Offshore overseas students postgraduate	-	766	-	-	-	-	-	-	766	-
VET	4,563	22,713	-	-	-	-	-	-	27,276	-
Total course fees and charges	103,873	135,812	-	-	-	-	-	-	239,685	-
Research										
Research goods and services [AASB 15]	-	-	-	-	15,056	-	-	-	15,056	-
Research income [AASB 1058]	-	-	1,258	-	-	140	-	-	-	1,398
Total research	-	-	1,258	-	15,056	140	-	-	15,056	1,398
Recurrent government grants	-	-	133,501	52,561	-	-	-	-	166,831	19,231
Non-course fees and charges										
Other #1	-	11	-	-	18,675	3,923	-	-	18,686	3,923
Total non-course fees and charges	-	11	-	-	18,675	3,923	-	-	18,686	3,923
Royalties	-	-	-	-	-	-	-	1	1	-
Total revenue from contracts with customers	103,873	135,823	121,653	45,178	33,731	-	-	1	440,259	-
Total income of not-for-profit	-	-	13,106	7,383	-	4,063	-	-	-	24,552

#1 This does not include lease income in scope of AASB 16 disclosed in Note 19 and excludes interest income which is separately disclosed in Note 6.

	VICTORIA UNIVERSITY								2019	
	SOURCES OF FUNDING								TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	TOTAL INCOME OF NOT-FOR-PROFIT ENTITIES
	HIGHER EDUCATION LOAN PROGRAM ('HELP')	STUDENT FEES	AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE	STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE	COMMERCIAL ARRANGEMENTS	DONATIONS, INCLUDING CORPORATE SPONSORSHIP	BEQUEST	OTHERS		
	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$	000s \$
REVENUE AND INCOME STREAMS										
Course fees and charges										
Domestic students undergraduate	85,155	6,914	-	-	-	-	-	-	92,069	-
Onshore overseas students undergraduate	-	56,145	-	-	-	-	-	-	56,145	-
Offshore overseas students undergraduate	-	8,925	-	-	-	-	-	-	8,925	-
Domestic students postgraduate	14,155	523	-	-	-	-	-	-	14,678	-
Onshore overseas students postgraduate	-	37,687	-	-	-	-	-	-	37,687	-
Offshore overseas students postgraduate	-	766	-	-	-	-	-	-	766	-
Online	4,563	22,713	-	-	-	-	-	-	27,276	-
Total course fees and charges	103,873	133,673	-	-	-	-	-	-	237,546	-
Research										
Research goods and services [AASB 15]	-	-	-	-	15,216	-	-	-	15,216	-
Research income [AASB 1058]	-	-	1,258	-	-	140	-	-	-	1,398
Total research	-	-	1,258	-	15,216	140	-	-	15,216	1,398
Recurrent government grants	-	-	133,501	52,561	-	-	-	-	166,831	19,231
Non-course fees and charges										
Other #1	-	11	-	-	18,693	10,086	-	-	18,704	10,086
Total non-course fees and charges	-	11	-	-	18,693	10,086	-	-	18,704	10,086
Royalties	-	-	-	-	-	-	-	1	1	-
Total revenue from contracts with customers	103,873	133,684	121,653	45,178	33,909	-	-	1	438,298	-
Total income of not-for-profit	-	-	13,106	7,383	-	10,226	-	-	-	30,715

#1 This does not include lease income in scope of AASB 16 disclosed in Note 19 and excludes interest income which is separately disclosed in Note 6.

AASB 15 Revenue from contracts with customers

(B). ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The Group apply the principles contained in AASB 15 to determine the measurement of revenue from contracts with customers. The key requirement of AASB 15 is that revenue is recognised upon satisfactory completion of performance obligations outlined in the contract. This could be at a point in time or over time.

The Group uses the five step revenue recognition model introduced by AASB 15 to determine when to recognise revenue and at what amount.

Step 1. Identify the contract with a customer

An inherent feature of a contract with a customer is that the Group makes promises in an agreement that creates enforceable rights and obligations. An agreement typically is enforceable by another party through legal means, but can also contain enforceable mechanisms such as refund requirements or a claim to damages if specific performance obligations are not met.

It is noted that a 'customer' can be a party that has contracted with the Group for goods or services that will be provided to third parties, for example providing research output to the general public.

Step 2. Identify the separate performance obligation in the contract

For the Group to identify separate performance obligations each promise to transfer goods or services must be distinct. A necessary condition for identifying a performance obligation by the Group as a not-for-profit entity is that the promise is sufficiently specific to be able to determine when the obligation is satisfied. This requires judgement from the Group taking into account the nature, cost and quantity of the goods and services as well as the period over which they are transferred.

Step 3. Determine the transaction price

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer.

Step 4. Allocate the transaction price to the separate performance obligations

The Group allocates an amount to each performance obligation that depicts the amount of consideration to which it expects to be entitled to for fulfilling that performance obligation. The Group considers any component of the transaction price that is not linked to the transfer of a good or service or non-refundable to the customer. These amounts are disaggregated from amounts that relate to the transfer of a good or service and accounted for in accordance with AASB 1058. For example a contract that involves the Group providing research services, but also contains a donation element that is non-refundable to the customer.

Step 5. Recognise revenue when (or as) each performance obligation is satisfied

The Group determines whether its performance obligations under a contract are satisfied over time, or at a point in time, and recognises revenue allocated to those performance obligations accordingly. Revenue is recognised when there is no remaining obligation to transfer goods or services to the customer, or the contract has ended and the revenue is non-refundable.

To determine whether performance obligations are satisfied over time, the Group considers whether the customer simultaneously receives and consumes a service as it is provided. Where performance obligations are satisfied over time, revenue is deferred and recognised over time. If a performance obligation is deemed to be satisfied at a point in time, then revenue is recognisable only upon contract completion when the good or service is transferred.

Contract costs

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard, the Group recognises an asset and amortise on a systematic basis only if those costs meet all of the following criteria:

- the costs relate directly to the contract;
- the costs generate or enhance the resources of the Group that will be used in satisfying performance obligations in the future; and
- the costs are expected to be recovered.

For costs incurred to fulfil the contract in the scope of another Standard, the Group accounts for those costs in accordance with the specific accounting Standard.

• Course fees and charges

The course fees and charges revenue relates to undergraduate and postgraduate programs; ELICOS, TAFE and VET in Schools programs.

Revenue resulting from course fees and charges is recognised over time as and when the course is delivered to students over the semester as the students simultaneously receive and consume the benefits provided as the Group performs its obligations. Where course fees and charges has been received for programs or services to be delivered in the following year, such amounts are deferred as a contract liability until the services are delivered.

The Group has obligations to return or refund obligations or other similar obligations. This is mainly applicable to students withdrawing from their course before census dates, course start dates and other key University dates, or where relevant circumstances apply such as medical, family or visa rejection.

There is no significant financing component, as the period from when the student pays and the service is provided is less than 12 months and the consideration is not variable.

• **Research**

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the terms and conditions of the contract agreement.

The research grants that are considered within the scope of AASB 15 meet the following criteria.

Enforceable contract

Enforceability criteria due to the existence of:

- contract or other policies;
- essential terms to hold both parties accountable and rights and obligations can be explicitly required;
- contract signed by both parties; and
- refund obligation or other significant penalty clauses or termination of the contract.

Sufficient specific performance obligations

- a) Benefit of research activities can take various forms, e.g. intellectual property (IP); licence of IP; or research findings (e.g. journal publications, publication of research data);
- b) Benefit can be transferred to the grantor or to third parties;
- c) Transfer can take form of physical transfer of IP; licence of IP; contemporaneous publication of research findings; periodical publication of research findings or making available the research data.
- d) Performing research activities without transferring benefit is not a performance obligation.
- e) Producing a report which does not contain research findings does not transfer goods/services to the customer.

Depending on the nature of the promise, the Group either recognises revenue at a point in the time when the promise is delivered e.g. when the comprehensive academic paper is published or recognises revenue over time as the services is performed (e.g. as the customer obtains control of the intellectual property as it is created).

• **Non-course fees and charges**

Non-course fees and charges revenue relates to student fee income such as student services and amenities fees.

Revenue is recognised throughout each study period except for fees that relate to programs or services to be delivered in the following year, such amounts are deferred as a contract liability until the services are delivered.

• **Other**

Other revenue that is within the scope of AASB 15 mainly relates to property leases, parking and childcare etc.

Revenue is recognised as income over time as when the services are provided over the period or at a point in time when the service is provided except for fees that relate to services to be delivered in the following year, such amounts are deferred as a contract liability until the services are delivered.

(C) UNSATISFIED PERFORMANCE OBLIGATIONS

Remaining performance obligations represent services the Group has promised to provide to customers under various service agreements that relate to teaching programs and research activities which are satisfied as the goods or services are provided over the contract term. For customer contracts with terms of one year or less, or where revenue is recognised using the 'right to invoice' method of recognising revenue, as permitted under AASB 15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations. Further, the amounts disclosed below do not include variable consideration which has been constrained.

These unsatisfied performance obligations are expected to be satisfied within the following periods:

	WITHIN 1 YEAR	FROM 1 TO 5 YEARS	AFTER 5 YEARS	TOTAL
	000s \$	000s \$	000s \$	000s \$
Consolidated and University Contract assets				
Contract assets	1,335	-	-	1,335
Contract liabilities	17,087	9,106	37,536	63,729

As permitted under the transitional provisions in AASB 15, the transaction price allocated to partially unsatisfied performance obligations as of 31 December 2018 is not disclosed.

(D) ASSETS AND LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

The Group has recognised the following right of return assets and refund liabilities related to contracts with customers:

	CONSOLIDATED 2019		VICTORIA UNIVERSITY 2019	
	CLOSING BALANCE	OPENING BALANCE	CLOSING BALANCE	OPENING BALANCE
	000s \$	000s \$	000s \$	000s \$
Receivables	191,101	173,437	191,496	173,415
Receivables - current	33,858	25,595	34,253	25,573
Receivables - non-current	157,243	147,842	157,243	147,842
Contract assets	1,335	-	1,335	-
Contract assets - current	1,335	3,103	1,335	3,103
Australian Government unspent financial assistance	2,952	1,964	2,952	1,964
Other contract liabilities	14,135	17,623	14,135	17,623
Contract liabilities - current	17,087	19,587	17,087	19,587
Contract liabilities - non-current	46,641	46,909	46,641	46,909

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$17.302m.

• Contract assets

The contract assets are associated with the transfer of the promised services as of the reporting date but the customer has not yet been invoiced/paid.

The impairment associated with the contract assets is disclosed in Note 17 - Receivables and contract assets.

Accounting Policy

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

• Contract liabilities

The contract liabilities are associated to the Group's obligation to transfer goods or services to a customer when the customer prepays consideration for goods or services the Group has yet to provide.

The classification of contract liabilities as non-current was made on the basis that the transfer of goods or services to a customer is not due for more than a year.

Accounting Policy

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

Contract liabilities differ from the amounts disclosed in Note 26 - Other liabilities.

The contract liabilities include deferred income or liabilities arising from student fees, research contracts, library copy cards, among others.

(E) REFUND LIABILITIES

The Group has recognised the following refund liabilities related to contracts with customers:

	NOTE	CONSOLIDATED 2019		VICTORIA UNIVERSITY 2019	
		CLOSING BALANCE	OPENING BALANCE	CLOSING BALANCE	OPENING BALANCE
		000s \$	000s \$	000s \$	000s \$
Refund liabilities	26	496	162	496	162
Refund liabilities		496	162	496	162

• Refund liabilities

The refund liabilities are associated to the Group's obligation to refund mainly students for overpayment of course fees or course related materials (see Note 26 Other Liabilities).

Accounting Policy

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Income of not-for-profit

(F) ACCOUNTING POLICIES AND SIGNIFICANT JUDGEMENTS AND ESTIMATES

AASB 1058 Income of Not-for-Profit Entities

The Group applies AASB 1058 to those revenue contracts that do not fall within the scope of AASB 15. A contract will not fall within the scope of AASB 15 if it is not enforceable, there are no sufficient specific performance obligations or there is no transfer of goods or services.

These contracts will generally involve a transaction where the Group receives volunteer services or enters into arrangements where consideration to acquire an asset is significantly less than the fair value of the asset, principally to enable the Group to further its objectives. These types of transactions generally include grants, donations, endowments,

below-market leases and arrangements where the Group has obligations to purchase or construct a specific asset for its own use.

Volunteer Services

When the Group receives volunteer services and can reliably measure the fair value of those services, the Group as a not-for-profit entities may as an accounting policy choice, elect to recognise the services as an asset (or as an expense when the definition of an asset is not met).

