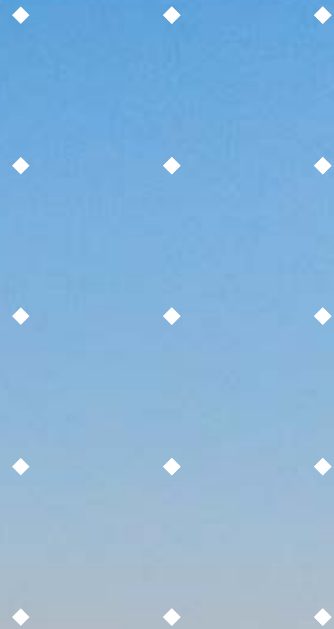


# 2021 ANNUAL REPORT



# ACKNOWLEDGEMENT OF COUNTRY

Victoria University (VU) acknowledges, recognises and respects the Ancestors, Elders and families of the Bunurong/Boonwurrung, Wurundjeri/Woiwurrung and Wadawurrung/Wathaurung of the Kulin 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.

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 peoples' living culture continues to have a unique and important role in the life and culture of these regions.

VU is committed to Protecting Country to build better relationships and equal partnerships between the wider Australian community and Aboriginal and Torres Strait Islander peoples. All staff, students and visitors to VU should acknowledge, understand and respect the significance of recognising and respecting Traditional Owners.



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# TO THE MINISTER



18 March 2022

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 2021.

The Annual Report was approved by the Victoria University Council on 18 March 2022.

Yours sincerely

A handwritten signature in black ink that reads "Steve Bracks".

The Hon. Steve Bracks AC  
Chancellor

A handwritten signature in black ink that reads "Adam Shoemaker".

Professor Adam Shoemaker  
Vice-Chancellor and President

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

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

## FROM THE CHANCELLOR



“  
THE TIMING WAS IDEAL,  
FOR THE EDUCATIONAL  
LANDSCAPE HAD  
SIGNIFICANTLY CHANGED.  
WE WERE NO LONGER  
WORKING AND STUDYING THE  
WAY WE ONCE HAD, AND THE  
STRATEGIC DIRECTION OF VU  
NEEDED TO REFLECT THIS.

”

Many of us expected to return to a ‘COVID normal’ at the beginning of 2021. Instead, we withstood another year of disruptions from multiple lockdowns and continued remote learning, teaching and working. While challenging, these are environments we now expertly navigate.

Despite contending with the second year of a pandemic, Victoria University (VU) commenced a renewal. Under the leadership of the new Vice-Chancellor, Professor Adam Shoemaker, and with the solid foundation built by his predecessors, the *Strategic Plan 2016-2021: The University of Opportunity and Success* ended, and a new one was formed.

The timing was ideal, for the educational landscape had significantly changed. We were no longer working and studying the way we once had, and the strategic direction of VU needed to reflect this. Rethinking our engagement with all stakeholders – staff, students and community – as part of this process was vital to unlocking the future of VU.

After collaborative online development, Council was proud to approve the *Strategic Plan 2022 – 2028: Start well, finish brilliantly* in August 2021. By weaving many voices into the new strategy, the University aligns itself even more strongly with the values to be Always Welcoming, Ethical, Shaping the Future, and Together. It marks the beginning of a new era for VU, and our commitment to genuinely working with the communities we operate within and serve.

Complementing these developments was the appointment of six staff to form the new executive level structure. As we move forward, they will be the driving force for the incoming strategy and have a significant role in leveraging our status as a leading dual-sector institution.

2021 has not been without its challenges. But I look back on it with pride, knowing that VU achieved what it set out to do thanks to the resilience and dedication of staff and students. Victoria University rose above hardships to achieve a long list of accomplishments – many of which are detailed in this report. These accomplishments were bolstered by the financial support and guidance of the Victorian Government, including targeted COVID-19 funding programs, of which we

are always incredibly grateful for.