Assets acquired for significantly less than fair value

Where assets are transferred to the Group for consideration significantly less than fair value, principally to enable the Group to further its objectives, the Group recognises the asset it receives. Upon initial recognition, the Group considers whether any related amounts should also be recognised under other accounting standards, such as financial liability or lease liability, and any excess of the initial carrying amount of the asset received over any related amounts is recognised as income immediately. However for transactions that involve transferring assets (such as cash) to the Group to acquire or construct a non-financial asset for its own use, income is recognised only when it satisfies its obligations under the transfer (i.e. when the Group has acquired, or as it constructs, the non-financial asset).

• Grants (other than capital grants)

Grant income comprises of grants received from Australian government and State and Local government where there are no sufficiently specific obligations to be met

in return for the grant received. Income is recognised immediately when the funds are received based on the contractual right to receive the grant.

• Donations and bequests

Donations and bequests are recognised as income immediately when the Group acquires or receives an asset (including cash) at a significant discount to its fair value, principally to further its objectives.

10 EMPLOYEE RELATED EXPENSES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Academic				
Salaries	103,188	95,546	102,908	95,513
Contributions to superannuation and pension schemes				
Contributions to funded schemes	14,157	13,476	14,157	13,476
Contributions to unfunded schemes*	186	6,428	186	6,428
Payroll tax	6,042	5,672	6,022	5,672
Worker's compensation	597	635	597	635
Long service leave expense	3,311	2,093	3,302	2,093
Annual leave	7,842	6,798	7,841	6,798
Other	28	24	22	24
Separation costs	1,834	1,113	1,834	1,113
Total academic	137,185	131,785	136,869	131,752
Non-academic				
Salaries	102,910	97,805	102,759	97,777
Contributions to superannuation and pension schemes				
Contributions to funded schemes	16,847	16,208	16,847	16,208
Contribution to unfunded schemes*	433	1,651	433	1,651
Payroll tax	6,415	6,148	6,398	6,148
Worker's compensation	619	695	619	694
Long service leave expense	3,072	3,056	3,062	3,056
Annual leave	9,050	8,401	9,030	8,401
Other	32	36	32	36
Separation costs	1,676	495	1,676	495
Total non-academic	141,056	134,495	140,856	134,466
Total employee related expenses	278,241	266,280	277,725	266,218

Accounting Policy

Employee related expenses include all costs related to employment, including wages and salaries, contributions to superannuation and pension schemes, payroll tax and workers compensation, annual leave, long service leave and separation costs.

The University provides for benefits accruing to employees but payable in future periods in respect of wages and salaries, annual leave and long service leave, and related on costs for services rendered up to the reporting date. In measuring the employee benefits, consideration is given to expected future wage and salary levels, and periods of service. Expected future payments are discounted to reflect the estimated timing and amount of payment.

Separation costs are recognised either when the Group can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring.

* In accordance with the 2019 financial reporting guidelines provided by the Department of Education and AASB 119, the "Superannuation Supplementation funding" for 2019 is now disclosed under employee related expense

11 DEPRECIATION AND AMORTISATION

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Depreciation				
Buildings	12,778	12,869	12,778	12,869
Leasehold Improvements	1,155	999	1,155	999
Library collections	2,107	2,016	2,107	2,016
Leased building	1,193	1,190	1,193	1,190
Plant and equipment	6,895	6,842	6,895	6,842
Right-of-use assets	9,912	-	9,912	-
Total depreciation	34,040	23,916	34,040	23,916
Amortisation				
Computer software, other	14,551	11,523	14,551	11,523
Total depreciation and amortisation	48,591	35,439	48,591	35,439

Depreciation and amortisation is calculated and recognised in accordance with the accounting policy set out in Notes 20 and 21.

12 REPAIRS, MAINTENANCE, CLEANING AND SECURITY

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Repairs and maintenance	8,944	6,409	8,944	6,409
Cleaning	3,105	3,394	3,104	3,394
Security	3,538	3,795	3,538	3,795
Others	128	98	128	98
Total repairs, maintenance, cleaning and security	15,715	13,696	15,714	13,696

Accounting Policy

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

13 BORROWING COSTS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Finance charges in respect of finance leases	-	205	-	205
Interest expense on lease liabilities	3,883	-	3,883	-
Other borrowing costs*	307	279	307	279
Total borrowing costs expensed	4,190	484	4,190	484

*Other borrowing costs include a loan facility fee.

Accounting Policy

Borrowing costs incurred for the construction of any qualifying asset are expensed in the period in which they are incurred regardless of how the borrowings are applied.

Finance charges in respect of finance leases, are included in the definition of borrowing costs.

14 IMPAIRMENT OF ASSETS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Student fees and charges	1,052	277	1,052	277
Trade receivables	59	162	59	162
Impairment of assets	-	2,000	-	2,000
Total impairment of assets	1,111	2,439	1,111	2,439

Accounting Policy

The Group assesses impairment at each reporting date by evaluating conditions that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

For further information on accounting policies of impairment of financial assets, refer to Note 17 and Note 18.

15 OTHER EXPENSES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Purchases	294	388	294	388
Advertising, marketing and promotional expenses	6,951	12,079	6,948	12,079
Consulting, legal and professional fees	17,948	23,018	16,415	22,791
Class materials and consumables	4,590	3,600	4,590	3,600
Donations	302	20	7	20
Fees and subscriptions	25,053	16,975	25,027	16,975
Non-capitalised equipment	2,785	2,044	2,778	2,044
Operating lease rental expenses	3,831	14,451	3,831	14,451
Printing and stationeries	5,669	5,557	5,669	5,557
Refund of income received in prior year	104	164	104	154
Postage and freight	574	632	574	632
Scholarships, grants and prizes	8,674	10,020	8,659	9,985
Student placement and practicum expenses	5,925	5,223	5,925	5,223
Telecommunications	6,737	9,317	6,736	9,317
Travel, staff development and entertainment	6,608	5,890	6,603	5,890
Energy costs	7,081	5,797	7,081	5,797
Other operating expenses	5,254	5,254	5,234	5,253
Total other expenses	108,380	120,429	106,475	120,156

16 CASH AND CASH EQUIVALENTS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Cash at bank and on hand	21,757	44,317	21,205	43,883
Total cash and cash equivalents	21,757	44,317	21,205	43,883

(A) RECONCILIATION TO CASH AT THE END OF THE YEAR

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

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Balances as above	21,757	44,317	21,205	43,883
Balance as per statement of cash flows	21,757	44,317	21,205	43,883

(B) CASH AT BANK AND ON HAND

Cash in operating accounts earns floating interest rates between 0.35% and 1.25% (2018: 0.01% and 1.50%).

Accounting Policy

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. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

17 RECEIVABLES AND CONTRACT ASSETS

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Current					
Trade receivables		25,158	18,838	25,553	18,816
Less: Provision for impaired receivables		(123)	(94)	(123)	(94)
Student fees		3,711	3,966	3,711	3,966
Less: Provision for impaired receivables		(2,741)	(1,674)	(2,741)	(1,674)
Deferred government benefit for superannuation	39	7,853	7,460	7,853	7,460
Total current receivables		33,858	28,496	34,253	28,474
Non-current					
Sundry receivables		22	22	22	22
Deferred government benefit for superannuation	39	157,221	147,820	157,221	147,820
Total non-current receivables		157,243	147,842	157,243	147,842
Total receivables		191,101	176,338	191,496	176,316

Trade receivables are non-interest bearing and are generally on terms of 30 days.

Contract assets

As at 31 December 2019, the Group has contract assets of \$1.335m which is net of an allowance for expected credit loss of \$nil. The changes in the balances of contract assets are disclosed in Note 9(d) while the information about the credit exposures are disclosed in Note 36(b) Financial Risk Management.

(A) RECONCILIATION OF CHANGES IN THE PROVISION FOR IMPAIRMENT OF RECEIVABLES

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

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
At 1 January	1,768	2,948	1,768	2,948
Amount restated through opening retained earnings on adoption of AASB 9	-	(721)	-	(721)
Provision for expected credit losses	1,126	495	1,126	495
Write-off	(29)	(954)	(29)	(954)
At 31 December	2,865	1,768	2,865	1,768

Accounting Policy

Classification and measurement

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payment of principal and interest. At initial recognition trade receivables are measured at their transaction price and subsequently these are classified and measured as debt instruments at amortised cost. Trade

receivables are due for settlement no more than 30 days. Student fees are generally due before the start of the teaching period, or 10 days from the issue of the invoice.

Impairment

A simplified approach in calculating expected credit losses ("ECLs") is applied to impairment of trade receivables and contract assets. Changes in credit risk is not tracked, but instead a loss allowance

is recognised based on lifetime ECLs at each reporting date. The University has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For impairment of student receivables, a provision matrix has been established based on its historical credit loss experience.

18 OTHER FINANCIAL ASSETS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Current				
Investments in equity instruments designated at fair value through other comprehensive income**	40,293	24,833	40,293	24,833
Other financial assets at fair value through profit or loss*	10,268	10,008	10,268	10,008
Total current other financial assets	50,561	34,841	50,561	34,841
Non-Current				
Other financial assets at fair value through profit or loss*	126,149	89,310	126,149	83,694
Investments in equity instruments designated at fair value through other comprehensive income**	9,850	9,992	9,850	9,992
Shares in controlled entities at cost	-	-	150	150
Less accumulated impairment losses	(160)	(160)	(160)	(160)
Total non-current other financial assets	135,839	99,142	135,989	93,676
Total other financial assets	186,400	133,983	186,550	128,517

* All financial assets at fair value through profit or loss are managed funds denominated in Australian dollars.

** Investments in equity instruments include investments in UniSuper Ltd, Education Australia, AARNet Pty Ltd, VERNet Pty Ltd, and Parkway Minerals.

Accounting Policy

Financial assets

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

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

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

Financial assets at amortised cost

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

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

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

The Group's financial assets at amortised cost includes trade receivables.

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

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the income statement when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value

through OCI are not subject to impairment assessment.

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

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

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired or

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

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

When it has neither transferred nor retained substantially all of the risks and rewards

of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable

legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of debt instruments other than receivables

At each balance date, the Group assess whether there is a significant increase in credit risk and applies a loss allowance in relation to shares in controlled entities.

The Group does not hold debt instruments (other than receivables) where the ECL method would apply.

AASB 9 eliminates impairment assessment for equity instruments designated at fair value through OCI and other financial assets at fair value through profit or loss.

19 OTHER NON-FINANCIAL ASSETS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Current				
Prepayments*	11,405	8,503	11,405	8,503
Non-current				
Prepayments*	-	6,126	-	6,126
Total other non-financial assets	11,405	14,629	11,405	14,629

*The Prepayments include the amount of the Victoria University, University of Melbourne and Western Health Teaching, Training and Research facility at the Sunshine Hospital Campus. These have been reclassified as right-of-use assets and lease liabilities in 2019 in accordance with AASB 16, refer Note 20.1.

Accounting Policy

Prepayments are recognised when payment is made in advance of receiving goods or services. Accrued income is recognised when the goods or services have been provided but have not yet been invoiced.

20 PROPERTY, PLANT AND EQUIPMENT

	LAND 000s \$	BUILDINGS 000s \$	WORK IN PROGRESS* 000s \$	LEASEHOLD IMPROVE- MENTS* 000s \$	PLANT AND EQUIPMENT 000s \$	WORKS OF ART 000s \$	LIBRARY 000s \$	SUBTOTAL PROPERTY, PLANT AND EQUIPMENT (OWNED) 000s \$	SUBTOTAL RIGHT OF USE ASSETS*** 000s \$	TOTAL 000s \$
UNIVERSITY										
At 1 January 2018										
- Cost	-	-	19,469	-	-	-	19,473	38,942	-	38,942
- Valuation	414,142	513,991	-	3,604	27,956	871	-	960,564	-	960,564
Accumulated depreciation and impairment	-	-	-	-	-	-	(8,324)	(8,324)	-	(8,324)
Net book amount	414,142	513,991	19,469	3,604	27,956	871	11,149	991,182	-	991,182
Year ended 31 December 2018										
Opening net book amount	414,142	513,991	19,469	3,604	27,956	871	11,149	991,182	-	991,182
Additions	2,630	23,183	17,567	198	5,351	-	2,675	51,604	-	51,604
Disposals/transfers (written down value)	(107,596)	(11,915)	-	-	-	-	(17)	(119,528)	-	(119,528)
Transfers between asset classes/ adjustments	40	11,448	(16,444)	17	6,743	-	-	1,804	-	1,804
Revaluation increments/ (decrements)**	(39,573)	(8,472)	-	-	-	-	-	(48,045)	-	(48,045)
Depreciation expense	-	(14,059)	-	(1,000)	(6,841)	-	(2,016)	(23,916)	-	(23,916)
Closing net book amount	269,643	514,176	20,592	2,819	33,209	871	11,790	853,100	-	853,100
At 31 December 2018										
- Cost	-	-	20,592	-	-	-	20,511	41,103	-	41,103
- Valuation	269,643	514,176	-	2,819	33,209	871	-	820,718	-	820,718
Accumulated depreciation and impairment	-	-	-	-	-	-	(8,721)	(8,721)	-	(8,721)
Net book amount	269,643	514,176	20,592	2,819	33,209	871	11,790	853,100	-	853,100
Year ended 31 December 2019										
Opening net book amount	269,643	514,176	20,592	2,819	33,209	871	11,790	853,100	-	853,100
Right-of-use assets on adoption of AASB 16	-	-	-	-	-	-	-	-	50,888	50,888
Additions	-	793	38,795	25,719	8,191	107	2,770	76,375	459	76,834
Disposals/transfers (written down value)	(46,200)	(184)	-	(146)	(12)	(21)	(75)	(46,638)	-	(46,638)
Transfer between asset classes/ adjustments	-	(8,162)	(9,618)	5,822	-	-	-	(11,958)	12,453	495
Revaluation increments/ (decrements)**	4,337	(812)	-	-	-	-	-	3,525	-	3,525
Impairment	-	(905)	-	-	-	-	-	(905)	-	(905)
Depreciation expense	-	(13,971)	-	(1,155)	(6,895)	-	(2,107)	(24,128)	(9,912)	(34,040)
Closing net book amount	227,780	490,935	49,769	33,059	34,493	957	12,378	849,371	53,888	903,259
At 31 December 2019										
- Cost	-	-	49,769	-	-	-	21,798	71,567	63,800	135,367
- Valuation	227,780	490,935	-	33,059	34,493	957	-	787,224	-	787,224
Accumulated depreciation and impairment	-	-	-	-	-	-	(9,420)	(9,420)	(9,912)	(19,332)
Net book amount	227,780	490,935	49,769	33,059	34,493	957	12,378	849,371	53,888	903,259

* Work in progress for 2019 consists of construction in progress of \$49.77m (2018: \$20.54m), IT network infrastructure of \$0.36m (2018: \$0.05m) and leasehold improvements of \$1.50m (2018: Nil).

** Details of revaluations is disclosed in Note 27(b).

*** Right-of-use assets per each class is disclosed in Note 20.1.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
20 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	LAND 000s \$	BUILDINGS 000s \$	WORK IN PROGRESS* 000s \$	LEASEHOLD IMPROVE- MENTS* 000s \$	PLANT AND EQUIPMENT 000s \$	WORKS OF ART 000s \$	LIBRARY 000s \$	SUBTOTAL PROPERTY, PLANT AND EQUIPMENT (OWNED) 000s \$	SUBTOTAL RIGHT OF USE ASSETS*** 000s \$	TOTAL 000s \$
CONSOLIDATED										
At 1 January 2018										
- Cost	-	-	19,469	-	-	-	19,473	38,942	-	38,942
- Valuation	414,142	513,991	-	3,604	27,956	899	-	960,592	-	960,592
Accumulated depreciation and impairment	-	-	-	-	-	-	(8,324)	(8,324)	-	(8,324)
Net book amount	414,142	513,991	19,469	3,604	27,956	899	11,149	991,210	-	991,210
Year ended 31 December 2018										
Opening net book amount	414,142	513,991	19,469	3,604	27,956	899	11,149	991,210	-	991,210
Additions	2,630	23,183	17,567	198	5,351	-	2,675	51,604	-	51,604
Disposals/transfers (written down value)	(107,596)	(11,915)	-	-	-	-	(17)	(119,528)	-	(119,528)
Transfers between asset classes/ adjustments	40	11,448	(16,444)	17	6,743	-	-	1,804	-	1,804
Revaluation increments/ (decrements)**	(39,573)	(8,472)	-	-	-	-	-	(48,045)	-	(48,045)
Depreciation expense	-	(14,059)	-	(1,000)	(6,841)	-	(2,016)	(23,916)	-	(23,916)
Closing net book amount	269,643	514,176	20,592	2,819	33,209	899	11,790	853,128	-	853,128
At 31 December 2018										
- Cost	-	-	20,592	-	-	-	20,511	41,103	-	41,103
- Valuation	269,643	514,176	-	2,819	33,209	899	-	820,746	-	820,746
Accumulated depreciation and impairment	-	-	-	-	-	-	(8,721)	(8,721)	-	(8,721)
Net book amount	269,643	514,176	20,592	2,819	33,209	899	11,790	853,128	-	853,128
Year ended 31 December 2019										
Opening net book amount	269,643	514,176	20,592	2,819	33,209	899	11,790	853,128	-	853,128
Right-of-use assets on adoption of AASB 16	-	-	-	-	-	-	-	-	50,888	50,888
Additions	-	793	38,795	25,719	8,191	107	2,770	76,375	459	76,834
Disposals/transfers (written down value)	(46,200)	(184)	-	(146)	(12)	(49)	(75)	(46,666)	-	(46,666)
Transfer between asset classes/ adjustments	-	(8,162)	(9,618)	5,822	-	-	-	(11,958)	12,453	495
Revaluation increments/ (decrements)**	4,337	(812)	-	-	-	-	-	3,525	-	3,525
Impairment	-	(905)	-	-	-	-	-	(905)	-	(905)
Depreciation expense	-	(13,971)	-	(1,155)	(6,895)	-	(2,107)	(24,128)	(9,912)	(34,040)
Closing net book amount	227,780	490,935	49,769	33,059	34,493	957	12,378	849,371	53,888	903,259
At 31 December 2019										
- Cost	-	-	49,769	-	-	-	21,798	71,567	63,800	135,367
- Valuation	227,780	490,935	-	33,059	34,493	957	-	787,224	-	787,224
Accumulated depreciation and impairment	-	-	-	-	-	-	(9,420)	(9,420)	(9,912)	(19,332)
Net book amount	227,780	490,935	49,769	33,059	34,493	957	12,378	849,371	53,888	903,259

* Work in progress for 2019 consists of construction in progress of \$49.77m (2018: \$20.54m), IT network infrastructure of \$0.36m (2018: \$0.05m) and leasehold improvements \$1.50m (2018: Nil).

** Details of revaluations is disclosed in Note 27(b).

*** Right-of-use assets per each class is disclosed in Note 20.1.

OPERATING RESULT FROM DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Proceeds from sale of property, plant and equipment	46,230	110,249	46,230	110,249
Written down value of assets sold and disposed of	(46,492)	(117,528)	(46,492)	(117,528)
Incidental cost of sale	(2)	(26)	(2)	(26)
Written down value of assets sold	(46,494)	(117,554)	(46,494)	(117,554)
Net gain / (loss) on disposal of property, plant and equipment	(264)	(7,305)	(264)	(7,305)

The University sold its Footscray Campus car park at fair value and accordingly there was no gain/loss on sale. A loss on sale was recognised on the disposal of some disused portables.

Key estimates and judgements

The estimation of useful lives, residual value, depreciation and amortisation methods requires significant management judgement and are reviewed annually.

Land, construction in progress, works of art and library collections are not depreciated. Depreciation of all tangible fixed assets is calculated using the straight line method to allocate their cost or revalued amount, net of their residual values, over their estimated useful lives, as follows:

Building

- Structural 40 years
- Components 4-35 years

Plant and equipment

- Furniture and fittings 10 years
- Computer equipment 4-7 years
- Motor vehicles 5 years
- Other
 - Other equipment 8-25 years
 - Infrastructure 3-5 years

Library collections

- Books 10 years
- Serials 5 years
- Audio Visual and software 4 years

Leasehold Improvements 1-33 years

Right-of-use assets 1-40 years

There were no changes to estimated useful lives of tangible fixed assets in

2019. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Acquisitions are depreciated from the date of purchase and disposals are depreciated up to date of sale. 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.

Accounting Policy

The University capitalisation thresholds are as follows: \$5,000 for property, plant and equipment. Items under \$5,000 are expensed with exception to Works of Art, and Library collections which are capitalised and \$100,000 for intangible assets.

There has been no change to the capitalisation threshold from the prior year (2018).

Each class of property, plant and equipment is carried at cost or fair values, and where applicable, net of any accumulated depreciation and impairment losses.

Valuation of Land and Buildings

Land and buildings are shown at fair value, based on periodic, but at least every five years, 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 carrying amount is adjusted to the revalued amount of the asset. The valuation of land and buildings is based on the highest and best use of the asset. The last formal valuation was conducted by an independent valuer appointed by the Valuer General of Victoria in 2017.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in asset revaluation reserve in equity. To the extent that the increase reverses a decrease previously recognised in the income statement, the increase is first recognised in the income statement. Decreases that reverse previous increase of the same asset class are recognised in other comprehensive income before reducing the balance of the relevant asset revaluation reserve in equity, to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement.

Valuation of Artworks

Artworks are shown at fair value and valued on a periodic basis at least every five years.

Valuation of other items of property, plant and equipment

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Victoria University and the cost of the item can be measured reliably.

20.1 RIGHT-OF-USE ASSETS

The University has leased land, buildings, plant and equipment, including motor vehicles for purposes of educational

delivery, research activities and the provision of office space.

Information about leases where Victoria University is a lessee is presented below:

	CONSOLIDATED	VICTORIA UNIVERSITY
	2019 000s \$	2019 000s \$
Right-of-use assets		
Land		
At 1 January 2019	12,622	12,622
Depreciation charges	(409)	(409)
At 31 December 2019	12,213	12,213
Right-of-use assets		
Buildings		
At 1 January 2019	32,161	32,161
Transfer between asset classes/adjustments	12,219	12,219
Depreciation charges	(7,332)	(7,332)
Variable lease payments adjustments	234	234
At 31 December 2019	37,282	37,282
Right-of-use assets		
Plant and Equipment (including Motor Vehicles)		
At 1 January 2019	6,105	6,105
Additions of right-of-use assets	459	459
Depreciation charge	(2,171)	(2,171)
At 31 December 2019	4,393	4,393
Total right-of-use assets	53,888	53,888

Accounting Policy

Policy applicable from 1 January 2019

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

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

Victoria University assesses whether:

(a) The contract involves the use of an identified asset - The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the

substantive right to substitute the asset throughout the period of use.

(b) It has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.

(c) It has the right to direct the use of the asset throughout the period of use - It has considered to have the right to direct the use of the asset only if either:

- i. It has the right to direct how and for what purpose the identified asset is used throughout the period of use; or
- ii. The relevant decisions about how and for what purposes the asset is used is predetermined and it has the right to operate the asset, or it designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Accounting for leases - Victoria University as lessee

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

Right-of-use asset

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

A right-of-use asset associated with land and buildings is subsequently measured at fair value. All other property, plant and equipment are measured as described in the accounting policy for property, plant and equipment in Note 20.

Concessionary leases

Victoria University has elected to measure a class (or classes) of right-of-use assets arising under 'concessionary leases' at initial recognition at cost, in accordance with AASB 16 paragraph 23-25, which incorporates the amount of the initial measurement of the lease liability.

For lease liabilities corresponding to concessionary leases, refer to Note 24.

Dependencies on concessionary leases

Victoria University entered into a concessionary lease for tenanted building space to provide for the Victoria University Sunshine Clinical School which is located as part of the Sunshine Hospital Multideck Car part building. This leased space is utilised as a simulation facility for Nursing and Midwifery and also provides for staff offices.

Nature and term of the leases

Victoria University funded the cost of the leased building fit out and invested in the construction of the Multideck Car Park.

In return for the investment the University receives a concessionary lease at \$1 per annum a lease term of 40 years. The use of the leased building space is restricted to educational purposes of the Victoria University Sunshine Clinical School as agreed with the landlord.