I also acknowledge the Council members who departed this year, leaving a significant and enduring legacy. Virginia Simmons, a Council member for over five years, and Sue Schlesinger, a Council member since 2018. We are particularly grateful to Gaye Hamilton and Wayne Kayler-Thomson, having both served as Chancellor and Deputy Chancellor, and were incredibly important to our success. And finally, congratulations to Gaye, who was awarded Victorian Senior Australian of the Year 2022 for her stellar career and commitment to education and community development, especially in the west of Melbourne.

To conclude, I would like to take this opportunity to thank each of you – staff, students, partners, stakeholders, Council members, and the Victorian Government for your contributions towards this great University.

**Hon Steve Bracks AC**  
Chancellor

## FROM THE VICE-CHANCELLOR



“  
**WE FOUND WAYS TO CONNECT AND SHIFT DIRECTIONS. IT HAS MADE US STRONGER AS AN ORGANISATION AND HAS OPENED UP OPPORTUNITIES TO BUILD ON OUR DUAL-SECTOR STRENGTHS.**  
”

The year 2021 at Victoria University was one of tenacity, passion and collective response.

I moved to Melbourne in late 2020 to begin my first year as the Vice-Chancellor of the University. It began with a moving and significant First Nations smoking ceremony, and with the strong elements of cultural respect which it signified. The year 2021 ended with an equally strong commitment to Protecting Country and to progressive reform on campus, in the community and externally.

Victoria – and its outstanding universities – have taken a major hit over the past two years. Critical public health and safety measures, including border closures, have had a flow-on effect that continues to be deeply felt by the sector. Indeed, our VU Sydney campus and our international ancillaries are no stranger to those challenges.

Yet here we are, having endured more lockdowns than most, with ideas still flowing. We have adapted. We reimagined ways to work, study, and research. We found ways to connect and shift directions. It has made us stronger as an organisation and has opened up opportunities to build on our dual-sector strengths.

Our transition from the final year of the previous *Strategic Plan 2016-2021* to the collaborative online development and rapid approval our new Strategic Plan to 2028 was testament to this energetic response. It was also a signal of the tremendous strategic leadership of the VU Council and of the University's new Chancellor, the Hon Steve Bracks AC. The title of our Strategic Plan is *Start well, finish brilliantly*. That is what we intend to do in outstanding research, with transformative learning and teaching, and with a profound commitment to the best of dual sector skills education and meaningful employment.

Despite the manifest challenges of 2021, the VU Block Model, VU Polytechnic and VU Online all received major awards during the year. That is a testament to the efforts of more than 3,000 staff colleagues and 40,000 resilient students, who demonstrated how to rise to a global challenge of unprecedented proportions.

We have also worked hard to nurture our alliances with core industry and community partners: with Western Health; Cisco; the Western Bulldogs; Greater Western Water; Ambulance Victoria; ICN and others. Our thanks are due to all of them. A collective and collaborative approach with aligned industry and community partners is, we believe, essential.

VU continues to manage the uncertainty and financial impacts of COVID-19. In 2021, the Consolidated Net Operating Result is a small surplus of \$1.3M (0.3% of Revenue). The Underlying Operating Result is a \$16.3M deficit. This is primarily due to the continuing decline in international enrolments, partially mitigated by a focus on expenditure management.

Despite this, the University finished 2021 with a strong net asset and cash position. We also did not need to access the additional loan facility negotiated in 2020. As we head into 2022, VU is focused on maintaining and growing its financial sustainability in a COVID-19 recovery environment.

In summary, the year 2021 was incredibly challenging but it also brought out some of our best attributes. I am very grateful to the Victorian Government for its unstinting support and also wish to offer my deepest thanks to the entire University community.