21 INTANGIBLE ASSETS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
At 31 December				
Cost	141,522	122,700	141,522	122,700
Accumulated amortisation and impairment	(71,741)	(57,215)	(71,741)	(57,215)
Net book amount	69,781	65,485	69,781	65,485

	CONSOLIDATED	
	COMPUTER SOFTWARE 000s \$	TOTAL 000s \$
Year ended 31 December 2018		
Opening balance	60,278	60,278
Additions (work in progress \$15,909)	19,456	19,456
Transfers	(1,803)	(1,803)
Amortisation	(11,523)	(11,523)
Impairment	(923)	(923)
Closing value at 31 December 2018	65,485	65,485
Year ended 31 December 2019		
Opening balance	65,485	65,485
Additions (work in progress \$5,561)	18,773	18,773
Transfers	74	74
Amortisation	(14,551)	(14,551)
Closing value at 31 December 2019	69,781	69,781

	VICTORIA UNIVERSITY	
	COMPUTER SOFTWARE 000s \$	TOTAL 000s \$
Year ended 31 December 2018		
Opening balance	60,278	60,278
Additions (work in progress \$15,909)	19,456	19,456
Transfers	(1,803)	(1,803)
Amortisation	(11,523)	(11,523)
Impairment	(923)	(923)
Closing value at 31 December 2018	65,485	65,485
Year ended 31 December 2019		
Opening balance	65,485	65,485
Additions (work in progress \$5,561)	18,773	18,773
Transfers	74	74
Amortisation	(14,551)	(14,551)
Closing value at 31 December 2019	69,781	69,781

Accounting Policy

(i) Research and development

Expenditure on research activities undertaken with the prospect of obtaining new scientific or technical knowledge and understanding 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 management costs. 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 expenditures are recorded as intangible assets and amortised from the point at which the asset is available for use. Amortisation is calculated using the straight line method with a useful life between 3-15 years (2018: between 3-11 years). The new VE student

management system is amortised over 15 years.

(ii) Computer software

Software is capitalised only when the amounts are greater than the University's capitalisation threshold and they satisfy the conditions for capitalisation. Software is recognised at cost and assessed for amortisation over the useful life of 4 years (2018: 4 years). Useful life of the software is assessed annually and adjusted where appropriate.

22 TRADE AND OTHER PAYABLES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Current				
OS-HELP Liability to Australian Government	2,088	2,010	2,088	2,010
Trade creditors	17,736	17,912	17,656	17,901
Sundry creditors and other accruals	21,367	15,869	21,391	15,802
Separation costs accrual	2,322	282	2,322	282
	43,513	36,073	43,457	35,995
Total current trade and other payables	43,513	36,073	43,457	35,995
Non-current				
Sundry creditors and other accruals	200	243	200	243
Total non-current trade and other payables	200	243	200	243
Total trade and other payables	43,713	36,316	43,657	36,238

Accounting Policy

Trade and other payables 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 45 days (2018: 45 days) of recognition. Other accruals represent expenses incurred but not yet invoiced.

(A) FOREIGN CURRENCY RISK

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Australian Dollars	43,513	36,073	43,457	36,073
	43,513	36,073	43,457	36,073

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to Note 36.

23 BORROWINGS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Bank loan facility				
Total facilities	50,000	50,000	50,000	50,000
Unused at balance date	50,000	50,000	50,000	50,000
Current borrowings				
Borrowings	117	117	117	117
Finance lease liabilities	-	974	-	974
Total	117	1,091	117	1,091
Non-current borrowings				
Borrowings	10	127	10	127
Finance lease liabilities		10,770		10,770
Total	10	10,897	10	10,897

(A) DETAILS OF BORROWINGS

Bank loan facility

Unrestricted access was available at reporting date to the following line of credit.

At 31 December 2019, the University has a loan facility of \$50 million (2018: \$50 million). No amounts had been drawn down under this facility.

Borrowings

The University has entered into an interest-free financing arrangement for 2-4 years for

the purchase of IT equipment and software licences.

Finance lease liabilities

In 2018, the University has entered into a finance lease arrangement for 33 years lease of a building. Refer to Note 32 (b) (iii) for further details of the finance lease arrangement. Refer to Note 20 Buildings for the corresponding finance lease asset disclosed within additions for 2018.

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

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 end of the reporting period and does not expect to settle the liability for at least 12 months after the end of the reporting period.

24 LEASE LIABILITIES

24.1 LEASING ARRANGEMENTS

	CONSOLIDATED	VICTORIA UNIVERSITY
	2019 000s \$	2019 000s \$
Current lease liabilities		
Lease Liabilities - Right-of-use assets	12,951	12,951
Total	12,951	12,951
Non-current lease liabilities		
Lease Liabilities - Right-of-use assets	41,024	41,024
Total	41,024	41,024

24.2 VICTORIA UNIVERSITY AS LESSEE

Amounts recognised in the income statement.

	CONSOLIDATED	VICTORIA UNIVERSITY
	2019 000s \$	2019 000s \$
Interest on lease liabilities	3,883	3,883
Expenses relating to short-term leases	1,588	1,588
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	2,323	2,323
	7,794	7,794

24.3 MATURITY ANALYSIS - UNDISCOUNTED CONTRACTUAL CASH FLOWS

	CONSOLIDATED	VICTORIA UNIVERSITY
	2019 000s \$	2019 000s \$
Less than one year	13,209	13,209
One to five years	28,151	28,151
More than 5 years	102,077	102,077
Total undiscounted cash flows	143,437	143,437
Lease liabilities recognised in the statement of financial position	53,975	53,975
Current	12,951	12,951
Non-current	41,024	41,024

The University has recognised a portfolio of 30 lease agreements to lease land, buildings and plant and equipment (including motor vehicles). Plant and equipment have been leased over terms ranging 3 to 5 years, with no options to renew and with fixed lease payments structure. Land and Buildings have generally been leased over terms ranging 5 to 30 years, with multiple options to renew between 2 to 10 years, with payment

structures that are generally fixed, with some variable on account of CPI.

Exposure from extension options and termination options

Extension options beyond 2022 on the Flinders Street and Flinders Lane properties are not considered reasonably certain as a result of the planned consolidation of the University's CBD presence into the Queen St precinct 32 storey vertical campus in 2022.

All other lease arrangements have been assessed as reasonably certain to exercise extension options where available in the lease agreement.

Exposure from leases not yet commenced but committed by Victoria University

Victoria University committed to a sale and lease back of properties on Queen Street and Lonsdale Street in 2019 and these leases will not commence until late 2021 upon completion of refurbishment and development works.

Amounts recognised in statement of cash flows

	CONSOLIDATED	VICTORIA UNIVERSITY
	2019 000s \$	2019 000s \$
Total cash outflow for leases	16,983	16,983

Accounting policy

Lease liabilities - Victoria University as lessee

For accounting policy on assessment of whether a contract is, or contains, a lease is detailed in Note 20.1 above.

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily

determined, the incremental borrowing rate at the commencement date of the lease is used. Lease payments included in the measurement of lease liabilities comprise:

- Fixed payments, including in-substance fixed payments;

24.3 MATURITY ANALYSIS – UNDISCOUNTED CONTRACTUAL CASH FLOWS (CONTINUED)

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

For a contract that contains a lease component and one or more additional lease or non-lease components, Victoria University allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the income statement.

The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate, a change in lease term, or a change in the assessment of an option to purchase an underlying asset with a corresponding adjustment to the right-of-use asset.

The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within the right-of-use assets note, in Note 20.1. and lease liabilities are presented within Note 24.

Short-term leases and leases of low-value assets

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

24.4 CONCESSIONARY LEASES

Victoria University has recognised a concessionary lease at \$1 per annum at a lease term of 40 years to provide the Victoria University Sunshine Clinical School which is located as part of the Sunshine Hospital.

Refer to Note to 21.1. for accounting policy related to concessionary leases.

25 PROVISIONS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Current provisions expected to be settled wholly within 12 months				
Employee benefits				
Annual leave	10,282	9,262	10,238	9,262
Defined benefit obligation	7,853	7,460	7,853	7,460
Short-term provisions				
Leasehold make good provisions	-	10	-	10
	18,135	16,732	18,091	16,732
Current provisions expected to be settled wholly after more than 12 months				
Employee benefits				
Annual leave	8,641	7,842	8,641	7,842
Long service leave	31,239	29,308	31,239	29,308
	39,880	37,150	39,880	37,150
Total current provisions	58,015	53,882	57,971	53,882
Non-current provisions				
Employee benefits				
Defined benefit obligation	157,221	147,820	157,221	147,820
Long service leave	5,188	4,443	5,167	4,443
Long-term provisions				
Leasehold make good provisions	1,082	1,028	1,082	1,028
Total non-current provisions	163,491	153,291	163,470	153,291
Total provisions	221,506	207,173	221,441	207,173

Key estimates, judgements and accounting policy

Employee benefits

Provision is made for employee benefit liabilities including annual leave and long service leave, arising from services rendered by employees at the reporting date.

Employee benefits expected to be settled within 12 months are measured at the amounts expected to be paid when the liability is settled including on-costs. Employee benefits not expected to be settled within 12 months are measured

at present value of the estimated future cash flows for those benefits. An estimate based on past experience is made of the probability of leave to be taken within 12 months and beyond 12 months.

Long service leave

Liabilities for long service leave are discounted to determine the present value of expected future payments to be made in respect of services provided by employees up to reporting date. The discount rate of 1.39% (2018: 2.33%) and wage inflation rate of 4.25% (2018: 4.13%) is advised by the Assistant Treasurer.

Defined benefit obligation

The provision for the defined benefit superannuation is assessed by the Superannuation Board and calculated annually by independent actuaries, refer Note 39.

Leasehold Make Good Provision

In 2018, Leasehold Make Good Provisions are taken up for leased properties if there is an obligation in the lease arrangements.

26 OTHER LIABILITIES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Current				
Australian Government unspent financial assistance	-	1,964	-	1,964
Rental income in advance	-	1,669	-	1,669
Student fees in advance	-	13,267	-	13,267
Refund liabilities	496	-	496	-
Other current liabilities	-	2,687	-	2,687
Total current other liabilities	496	19,587	496	19,587
Non-current				
Rental income in advance	-	46,809	-	46,809
Total non-current other liabilities	-	46,809	-	46,809
Total other liabilities	496	66,396	496	66,396

In 2019, any Australian Government unspent financial assistance amounts that are part of the contract liabilities in scope of AASB 15 are now classified in Note 9(d). For comparative purposes, all Australian Government unspent financial assistance amounts (including amounts that are now classified as contract liabilities) are presented in this note.

27 RESERVES AND RETAINED SURPLUS

(A) COMPOSITION

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Equity at the end of the year comprises:					
Accumulated funds	27(b)	401,312	377,776	401,426	377,893
Reserves					
Asset revaluation reserve	27(b)	551,915	549,298	551,915	549,295
Special purpose reserve	27(b)	-	5,986	-	-
Equity instruments reserve	27(b)	48,266	32,947	48,266	32,947
Total reserves	27(b)	600,181	588,231	600,181	582,242
Total equity		1,001,493	966,007	1,001,607	960,135

(B) MOVEMENTS

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
ASSET REVALUATION RESERVES					
Land					
Balance 1 January		395,813	435,387	395,813	435,387
Net movements due to revaluation		4,337	(39,574)	4,337	(39,574)
Balance 31 December	27(a)	400,150	395,813	400,150	395,813
Buildings					
Balance 1 January		152,762	161,234	152,762	161,234
Impairment		(905)	-	(905)	-
Net movements due to revaluation		(812)	(8,472)	(812)	(8,472)
Balance 31 December	27(a)	151,045	152,762	151,045	152,762
Artwork					
Balance 1 January		602	602	599	599
Transfers out		(3)	-	-	-
Balance 31 December	27(a)	599	602	599	599
Library Collections					
Balance 1 January		121	121	121	121
Net movements due to revaluation		-	-	-	-
Balance 31 December	27(a)	121	121	121	121
SPECIAL PURPOSE RESERVE					
Balance 1 January		5,985	6,214	-	-
Transfer from/(to) accumulated funds		-	(313)	-	-
Transfers in		-	84	-	-
Transfers out		(5,985)	-	-	-
Balance 31 December	27(a)	-	5,985	-	-
EQUITY INSTRUMENTS RESERVE					
Balance 1 January		32,948	17,014	32,947	16,930
Amount restated through retained earnings on adoption of AASB 9		-	7,232	-	7,232
Transfers out		-	(824)	-	(740)
Net movements in investments in equity instruments designated at fair value through other comprehensive income		15,318	9,525	15,318	9,525
Balance 31 December	27(a)	48,266	32,948	48,266	32,947
Total reserves		600,181	588,231	600,181	582,242

Movements in retained earnings were as follows:

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Opening balance	377,776	369,799	377,893	369,924
Adjustment on adoption of AASB 15, AASB 1058 and AASB 16	(6,803)	-	(6,803)	-
Net result for the period	24,350	6,942	30,336	7,247
Transfer from/(to) special purpose reserve and artwork reserve	5,989	313	-	-
Movement in retained earnings on adoption of AASB 9	-	721	-	721
Balance 31 December	401,312	377,776	401,426	377,893

(C) NATURE AND PURPOSE OF RESERVES

Asset Revaluation Reserves

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

Special Purpose Reserve

The purpose of this reserve is to fund the philanthropic activity of Victoria University Foundation Trust. The special reserves are determined by donation categories and whether they are designated sustainable funds or non-sustainable funds with a special purpose.

Equity Instruments Reserve

The reserve for equity instruments designated at fair value through other comprehensive income is used to record fair value market movements of equity instruments.

28 KEY MANAGEMENT PERSONNEL DISCLOSURES

(A) RESPONSIBLE PERSONS AND EXECUTIVE OFFICERS

(i) Minister

The responsible Minister for the reporting period was the Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education.

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

(ii) Names of Responsible Persons

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

Dr Jenny Gray
Dr Siew Fang Law
Mr Geoff Dale
Mr George Pappas
Mr Mark Toohey
Mr Peter George
Mr Wayne Kayler-Thomson
Ms Deborah Tyler (until 31 October 2019)
Ms Elizabeth Beattie
Ms Gaye Hamilton
Ms Ghofran Al-Nasiri
Ms Rhonda Hawkins
Ms Susan Schlesinger
Ms Virginia Simmons
Professor Peter Dawkins

(iii) Accountable Officer

Professor Peter Dawkins (Vice-Chancellor) is the accountable officer in connection with the management of the University and its subsidiaries.

(B) REMUNERATION OF BOARD MEMBERS AND EXECUTIVES

(i) Remuneration of Council Members

Income paid or payable, or otherwise made available to Members of the University Council, excluding executive members in connection with management of affairs of the University is outlined below

	CONSOLIDATED AND VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$
Short term benefits	341	313
Post-employment benefits	32	30
Total remuneration of council members	373	343

The number of University Council members and their remuneration for the reporting period is shown in the table below in their relevant income bands. The remuneration of council members only relates to remuneration for acting in the capacity as a member of Council. Certain members elect to donate part or all of this remuneration to the University. Staff of the University are not eligible to be remunerated for acting in the capacity as a member of Council.

INCOME BANDS	CONSOLIDATED AND VICTORIA UNIVERSITY	
	2019 NUMBER	2018 NUMBER
Nil to \$9,999	2	2
\$10,000 to \$19,999	-	2
\$20,000 to \$29,999	11	9
\$60,000 to \$69,999	1	1
The remuneration of the Accountable Officer who also acts as a Council member is disclosed under remuneration of Accountable Officer	1	1
Total number	15	15

(ii) Remuneration of Accountable Officer

Remuneration received by the accountable officer in connection with the management

of the Group during the reporting period was: Total Remuneration in the range of \$710,000 - \$719,999 (\$710,000 - \$719,999 in 2018).

(iii) Remuneration of Executive Officers

Total remuneration received by, or otherwise made available to Executives of the Group are outlined below. The Executives of the Group are members of the Group's Senior Executive Group comprising the Vice-Chancellor, the Senior Deputy Vice Chancellor, the Senior Vice-Presidents and the Vice-Presidents.

	CONSOLIDATED AND VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$
Short term benefits	3,732	3,813
Post employment benefits	534	506
Termination benefits	-	85
Other long-term benefits	60	62
Total remuneration of executive directors	4,326	4,466

The number of executive officers and their remuneration during the reporting period is shown in the table below in their relevant bands.

	TOTAL REMUNERATION	
	CONSOLIDATED AND VICTORIA UNIVERSITY	
	2019 NUMBER	2018 NUMBER
\$140,000 to \$149,999	2	-
\$270,000 to \$279,999	-	1
\$310,000 to \$319,999	-	1
\$320,000 to \$329,999	-	1
\$330,000 to \$339,999	-	1
\$340,000 to \$349,999	1	1
\$350,000 to \$359,999	1	-
\$360,000 to \$369,999	-	3
\$370,000 to \$379,999	3	-
\$380,000 to \$389,999	-	1
\$410,000 to \$419,999	-	1
\$420,000 to \$429,999	2	1
\$430,000 to \$439,999	2	1
\$500,000 to \$509,999	1	-
Total number of executives	12	12
Total annualised employee equivalent	11	11

(C) LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans made to any members of Council or Executive officers in 2019 (2018: Nil).

(D) OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Other related transactions requiring disclosure have been considered, refer to Note 29(d).

Management entity amounts

There were no management entity amounts incurred for the provision of key management personnel services that are provided by a separate management entity in 2019 (2018: Nil).

29 RELATED PARTIES

(A) PARENT ENTITIES

The ultimate parent entity within the Group is the University.

(B) SUBSIDIARIES

The University's interests in its subsidiaries are disclosed in Note 33.

(C) KEY MANAGEMENT PERSONNEL

Disclosures relating to responsible officers and specified executives are set out in Note 28.

(D) TRANSACTIONS WITH RELATED PARTIES

The following transactions occurred with related parties:

	VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$
Consulting fee income from Unisuper Management Pty Ltd	79	65
Network and upgrade service fees - VERNet Pty Ltd	736	615
Donation paid to Victoria University Foundation	-	50
Donation received from staff and Council members of Victoria University	184	393
Donations received from Victoria University Foundation	1,212	1,123
Audit fees paid/payable on behalf of Victoria University International Pty Ltd	5	4
Audit fees paid/payable on behalf of Victoria University Enterprises Pty Ltd	5	4
Audit fees payable on behalf of Victoria University Foundation Ltd	5	-
Audit fees payable on behalf Victoria University Foundation	6	-
Fees paid to VU Online Pty Ltd	2,139	287

(E) OUTSTANDING BALANCES

The following balances are outstanding at the reporting date in relation to transactions with related parties

	VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$
Amounts receivable from VU Online Pty Ltd	428	61

No provisions for impairment has been made in relation to any outstanding receivable balances, and no expense has been recognised in respect of impaired receivables due from related parties.

(F) TERMS AND CONDITIONS

Transactions are at arm's length and undertaken on a commercial basis during the course of normal trading.

30 REMUNERATION OF AUDITORS

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

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
AUDIT OF THE FINANCIAL STATEMENTS				
Fees paid to the Victorian Auditor-General's Office	138	189	134	169
Total remuneration for audit services	138	189	134	169
OTHER AUDIT AND ASSURANCE SERVICES				
Fees paid for internal audit services	336	267	336	267
Fees paid to other providers	111	104	111	104
Total remuneration for other audit and assurance services	447	371	447	371

It is the Group's policy to seek competitive tenders for all major consulting projects.

31 CONTINGENCIES

(A) GUARANTEES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Guarantees	697	674	697	674
Total guarantees	697	674	697	674

The guarantees cover leases of office premises between 5-10 years and a lease of land for 5 years.

(B) LITIGATION

There are a number of legal claims and exposures, which arise from the ordinary course of business, none of which are individually significant. Where the liability is not probable the Group has not provided for such amounts in these financial statements. There are no current, pending or potential legal claims against the Group which are foreseen as materially affecting the financial statements.

(C) CONTINGENT LIABILITIES

(i) The University has entered into a series of agreements with the private sector in relation to the construction, operation and maintenance of a 500-bed student accommodation complex for a period of 37 years. In consideration for the private sector financing the construction of the premises, the University under the agreements

allow the operator of the student accommodation to collect all the rental income from the student accommodation and in addition has provided a financial guarantee effectively underwriting a level of occupancy (approximately 65%). In the event that the guarantee is triggered there is also an ability for the University to recoup the guarantee in subsequent years where occupancy levels are above that forecasted. In 2019, the occupancy levels were sufficient to ensure that no payment was made by the University pursuant to the guarantee. The occupancy levels forecast in the 2020 year also indicate that it is probable that the occupancy levels will be sufficient to result in no payment being made by the University pursuant to the guarantee.

(D) CONTINGENT ASSETS

There are no material contingent assets at balance date (2018: Nil).

32 COMMITMENTS

(A) CAPITAL COMMITMENTS

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

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
BUILDING AND IT INFRASTRUCTURE MAJOR WORKS				
Within one year	15,128	39,474	15,128	39,474
Between one year and five years	1,314	1,456	1,314	1,456
Total property, plant and equipment commitments	16,442	40,930	16,442	40,930

(B) LEASE COMMITMENTS

(i) Lease commitments – as lessee

Commitments for minimum lease payments in relation to non-cancellable operating leases at the reporting date but not recognised as liabilities payable are as follows:

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2018 000s \$		2018 000s \$	
Within one year	15,080		15,080	
Between one year and five years	63,717		63,717	
Later than five years	773,302		773,302	
Total lease commitments - as lessee	852,099		852,099	

(ii) Lease commitments - as lessor

Commitments for minimum rentals receivable under non-cancellable operating leases at the reporting date but not recognised as assets receivable are as follows:

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Within one year	2,838	2,483	2,838	2,483
Between one year and five years	8,162	7,991	8,162	7,991
Later than five years	39,978	42,232	39,978	42,232
Total lease commitments - as lessor	50,978	52,706	50,978	52,706

(iii) Finance leases

	CONSOLIDATED	VICTORIA UNIVERSITY
	2018 000s \$	2018 000s \$
Within one year	974	974
Between one year and five years	4,275	4,275
Later than five years	38,262	38,262
Total future minimum lease payments	43,511	43,511
Less: finance charges	31,767	31,767
Finance lease liabilities	11,744	11,744
Representing lease liabilities:		
Current	974	974
Non-current	10,770	10,770
Total lease liabilities	11,744	11,744

On 30 October 2018, the University entered into a contract of sale and lease back of the "Queens Street Precinct properties". The proponents will develop a new 32-storey vertical campus which will incorporate office and teaching space for key academic activities, to be leased back to the University, consolidating its city campuses into a single new precinct. Work on the 32-storey tower is set to commence in 2019 with completion slated for 2021. The lease term is for 33 years.

(i) The weighted average interest rate implicit in the finance lease is 10% for 2018.

(C) OTHER EXPENDITURE COMMITMENTS

Commitments in existence at the reporting date but not recognised as liabilities payable are as follows:

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Within one year	11,226	8,845	11,226	8,845
Between one and five years	4,013	13,857	4,013	13,857
Later than five years	9,285	1,371	9,285	1,371
Total other expenditure commitments	24,524	24,073	24,524	24,073

Key estimates, judgements and accounting policy

Commitments are disclosed exclusive of GST.

Under AASB 117, leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

33 SUBSIDIARIES

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Victoria University ("parent entity") as at 31 December 2019 and the results of all subsidiaries for the year then ended. Inter entity transactions, balances and unrealised gains on transactions between Group entities 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.

NAME OF ENTITY	PRINCIPAL PLACE OF BUSINESS	CLASS OF SHARES	EQUITY HOLDING 2019 %	EQUITY HOLDING 2018 %
Victoria University Foundation Ltd (ACN 007 151 895)	Australia	-	-	100
Victoria University Foundation*	Australia	-	-	100
Victoria University Enterprises Pty Ltd (ACN 007 382 818)	Australia	Ordinary	100	100
Victoria University International Pty Ltd (ACN 079 529 089)**	Australia	Ordinary	-	100
VU Online***	Australia	-	-	100
VU Online Pty Ltd (ACN 623 496 186)	Australia	Ordinary	100	100

* Victoria University Foundation Ltd, a company limited by guarantee, acts as a trustee of the Victoria University Foundation. Both entities have been wound up on 17 December 2019.

** Victoria University International has been wound up on the 11 December 2019.

*** VU Online was wound up on 7 February 2019.

34 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Since the reporting period ending 31 December 2019, the Coronavirus (COVID-19) outbreak in Wuhan (China)

has developed, causing worldwide uncertainties resulting in travel restrictions, and creating major volatility on equity markets. Whilst the University has developed a digital platform to allow students to undertake studies online, the various impacts of COVID-19 may make it more difficult for international students to complete one or more semesters. This could lead to significant reductions in student revenue, possibility of refund of enrolment fees, investments could be adversely impacted due to global market volatility, possible global recession and international debtors impacted and their ability to repay outstanding debt.

The length and extent of the spread of the virus and actions being undertaken by both the Australian Federal and State Governments will continue to determine the scale of the impact on the finances of the University. Due to this significant uncertainty surrounding the COVID-19 outbreak and the government's response to this, it is not possible to estimate the full impact on the University's operations, financial position and cashflows at this point in time. This being the case, the University does not consider it practicable to provide a quantitative or qualitative estimate of the potential impact of this outbreak on the Group at this time. The University will continue to monitor the non-financial and financial impacts of COVID-19 on its operations, and has put in place various mitigation strategies that will ensure it will remain a going concern for at least the next 12 months.