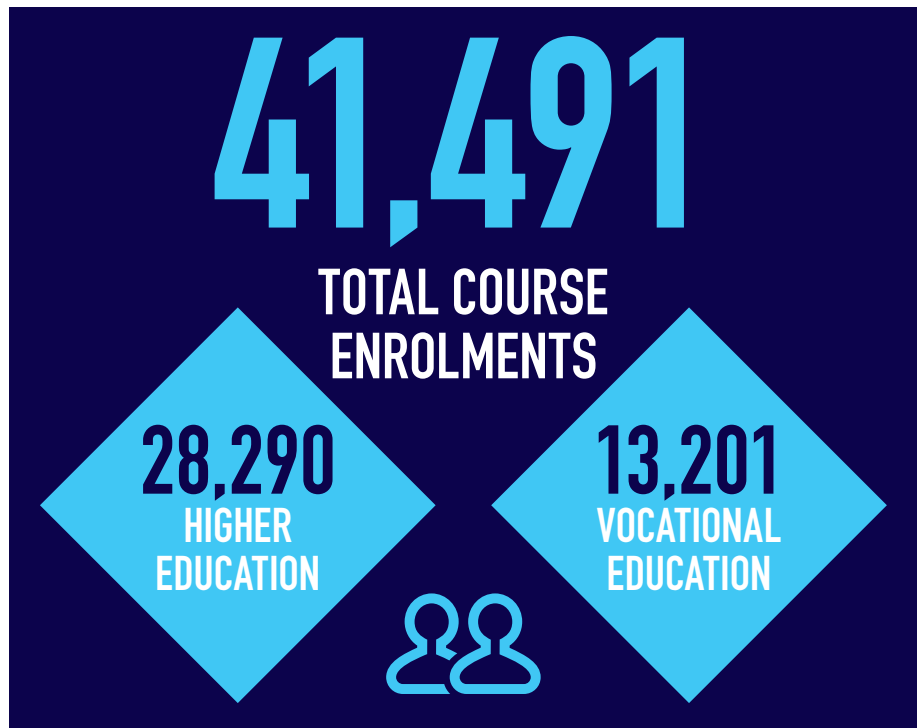
**Professor Adam Shoemaker**  
Vice-Chancellor & President

Victoria University is a young dual sector university with a deep connection to Melbourne's West, spanning over a century of institutional descendants. We have undergone an intense period of transformational change to enable us to better meet the needs of our students in the 21st century while ensuring our workforce remains capable, flexible and agile.

ABOUT  
VU



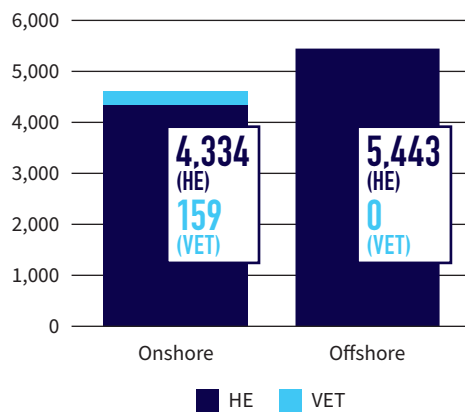
# 2021 SNAPSHOT



## INTERNATIONAL STUDENTS

VICTORIA UNIVERSITY'S INTERNATIONAL STUDENTS ARE FROM

**106** DIFFERENT COUNTRIES

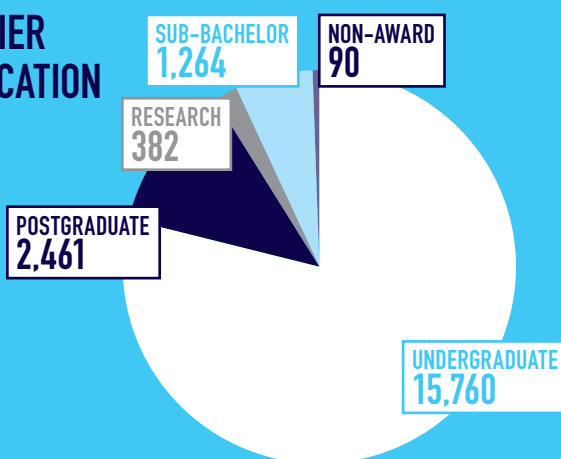


## TOP COUNTRIES OF ORIGIN ARE:

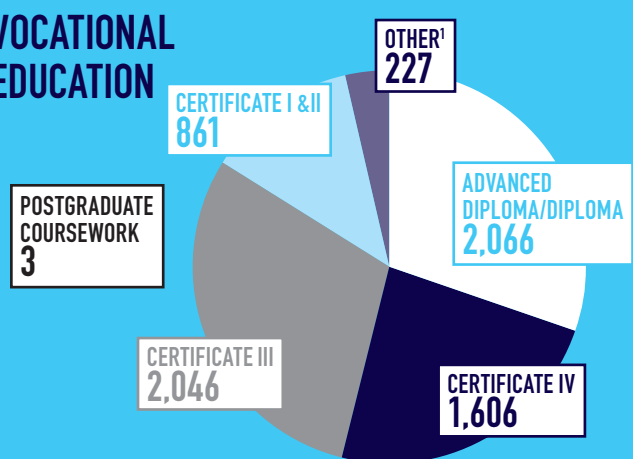


## COURSE LEVEL

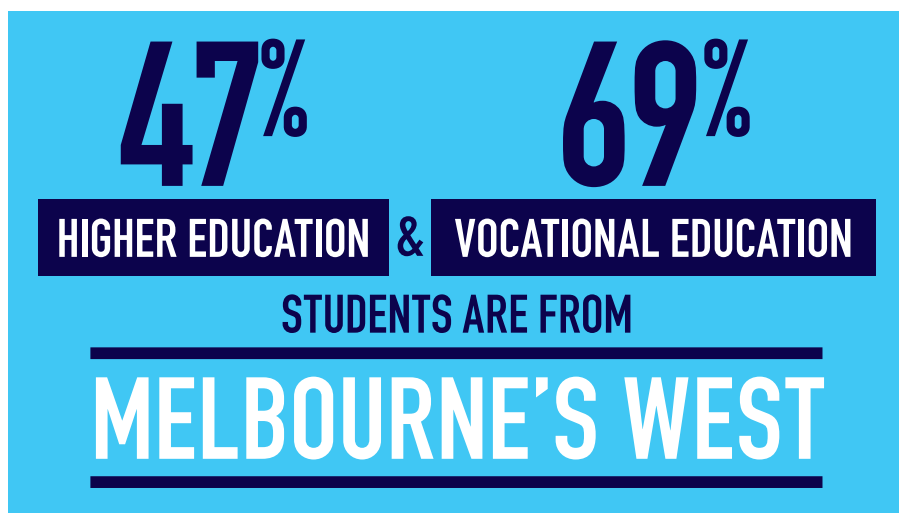
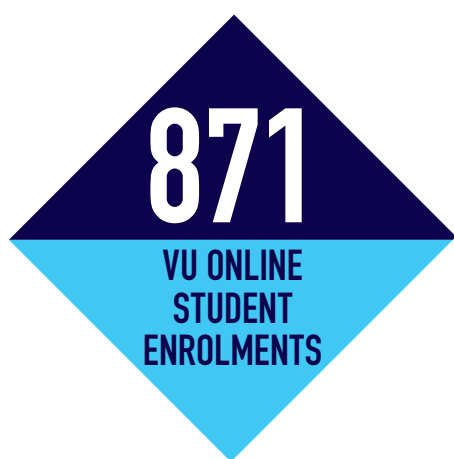
### HIGHER EDUCATION