The financial statements have been prepared based upon conditions existing at 31 December 2019, and considering those events occurring subsequent to that date that provide evidence of conditions that existed at the end of the reporting period.

As the outbreak of COVID-19 occurred after 31 December 2019, its impact is considered an event that is indicative of conditions that arose after the reporting period, and as such, no adjustments have been made to the financial statement balances as at 31 December 2019 for the impacts of COVID-19.

35 RECONCILIATION OF NET RESULT AFTER INCOME TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Operating result after income tax for the period		24,350	6,942	30,336	7,247
Add non-cash items					
Depreciation and amortisation	11	48,591	35,439	48,591	35,439
Net loss on sale of non-current assets	20	264	7,279	264	7,279
Impairment/reversal of impairment	14	1,111	277	1,111	277
Impairment of non-financial assets	14	-	2,000	-	2,000
Bad debt recovered		-	162	-	162
Fair value gains/losses on other financial assets at fair value through profit or loss		(6,840)	867	(6,487)	514
Interest expense		3,883	44	3,883	44
Adjustment on adopting of AASB 15		(388)	-	(388)	-
Operating lease adjustment due to reconciliation of lease liability		(87)	-	(87)	-
Change in operating assets and liabilities					
Increase in Provision for employee benefits		14,288	4,679	14,224	4,679
Increase/(decrease) in Trade and Other Payables		7,398	(12,830)	7,418	(13,427)
Increase/(decrease) in Other Liabilities		(2,173)	1,864	(2,173)	2,391
(Increase) in Receivables		(17,175)	(6,172)	(17,592)	(6,131)
(Increase) in Other Non-financial Assets		(4,244)	(135)	(4,244)	(135)
Net cash provided by / (used in) operating activities		68,979	40,416	74,858	40,339

36 FINANCIAL RISK MANAGEMENT

The Group's financial instruments consists mainly of deposits with banks, short term investments, managed funds, accounts receivables and accounts payables.

The main risks the Group is exposed to through its financial instruments are 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. 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 and foreign exchange risks, and ageing analysis for credit risk. Risk management is carried out by the finance department under policies approved by the Council through the Finance and Investment Committee.

(A) MARKET RISK

Market risk is the risk that the value of financial instruments fluctuate due to changes in foreign exchange rates, changes in market interest rates, and changes in market prices. The Group appoints external, independent investment advisors to monitor financial markets and report to management and the Finance and Investment Committee. The Committee regularly review investment performance against established objectives and performance benchmarks and monitors the asset allocation mix of the investment portfolio.

(i) Foreign exchange risk

The Group is exposed to fluctuations in foreign currencies arising from the delivery of services in currencies other than Australian dollars. This risk is mitigated by majority of the trade receivables being invoiced in Australian dollars.

In addition, foreign currency bank accounts are maintained to mitigate any foreign currency risk exposure.

(ii) Price risk

The Group is exposed to price risk in respect of fee for service and contract services which are subject to open market competition.

Financial assets at fair value through profit or loss are subject to price risk, with changes in underlying securities valuations.

Unlisted securities are not traded, thus price risk is mitigated. It is therefore not included in the sensitivity analysis.

(iii) Cash flow and fair value interest rate risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The Group is exposed to interest rate risk associated with cash management activities whereby excess funds are placed with financial institutions and are subjected to changes in the basis of prime interest rate. Management believes that the interest rate risk is manageable and hence, the Group does not use derivative financial instruments to mitigate this.

(iv) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Group's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

31 DECEMBER 2019	CARRYING AMOUNT 000s \$	INTEREST RATE RISK				FOREIGN EXCHANGE RISK				OTHER PRICE RISK			
		-1%		+1%		-5%		+5%		-1%		+1%	
		RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$
Financial assets													
Cash and cash equivalents - at bank	21,757	(218)	(218)	218	218	-	-	-	-	-	-	-	-
Receivables - Debtors	23,934	-	-	-	-	(547)	(547)	547	547	-	-	-	-
Other financial assets at fair value through profit or loss - managed funds	136,417	-	-	-	-	-	-	-	-	(1,364)	(1,364)	1,364	1,364
Investments in equity instruments designated at fair value through other comprehensive income	50,143	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities													
Creditors and payables	43,493	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	127	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		(218)	(218)	218	218	(547)	(547)	547	547	(1,364)	(1,364)	1,364	1,364

31 DECEMBER 2018	CARRYING AMOUNT 000s \$	INTEREST RATE RISK				FOREIGN EXCHANGE RISK				OTHER PRICE RISK			
		-1%		+1%		-5%		+5%		-1%		+1%	
		RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$	RESULT 000s \$	EQUITY 000s \$
Financial assets													
Cash and cash equivalents - at bank	44,317	(443)	(443)	443	443	-	-	-	-	-	-	-	-
Receivables - Debtors	19,275	-	-	-	-	(344)	(344)	344	344	-	-	-	-
Other financial assets at fair value through profit or loss - managed funds	99,318	-	-	-	-	-	-	-	-	(993)	(993)	993	993
Investments in equity instruments designated at fair value through other comprehensive income	34,825	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities													
Creditors and payables	36,050	-	-	-	-	-	-	-	-	-	-	-	-
Finance lease liabilities	11,744	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	244	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		(443)	(443)	443	443	(344)	(344)	344	344	(993)	(993)	993	993

* There are restrictions imposed on equity instruments (listed shares) and hence no material risk is envisaged at this stage.

(B) CREDIT RISK

The Group's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the statement of financial position.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. No other financial assets carry a significant exposure to credit risk.

The carrying amount of financial assets (as contained in the table in subnote 37(a)) represents the Group's maximum exposure to credit risk.

Receivables and contract assets

Credit risk is managed at group level subject to the Group's established policies, procedures and controls relating to credit risk management. The Group minimises concentrations of credit risk

in related to trade amounts receivable by undertaking transactions with a large number of customers within specified industries, and the majority of customers are concentrated in Australia. These are in relation to consultancy and fee for service activities. Credit quality of a customer is assessed based on individual credit limits. Outstanding receivables are regularly monitored.

Credit risk in trade receivables is regularly monitored and managed in the following ways:

- payment terms are 30 days;
- debt collection policies and procedures including use of a debt collection agency.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer

segments with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes above.

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

Set out below is the information about the credit risk exposure on the Group's receivables using a provision matrix:

31 DECEMBER 2019	TRADE RECEIVABLES							TOTAL
	CONTRACT ASSETS	CURRENT	DAYS PAST DUE				000s \$	
	%	%	<30 DAYS %	30-60 DAYS %	61-90 DAYS %	>91 DAYS %		
Expected credit loss rate - receivables and contract assets %	-	0.05	2	4	11	18	-	
Expected credit loss rate - student fees receivables %	-	0.05	10	30	35	36-80	-	
Estimated total gross carrying amount at default \$'000	1,335	13,280	1,975	3,056	6,036	6,240	31,922	
Expected credit loss \$'000	-	26	47	174	171	2,446	2,864	

31 DECEMBER 2018	TRADE RECEIVABLES						TOTAL
	CURRENT	DAYS PAST DUE				000s \$	
	%	<30 DAYS %	30-60 DAYS %	61-90 DAYS %	>91 DAYS %		
Expected credit loss rate - trade receivables %	5	2	4	11	18	-	
Expected credit loss rate - student fees receivables %	5	10	30	35	38-80	-	
Estimated total gross carrying amount at default \$'000	12,173	1,003	1,685	394	4,838	20,093	
Expected credit loss \$'000	26	42	93	37	1,570	1,768	

(C) LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter in realising assets or otherwise raising funds to meet commitments.

This risk is minimised as cash and cash equivalent assets are held in highly liquid cash holdings, and the monitoring of cash flows ensures that maximum funds are available for investment.

In addition, \$126m held within the non-current asset "Other financial assets at fair value through profit or loss - managed funds" can be redeemed into cash within three business days.

This risk is also mitigated through the bank loan facility of \$50m entered into in 2012 (full balance unused at 31 December 2019 and 31 December 2018). Details of this bank loan facility is disclosed in Note 23.

The following tables summarise the maturity of Group's financial assets and financial liabilities:

	AVERAGE INTEREST RATE		VARIABLE INTEREST RATE		1 TO 5 YEARS		5+ YEARS		NON INTEREST BEARING		TOTAL	
	2019 %	2018 %	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Financial assets:												
Cash and cash equivalents - at bank	1.10	1.28	21,757	44,317	-	-	-	-	-	-	21,757	44,317
Receivables - Debtors	-	-	-	-	-	-	-	-	23,934	19,275	23,934	19,275
Other financial assets at fair value through profit or loss - managed funds	-	-	-	-	-	-	-	-	136,147	99,318	136,147	99,318
Investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	50,143	34,825	50,143	34,825
Total financial assets			21,757	44,317	-	-	-	-	210,224	53,418	231,981	197,735
Financial liabilities:												
Payables	-	-	-	-	-	-	-	-	43,493	36,050	43,493	36,050
Borrowings	-	-	-	-	-	-	-	-	127	244	127	244
Finance lease liabilities	-	10.00	-	-	-	(970)	-	12,714	-	-	-	11,744
Total financial liabilities	-	-	-	-	-	(970)	-	12,714	43,620	36,294	43,620	48,038

37 FAIR VALUE MEASUREMENT

(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 approximates 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 Group's carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are:

	CARRYING AMOUNT		FAIR VALUE	
	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Financial assets				
Cash and cash equivalents - at bank	21,757	44,317	21,757	44,317
Receivables - Debtors	23,934	19,275	23,934	19,275
Other Financial Assets at fair value through profit and loss - managed funds	136,417	99,318	136,417	99,318
Investments in equity instruments designated at fair value through other comprehensive income	50,143	34,825	50,143	34,825
Total financial assets	232,251	197,735	232,251	197,735
Financial Liabilities				
Payables	43,493	36,050	43,493	36,050
Borrowings	127	484	127	484
Finance lease liabilities	-	11,744	-	11,744
Lease liabilities - Right-of-use assets	53,975	-	53,975	-
Total financial liabilities	97,595	48,278	97,595	48,278

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

Recognised Financial Instruments

Cash at Bank, Receivables, and Creditors - These financial instruments have a short term to maturity. Accordingly, it is considered that their carrying amounts reflect fair values.

Equity instruments - These are shares held in entities and have been valued as at 31 December 2019. Accordingly, it is considered that their carrying amount reflect their fair value.

Financial asset at fair value through profit and loss - managed funds - These are units held in managed funds and have

been valued as at 31 December 2019. Accordingly, it is considered that their carrying amount reflect their fair value.

Borrowings - short-term and long-term interest-free loan facility due to be repaid in 2-4 years, thus it is considered that the carrying amount reflects its fair value.

Finance lease liabilities is measured using the weighted average interest rate implicit in the finance lease; hence it is considered that the carrying amount reflects its fair value.

Lease liabilities - Right-of-use assets is measured using the weighted average incremental borrowing rate, hence it is considered that the carrying amount reflects its fair value.

(B) FAIR VALUE HIERARCHY

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

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2019.

FAIR VALUE MEASUREMENTS AT 31 DECEMBER 2019 CONSOLIDATED	NOTE	2019 000s \$	LEVEL 1 000s \$	LEVEL 2 000s \$	LEVEL 3 000s \$
RECURRING FAIR VALUE MEASUREMENTS					
Financial assets					
Investments in equity instruments designated at fair value through other comprehensive income	18	50,143	42	-	50,101
Other financial assets at fair value through profit or loss - managed funds	18	136,417	136,417	-	-
Total financial assets		186,560	136,459	-	50,101
Non-financial assets					
Property, plant and equipment	20				
Land		227,780	-	35,908	192,682
Building		490,935	-	-	490,935
Leasehold improvement		33,059	-	-	33,059
Plant and equipment - general equipment		34,493	-	-	34,493
Other plant and equipment - artwork		957	107	850	-
Library collections		12,378	-	219	12,159
Total non-financial assets		799,602	107	36,167	763,328

THE GROUP'S FAIR VALUE MEASUREMENTS AT 31 DECEMBER 2018 CONSOLIDATED	NOTE	2018 000s \$	LEVEL 1 000s \$	LEVEL 2 000s \$	LEVEL 3 000s \$
RECURRING FAIR VALUE MEASUREMENTS					
Financial assets					
Investments in equity instruments designated at fair value through other comprehensive income	18	34,825	-	-	34,825
Other financial assets at fair value through profit or loss - managed funds		99,318	99,318	-	-
Total financial assets		134,143	99,318	-	34,825
Non-financial assets					
Property, plant and equipment	20				
Land		269,643	-	45,718	223,925
Building		514,176	-	-	514,176
Leasehold improvement		2,819	-	-	2,819
Plant and equipment - general equipment		33,209	-	-	33,209
Other plant and equipment - artwork		899		899	
Library collections		11,790	-	210	11,580
Total non-financial assets		832,536	-	46,827	785,709

Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Disclosed fair values

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 reporting date (Level 1). This is the most representative of fair value in the circumstances.