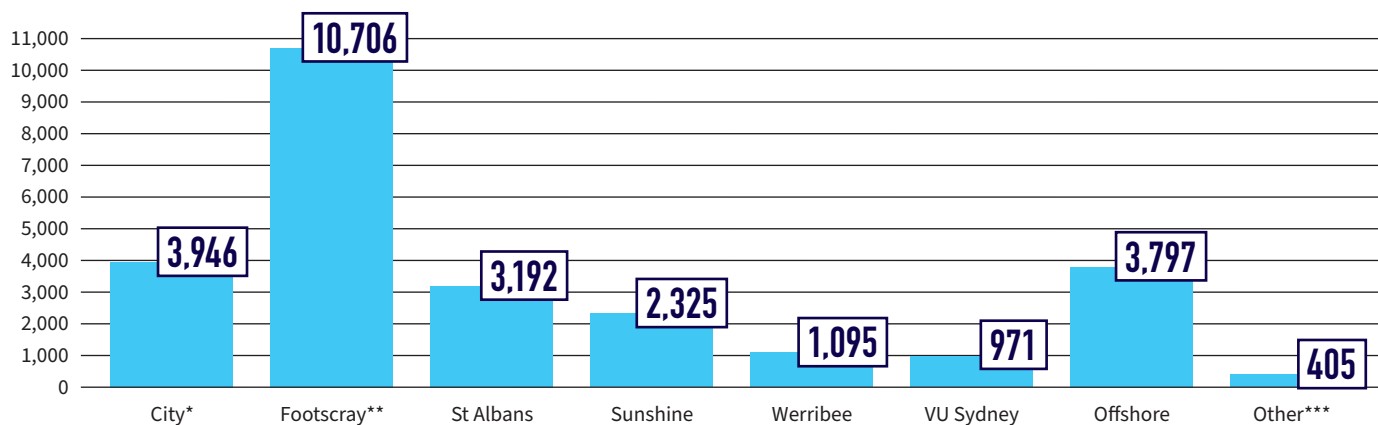
### VOCATIONAL EDUCATION



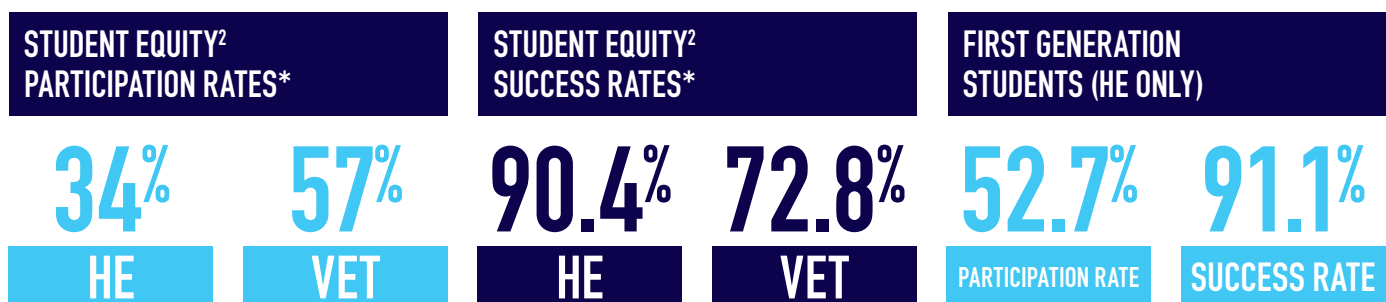




**STUDENTS BY CAMPUS (HE & VET)**



\* Flinders, Queen & King  
 \*\* Footscray Nicholson & Footscray Park  
 \*\*\* Includes distance venues, online delivery, and workplace



\*All equity groups  
 1 Includes ELICOS, VCE/VCAL and non-certificate enrolments  
 2 Aggregated measure that includes First Nations/Indigenous; Non-English Speaking Background; Disability; Low SES; Rural/Remote

# OUR OPERATING CONTEXT

## GOVERNMENT SUPPORT TO MITIGATE SECTOR IMPACTS

Provision of targeted Victorian Government investment to buffer the impacts of the pandemic were a feature of 2021. While Victorian institutions optimistically planned for the return of international students in late 2021/early 2022, this too had to evolve as the various mutations of the virus affected plans to open international borders.

During 2021, the government moved to address challenges faced through this loss of revenue via targeted funding programs such as the Victorian Higher Education State Investment Fund (more information on page 31 and 39-40). Like all institutions, VU realises its future international education business will not look the same as it was pre-COVID19 – with diversification of offer, delivery and markets now a priority.

The Federal Government focused on helping jobless workers upskill and drive an economic bounce back by offering 20,000 new places for government subsidised short courses in areas of demand. The program was challenging to implement, with the expected demand not realised for many institutions. However, the government agreed to rollover unused funds for university use in 2022.

The other significant federal initiative was the introduction of the Job Trainer Fund. This provides funding for full qualifications and short courses, based on a list agreed between the National Skills Commission and state and territory governments, with a primary focus on training in areas of anticipated employment growth.

2021 was a year defined by the ongoing impacts of COVID-19 and the University's response to it. Extended lockdowns in Victoria and New South Wales, and international border closures, halted a decade of unprecedented growth in Australia's fourth-largest export industry. Yet, at the same time, we saw the acceleration of many trends and changes already occurring in Australia's higher education system.<sup>1</sup>

The ongoing response to COVID-19 had most of Victoria University's (VU) students continuing to study virtually and our staff working from home. As Victorian Government health directions changed in response to the virus, VU continued to apply its five action principles for COVID-SAFE decision-making.

These principles have guided us through implementing vaccination mandates, encouraging booster shots and planning our safe return to campus in early 2022.

- 1 HEALTH, SAFETY AND WELL-BEING FOCUSED**
- 2 NIMBLE AND QUICK**
- 3 LOGICAL AND EVIDENCE-BASED**
- 4 HYBRID APPROACH**
- 5 SENSIBLE AND EASY TO UNDERSTAND**

<sup>1</sup> Wells Advisory (2021), Forward impact of COVID-19 on Australian higher education

# OUR STRATEGY

## 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.

### OUR VISION AND MISSION

## 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.

### OUR 2016–2021 STRATEGIC PLAN

With the transition to a new Vice-Chancellor in 2021, the original *Strategic Plan 2016–2020* was extended by 12 months to enable the development of a new one during 2021. Over the past six years, the University has focused on three strategic elements:

- Open and Excellent University
- A Transformational Agenda
- Financial Sustainability.

From 2016 through to this year, Victoria University's vision and ambition was about transformation. Transforming lives through education, transforming communities as a regional leader, transforming campuses to precincts – the list goes on. Underpinning this was our transformation from financial survival to financial turnaround. We have achieved so much, and today's VU is fundamentally different from the institution it was six years ago. The *Strategic Plan 2016–2021* has focused on continuously transforming to keep pace with the disruptive change that has framed our operating reality.

Victoria University's strong moral purpose, to *transform the lives of any student from any background and to transform our communities*, in partnership with our students and communities, was central to the *Strategic Plan 2016–2021*. The need to provide world-class education to all who wished to pursue it was also detailed in the paper *Reconceptualising Tertiary Education*, published by the Mitchell Institute in 2014 to influence higher education reforms. The argument was that we need to think about the tertiary system moving from one which included a higher education system for the intellectual elite, and a vocational education system focused on

practical skills, to one that provides a more comprehensive tertiary system for everyone.

In this time, VU truly 'practised what we preached', ensuring accessibility and transformative education opportunities. Our positioning as the university of and for the west of Melbourne was pivotal for this objective, but also extended our reach globally.

There is no doubt that the establishment of the First Year College and the VU Block Model are the most significant achievements during the period of the strategy. After five years of declining student demand, accompanied by a shift in the academic preparedness of students who enrol at VU, we needed to significantly change the way in which we met these challenges for the benefit of our students.

Six years later, VU is now seen as a leader, nationally and internationally, in the block mode of delivery with several Australian institutions now following our lead. The award-winning VU Block Model, an exceptional example of enterprise-wide transformation and pedagogical innovation, has delivered improvements in student retention, learner engagement, student achievement and satisfaction.