The fair values of other financial assets at fair value through profit or loss that are disclosed in Note 18 were determined by reference to published price quotations in an active market (Level 1).

The fair value of equity instruments was determined by independent valuer ShineWing Australia Pty Ltd discounted by market factors (Level 3). Other equity instruments are valued in an open market on the Australian Stock Exchange (Level 1).

(C) VALUATION TECHNIQUES USED TO DERIVE LEVEL 2 AND LEVEL 3 FAIR VALUES

(i) Recurring fair value measurements

For land, the Group obtains external valuations by independent valuers at least every five years. At the end of each reporting period a fair value assessment is made on any movements since the last revaluation, and a determination as to whether an adjustment needs to be made. The valuation by the valuers is made on a market comparison approach, comparing with similar recent sales. The most significant input is price per square metre. Certain parts of land have a public use restriction, and the value is adjusted for this restriction. Land that has no restriction is included in Level 2 and land with the restriction is included in Level 3.

Similar to land, the fair value of buildings is determined through external valuations by independent valuers at least every three years. Many of the buildings held by the Group are of a specialised nature or use and thus the valuers determine that the most appropriate valuation method to use is depreciated replacement cost. Buildings are included at Level 3.

Leasehold improvements are held at fair

value using the depreciated replacement cost analysis, and are included in Level 3.

An independent external valuation is obtained for artwork, categorised as other plant and equipment, at least every three years. The fair value is determined using the market based direct comparison approach, where the asset is compared to recent comparable prices paid for similar assets, with adjustments for points of difference. Artwork is included in Levels 1 and 2.

(D) FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)

The following table is a reconciliation of the Group's Level 3 items for the periods ended 31 December 2019 and 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
37 FAIR VALUE MEASUREMENT (CONTINUED)

LEVEL 3 FAIR VALUE MEASUREMENT 2019	LAND 000s \$	BUILDINGS 000s \$	LEASEHOLD IMPROVEMENTS 000s \$	PLANT & EQUIPMENT - GENERAL EQUIPMENT 000s \$	LIBRARY COLLECTIONS 000s \$	EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME 000s \$	TOTAL 000s \$
Opening balance	223,925	514,177	2,819	33,209	11,580	34,825	820,535
Acquisitions	-	793	25,719	8,191	2,761	-	37,464
Disposals	(31,243)	(184)	(146)	(12)	(75)	-	(31,660)
Depreciation and impairment	-	(14,876)	(1,155)	(6,895)	(2,107)	-	(25,033)
Transfers from/to other asset class	-	(8,162)	5,822	-	-	-	(2,340)
Revaluation (decrements)	-	(812)	-	-	-	-	(812)
Gains recognised in other comprehensive income	-	-	-	-	-	15,276	15,276
Closing balance	192,682	490,935	33,059	34,493	12,159	50,101	813,430

LEVEL 3 FAIR VALUE MEASUREMENT 2018	LAND 000s \$	BUILDINGS 000s \$	LEASEHOLD IMPROVEMENTS 000s \$	PLANT & EQUIPMENT - GENERAL EQUIPMENT 000s \$	LIBRARY COLLECTIONS 000s \$	EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME 000s \$	TOTAL 000s \$
Opening balance	342,232	513,991	3,604	27,956	10,938	16,200	914,921
Acquisitions	-	23,184	198	5,351	2,675	-	31,408
Disposals	(77,105)	(11,915)	-	-	(17)	-	(89,037)
Depreciation and impairment	-	(14,059)	(1,000)	(6,841)	(2,016)	-	(23,916)
Revaluation (decrements)	(41,202)	(8,472)	-	-	-	-	(49,674)
Transfers from/to other asset class	-	11,448	17	6,743	-	-	18,208
Adjustment to opening balance on adoption of AASB 9	-	-	-	-	-	9,100	9,100
Gains recognised in other comprehensive income	-	-	-	-	-	9,525	9,525
Closing balance	223,925	514,177	2,819	33,209	11,580	34,825	820,535

(i) Transfers between Levels 2 and 3 and changes in valuation techniques

There were no changes in valuation techniques during the year.

(ii) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used

in Level 3 fair value measurements and applies to both financial year 2018 and financial year 2019. See above for the valuation techniques adopted.

DESCRIPTION	FAIR VALUE AT 31 DECEMBER 2019 000s \$	VALUATION TECHNIQUE*	RANGE OF INPUTS (PROBABILITY WEIGHTED AVERAGE)	SIGNIFICANT UNOBSERVABLE INPUTS	ESTIMATED SENSITIVITY OF FAIR VALUE MEASUREMENT TO CHANGES IN UNOBSERVABLE INPUTS
Land	192,682	Market approach	20%	Community Service Obligation (CSO)	A significant increase or decrease in the CSO adjustment would result in a significant higher or lower fair value
Buildings	490,935	Depreciated replacement cost	4-40 years	Useful life of buildings	A significant increase or decrease in the useful life of the buildings would result in a significant higher or lower fair value
Leasehold improvements	33,059	Depreciated replacement cost	1-33 years	Useful life of leasehold improvements	A change in the useful life would result in a lower (higher) fair value
Plant and equipment - general equipment	34,493	Depreciated replacement cost	3-25 years	Useful life	A change in the useful life would result in a lower (higher) fair value
Library collections	12,159	Depreciated replacement cost	4-10 years	Respective useful life	A change in the useful life would result in a lower (higher) fair value

*There were no significant inter-relationship between unobservable inputs that materially affects fair value.

The Group engages external, independent and qualified valuers to determine the fair value of the Group's land and buildings at least every five years. As at 31 December 2017, the fair value of the land and buildings was determined by an independent valuer engaged by the Valuer General of Victoria.

The valuation of equity instruments has been determined by an appropriately skilled independent third party. Valuation techniques including discounting and other techniques considered appropriate in the circumstance have been employed in pricing or valuing investments. These valuation techniques are inherently subject to estimation uncertainty. Given the inherent subjectivity, the underlying inputs and assumptions are reviewed on an on-going basis to ensure the valuations reflect the best estimates of the economic conditions at reporting date.

38 INTERESTS IN JOINT OPERATIONS AND UNCONSOLIDATED STRUCTURED ENTITIES

(A) JOINT OPERATIONS

As at 31 December 2019, the University has the following joint operation.

NAME OF JOINT OPERATION	NATURE OF RELATIONSHIP	PRINCIPAL PLACE OF BUSINESS	OWNERSHIP INTEREST/ VOTING RIGHTS HELD	
			2019	2018
Game Insight Group	Partnership agreement	Melbourne - Australia	50%	50%

The University's share of assets in the above jointly controlled operations is \$1.04m (2018: \$0.74m). The aim is to use the latest analytics research to provide new data on professional tennis, which may be commercialised in the future.

(B) UNCONSOLIDATED STRUCTURED ENTITIES

The University has contracts in place with several Cooperative Research Centres (CRCs) to provide a cash contribution and in-kind services towards research on various projects that are mostly funded by private sector organisations and other universities.

As a consequence of the University providing services (cash and in-kind contributions) towards the achievement of the project goals, the University is entitled to a proportionate share of the venture if it realises a successful outcome and the venture receives a commercial return.

As at 31 December 2019, these projects were still in their early stages of development and had not yet achieved their potential. Contributions towards these projects are included in operational expenditure.

The University also has contracts in place with private overseas organisations to use university material to deliver courses from offshore locations.

The proceeds from these ventures are included in the University operating income as at 31 December 2019. In all of the above instances, the University does not:

- have any significant involvement or management in these ventures
- have an interest in the other entities except in relation to the income received and expense payable/paid
- have any assets transferred to these entities for their use.

39 SUPERANNUATION COMMITMENTS

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

UniSuper

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 schemes is 21% of member's salary of which the member contributes 7% and the University 14%. From 1 July 2006, members can elect to reduce the level of member contributions with corresponding reductions in benefits.

In 2005, UniSuper advised that the Defined Benefit 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 have 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 base salary in respect of these employees who were members of the Defined Benefit Division or the Accumulation Super (2) Plan. Employees who do not qualify for membership of Defined Benefit Division and Accumulation Super (2) will have a minimum contribution 9.5% of their annual salary contributed by the University to Accumulation Super (1) prescribed under the *Superannuation Guarantee Charge Act 1992*.

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

As at 30 June 2019 the assets of the DBD in aggregate were estimated to be \$5,643m in excess (30 June 2018: \$3,785m in excess) of vested benefits (after allowing for various reserves). The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.

As at 30 June 2019 the assets of the DBD in aggregate were estimated to be \$7,301 million in excess (30 June 2018: \$5,477 million in excess) of accrued benefits (after allowing for various reserves). The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

State Superannuation Schemes

The University has a number of employees who are members of State Superannuation Scheme administered by the Government Superannuation Office. These are defined benefits schemes.

Existing arrangements provide for the Commonwealth to reimburse the University on an emerging cost basis for payments made to employees of the unfunded scheme. The superannuation liability, as assessed by the Superannuation Board for future benefits for current employees and pensions was as at 31 December 2019 \$165.07m (31 December 2018: \$155.28m).

Any unfunded liability in respect of TAFE employees who are members of the State Superannuation Schemes controlled by the Victorian Superannuation Board will be recognised by the State Government in its Statement of Financial Position.

A small number of University staff are also members of VicSuper, Health Super and other miscellaneous funds.

Summary of Superannuation Scheme Payments:

SUMMARY OF SUPERANNUATION SCHEME PAYMENTS:	2019 000s \$	2018 000s \$
UniSuper	28,302	27,507
State Superannuation Schemes	7,302	8,108
Others	3,326	2,810
	38,930	38,425

(A) ACTUARIAL ASSUMPTIONS AND SENSITIVITY

The sensitivity of the defined benefit obligation of the State Superannuation Schemes to changes in the significant assumptions are:

	2019	2018	CHANGE IN ASSUMPTION
Discount rate	1.49%	2.36%	(36.86%)
Salary growth rate	4.00%	4.00%	Nil
Pension indexation	1.60%	2.50%	(36.00%)
Demographic assumptions	no change	Triennial review	Nil

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

40 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

(A) EDUCATION – CGS AND OTHER EDUCATION GRANTS

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	COMMONWEALTH GRANTS SCHEME #1		INDIGENOUS STUDENT SUCCESS PROGRAM #3		ACCESS AND PARTICIPATION FUND	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		118,282	118,170	188	357	3,701	3,767
Net accrual adjustments		(351)	-	-	(6)	-	-
Revenue for the period	3(a)	117,931	118,170	188	351	3,701	3,767
Surplus/(deficit) from the previous year		-	-	234	207	-	-
Total revenue including accrued revenue		117,931	118,170	422	558	3,701	3,767
Less expenses including accrued expenses		(117,931)	(118,170)	(398)	(324)	(3,701)	(3,767)
Surplus/(deficit) for reporting period		-	-	24	234	-	-

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	DISABILITY PERFORMANCE FUNDING #2		PROMO OF EXC IN LEARNING AND TEACHING		TOTAL	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		151	180	-	-	122,322	122,474
Net accrual adjustments		-	-	-	-	7,606	7,951
Revenue for the period	3(a)	151	180	-	-	129,928	130,425
Surplus/(deficit) from the previous year		-	-	32	58	8,223	265
Total revenue including accrued revenue		151	180	32	58	138,151	130,690
Less expenses including accrued expenses		(151)	(180)	(16)	(26)	(122,197)	(122,467)
Surplus/(deficit) for reporting period		-	-	16	32	15,954	8,223

#1 Includes the basic CGS grant amount and CGS – Enabling Loading, Allocated Places and Non-Designated Courses.

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

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

(B) HIGHER EDUCATION LOAN PROGRAMS (EXCLUDING OS-HELP) #5

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	HECS-HELP (AUSTRALIAN GOVERNMENT PAYMENTS ONLY)		FEE-HELP #4	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Cash Payable/(Receivable) at the beginning of the year		(509)	(160)	1,213	(45)
Financial assistance received in cash during the reporting period		88,686	83,879	8,184	10,420
Cash available for the period		88,177	83,719	9,397	10,375
Revenue earned	3(b)	85,779	84,228	10,582	9,163
Cash Payable/(Receivable) at end of year		2,398	(509)	(1,185)	1,212

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	VET FEE-HELP		SA-HELP		TOTAL	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Cash Payable/(Receivable) at the beginning of the year		(551)	416	467	(507)	620	(296)
Financial assistance received in cash during the reporting period		(22)	(970)	2,865	3,991	99,713	97,320
Cash available for the period		(573)	(554)	3,332	3,484	100,333	97,024
Revenue earned	3(b)	-	(3)	2,949	3,017	99,310	96,405
Cash Payable/(Receivable) at end of year		(573)	(551)	383	467	1,023	619

#4 VET Student Loan Program is not required to be acquitted here.

#5 For acquittal purposes, 2018 HECS-HELP revenue and 2018 FEE-HELP revenue has been adjusted to reflect adoption of AASB 15. Note 3(b) 2018 comparatives has not been restated as per the modified retrospective method of transition.

(C) DEPARTMENT OF EDUCATION AND RESEARCH

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	RESEARCH TRAINING PROGRAM		RESEARCH SUPPORT PROGRAM		TOTAL	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		7,475	7,482	4,034	4,255	11,509	11,737
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	3(a)(c)	7,475	7,482	4,034	4,255	11,509	11,737
Surplus/(deficit) from the previous year		-	232	-	-	-	232
Total revenue including accrued revenue		7,475	7,714	4,034	4,255	11,509	11,969
Less expenses including accrued expenses		(7,475)	(7,714)	(4,034)	(4,255)	(11,509)	(11,969)
Surplus/ (deficit) for reporting period		-	-	-	-	-	-

(D) TOTAL HIGHER EDUCATION PROVIDER RESEARCH TRAINING PROGRAM EXPENDITURE #6

PARENT ENTITY (UNIVERSITY) ONLY	TOTAL DOMESTIC STUDENTS 000s \$	TOTAL OVERSEAS STUDENTS 000s \$
Research Training Program Fees offsets	(2,599)	(289)
Research Training Program Stipends	(3,500)	(389)
Research Training Program Allowances	(628)	(70)
Total for all types of support #7	(6,727)	(748)

#6 Refer to the Commonwealth Scholarship Guidelines for expenditure definition for the Research Training Program.

#7 The total for all types of support for domestic and overseas students is expected to match the Research Training Program expenses, including accrued expenses at Note 40(c) in respect to the 2019 year.

(E) OTHER CAPITAL FUNDING

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	LINKAGE INFRASTRUCTURE EQUIPMENT AND FACILITIES GRANT		TOTAL	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		-	235	-	235
Net accrual adjustments		-	-	-	-
Revenue for the period	3(e)	-	235	-	235
Surplus/(deficit) from the previous year		77	136	77	136
Total revenue including accrued revenue		77	371	77	371
Less expenses including accrued expenses		(77)	(294)	(77)	(294)
Surplus/(deficit) for reporting period		-	77	-	77

(F) AUSTRALIAN RESEARCH COUNCIL GRANTS

(I) DISCOVERY PARENT ENTITY (UNIVERSITY) ONLY	NOTE	PROJECTS		TOTAL DISCOVERY	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		517	442	517	442
Net accrual adjustments		10	-	10	-
Revenue for the period	3(f)(i)	527	442	527	442
Total revenue including accrued revenue		527	442	527	442
Less expenses including accrued expenses		(527)	(442)	(527)	(442)
Surplus/(deficit) for reporting period		-	-	-	-

(II) LINKAGES PARENT ENTITY (UNIVERSITY) ONLY	NOTE	PROJECTS		TOTAL LINKAGES	
		2019 000s \$	2018 000s \$	2019 000s \$	2018 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		81	163	81	163
Net accrual adjustments		201	204	201	204
Revenue for the period	3(f)(i)	282	367	282	367
Surplus/(deficit) from the previous year		103	-	103	-
Total revenue including accrued revenue		385	367	385	367
Less expenses including accrued expenses		(180)	(264)	(180)	(264)
Surplus/(deficit) for reporting period		205	103	205	103

(G) OS-HELP

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	2019 000s \$	2018 000s \$
Cash received during the reporting period		1,499	1,643
Cash spent during the reporting period		(1,421)	(1,787)
Net cash received		78	(144)
Cash surplus/(deficit) from the previous period		2,010	2,154
Cash surplus/(deficit) for reporting period	22	2,088	2,010

(H) SUPERANNUATION SUPPLEMENTATION

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	2019 000s \$	2018 000s \$
Cash received during the reporting period		8,350	7,332
Cash available		8,350	7,332
Cash surplus/(deficit) from the previous period		(8,419)	(7,643)
Cash available for current period		(69)	(311)
Contributions to specified defined benefit funds	39	(7,302)	(8,108)
Cash surplus/(deficit) this period		(7,371)	(8,419)

(I) STUDENT SERVICES AND AMENITIES FEE

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	2019 000s \$	2018 000s \$
SA-HELP revenue earned	3(b)	2,949	3,017
Student Services and Amenities Fees direct from students	5	2,782	1,618
Total revenue expendable in period		5,731	4,635
Student services expenses during period		(5,731)	(4,635)
Unspent/(overspent) student services revenue		-	-



**DISCLOSURE
INDEX**

DISCLOSURE INDEX

ITEM NO	SOURCE	SUMMARY OF REPORTING REQUIREMENT	PAGE NO./S
REPORT OF OPERATIONS			
CHARTER AND PURPOSE			
1	FRD 22H	Manner of establishment and the relevant Minister	10, 50, 111
2	FRD 22H	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements	19-36, 43-45
3	FRD 22H	Nature and range of services provided including communities served	19-36
MANAGEMENT AND STRUCTURE			
4	FRD 22H	Organisational structure and chart, detailing members of the governing board, Audit Committee, CEO, senior officers and their responsibilities	14-16, 44-45
FINANCIAL AND OTHER INFORMATION			
5	FRD 03A	Accounting for dividends	N/A
6	FRD 07B	Early adoption of authoritative accounting pronouncements	72
7	FRD 10A	Disclosure Index	130-132
8	FRD 17B	Long service leave and annual leave for employees	108-109
9	FRD 22H	Operational and budgetary objectives, performance against objectives and achievements	12-13
10	FRD 22H	Occupational health and safety statement including performance indicators, and performance against those indicators	38
11	FRD 22H	Workforce data for current and previous reporting period including a statement on the application of employment and conduct principles and that employees have been correctly classified in the workforce data collections	37, 39-41
12	FRD 22H	Summary of the financial results, with comparative information for the preceding four reporting periods	58
13	FRD 22H	Summary of significant changes in financial position	55-57
14	FRD 22H	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future	6-10, 12, 20-23, 30-35
15	FRD 22H	Post-balance sheet date events likely to significantly affect subsequent reporting periods	59-60, 115
16	FRD 22H	Summary of application and operation of the <i>Freedom of Information Act 1982</i>	47
17	FRD 22H	Statement of compliance with building and maintenance provisions of the <i>Building Act 1993</i>	47
18	FRD 22H	The report of operations shall provide a discussion and analysis of the entity's operating results and financial position and include details about significant factors that affect the entity's performance	13, 55-57
19	FRD 22H	University workforce inclusion policy (where a University has one), including a measurable target and report on the progress towards the target	N/A
20	FRD 22H	Schedule of any government advertising campaign in excess of \$100,000 or greater (exclusive of GST)	N/A
21	FRD 22H	Statement, where applicable, on the implementation and compliance with the National Competition Policy, including compliance with the requirements of Victoria's Competitive Neutrality Policy and any subsequent reform	47
22	FRD 22H	Summary of application and operation of the Protected Disclosure Act 2012 including disclosures required by the Act	47
23	FRD 22H and FRD 24D	Summary of Environmental Performance	48-49

ITEM NO	SOURCE	SUMMARY OF REPORTING REQUIREMENT	PAGE NO./S
24	FRD 22H	<p>Consultants:</p> <p>Report of Operations must include a statement disclosing each of the following:</p> <ol style="list-style-type: none"> 1. Total number of consultancies of \$10,000 or more (excluding GST) 2. Location (e.g. website) of where the schedule with the below details of the consultancies over \$10,000 has been made publicly available <ul style="list-style-type: none"> • Consultant engaged • Brief summary of project • Total project fees approved (excluding GST) • Expenditure for reporting period (excluding GST) • Any future expenditure committed to the consultant for the project 3. Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period 	52
25	FRD 22H	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer	50
26	FRD 22H	<p>An entity shall disclose the following in the report of operations:</p> <ol style="list-style-type: none"> a) Total entity ICT Business As Usual (BAU) expenditure for the full 12 month reporting period; and b) Total entity ICT Non-Business As Usual expenditure for the full 12 month reporting period; and provide a breakdown for: <ol style="list-style-type: none"> (i) Operational expenditure (OPEX); and (ii) Capital expenditure (CAPEX) 	52
27	FRD 25D	Local Jobs First	47
28	AASB 16	Leases	66, 68-70, 76-81, 94, 100-104, 106-108, 111
29	FRD 119A	Transfers through contributed capital	N/A
30	SD 3.7.1	The Responsible Body must ensure that the Agency applies the Victorian Government Risk Management Framework	51
31	SD 5.2.1(a)	The Accountable Officer must implement and maintain a process to ensure the Agency's Annual Report is prepared in accordance with the FMA, the Standing Directions, the Instructions, applicable Australian Accounting Standards and Financial Reporting Directions.	4, 65
32	SD 5.2.3	Report of Operations is signed and dated by the Chancellor or equivalent and includes the date of the Council Meeting at which Annual Report was approved	4, 65
FINANCIAL REPORT			
FINANCIAL STATEMENTS REQUIRED UNDER STANDING DIRECTIONS/ FINANCIAL MANAGEMENT ACT 1984			
33	SD 5.2.2(a), 5.2.2(b) and FMA s 49	<p>The financial statements must contain such information as required by the Minister and be prepared in a manner and form approved by the Minister. They must be signed and dated by the Accountable Officer, CFO (subject to 5.2.2) and a member of the Responsible Body, in a manner approved by the Minister, stating whether, in their opinion the financial statements:</p> <ul style="list-style-type: none"> • present fairly the financial transactions during reporting period and the financial position at end of the period; and • have been prepared in accordance with applicable requirements in the FMA, the Directions, the Financial Reporting Directions and Australian Accounting standards. 	65
34	FRD 30D	<p>Financial statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than:</p> <ul style="list-style-type: none"> • \$10,000,000, when the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and • \$1,000,000,000, when the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000 	71
35	SD 3.2.1.1(c)	<p>The Responsible Body must establish an Audit Committee to:</p> <ul style="list-style-type: none"> • review annual financial statements and make a recommendation to the Responsible Body as to whether to authorise the statements before they are released to Parliament by the Responsible Minister 	44, 59-60

DISCLOSURE INDEX

ITEM NO	SOURCE	SUMMARY OF REPORTING REQUIREMENT	PAGE NO./S
OTHER REQUIREMENTS AS PER FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS			
36	FRD 11A	Disclosure of ex-gratia payments	N/A
37	FRD 21C	Disclosures of Responsible Persons, Executive Officer and Other Personnel (contractors with significant management responsibilities) in the Financial Report	111-112
38	FRD 102A	Inventories	N/A
39	FRD 103H	Non-financial physical assets	100-104, 119-123
40	FRD 105B	Borrowing costs	94
41	FRD 106B	Impairment of assets	66-67, 74, 78, 95, 97, 100-102
42	FRD 107B	Investment properties	N/A
43	FRD 109A	Intangible assets	104-105
44	FRD 110A	Cash flow statements	70, 82
45	FRD 112D	Defined benefit superannuation obligations	108-109, 124
46	FRD 113A	Investments in subsidiaries, jointly controlled entities and associates	71-72, 115, 123
47	FRD 120M	Accounting and reporting pronouncements applicable to the reporting period	71-128
COMPLIANCE WITH OTHER LEGISLATION, SUBORDINATE INSTRUMENTS AND POLICIES			
48	ETRA, s. 3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2019	49-50, 85, 128
49	PAEC	Financial and other information relating to the University's international operations	24-25, 28, 36, 78, 85, 87-88
50	University Commercial Activity Guidelines	<ul style="list-style-type: none"> Summary of the university commercial activities If the university has a controlled entity, include the accounts of that entity in the university's Annual Report 	53-128



THE

NEW WAY

TO DO UNI

VU.EDU.AU

CRICOS Provider No. 00124K – Melbourne

CRICOS Provider No. 02475D – Sydney

RTO Code 3113