Over time, there were shifts in our strategy. Some necessitated by a changing operating environment but others to realise our vision - as the University of Opportunity and Success (pg 11). For example, VU has shifted from a more local and national focus towards a global orientation without losing sight of its backyard in the West, moved towards a consolidated, focused research effort, and embraced sustainability in its broadest sense.

**POSITIVE END OF YEAR RESULTS CONTINUED OVER THE PERIOD OF THE PLAN, BUFFERED BY SIGNIFICANT GROWTH IN OUR INTERNATIONAL EDUCATION OFFER. THIS HAS NOW BEEN SIGNIFICANTLY IMPACTED BY THE PANDEMIC, WITH A DECLINE IN INTERNATIONAL STUDENT NUMBERS – A CHALLENGE TO BE FACED AS WE IMPLEMENT OUR NEW PLAN.**

There has also been a significant financial turnaround during this time, driven by the implementation of the *Towards Success Program*, a suite of projects designed to ensure that we achieved our 2018 and 2020 financial sustainability targets, while also contributing to our transformational agenda. This program focused on:

- higher education performance, productivity, and staff development
- revitalising TAFE for Melbourne's West
- streamlining process and campus infrastructure efficiencies
- immediate cost containment initiatives; and
- exploring additional value generating opportunities.

2018 was the first year the University returned a positive end of year result – thanks to the hard work of its staff. Positive end of year results continued over the period of the plan, buffered by significant growth in our international education offer. This has now been significantly impacted by the pandemic, with a decline in international student numbers – a challenge to be faced as we implement our new plan.

Finally, our TEQSA re-registration in 2020, with no conditions for seven years was a fitting testament to the achievement of the three elements of our strategy and set the course for the next stage of the University's development. As we close out the previous Strategic Plan, there are many emerging opportunities as we bridge across to the new strategy in 2022. Most notably:

- industry alliances as part of our flipped campus model (industry co-located on campus)
- diversifying income, especially in research
- emerging Centres of Excellence (bringing together vocational and higher education, research, and engagement)
- greater integration of vocational and higher education; and
- scaling up the VU Block, among others.

Many of these are priorities that appear in the new Strategic Plan.

## VU VALUES

**ALWAYS WELCOMING,  
ETHICAL,  
SHAPING THE FUTURE,  
TOGETHER.**

### 2021 OPERATIONAL PLAN AND BUDGET PRIORITIES

The Strategic Plan developed in 2016 could never have anticipated COVID-19. 2021 was an important year of transition, characterised by operating in a constantly changing and unpredictable environment due to COVID-19, and the appointment of a new Vice-Chancellor.

In our second COVID-19 impacted year, we were more equipped to deal with some of the challenges (remote learning and working), but other issues emerged. New variants of the virus, vaccination anxiety and mandates, ongoing geopolitical tensions, extended closure of international borders, and the prospect of a deep recession in many countries posed risks in our operating environment. In a highly uncertain global environment for education, domestic competition was heightened.

In 2021, seven key program areas were identified in the University's 2021 Operational Plan. These acknowledged the constantly changing and unpredictable pandemic landscape, and the opportunities that emerged from it. The program areas were:

1. Doing Dual Differently
2. Turbocharging VU Online
3. Activating the City West Campus
4. Amplifying the West
5. Unleashing a New Level of Indigenous Achievement
6. Maximising Research and Engagement with Impact
7. Leading the Way with Planetary Health.

Importantly, these key program areas were consistent with the capabilities and investments required in the future, acting as a bridge between the outgoing *Strategic Plan 2016-2021: The University of Opportunity and Success* and the new *Strategic Plan 2022-2028: Start well, finish brilliantly*. They set the foundations for VU to 'build back better' in a post-pandemic environment.

Key highlights, from reporting against these priorities, include:

- Identified a small number of combined HE/VE offerings, ready to go, with 'earn as you learn' capability. One example includes an innovative delivery model for paramedicine, an area of skilled shortages nationally. The model was in development throughout 2021 and will operate out of the Sunshine Skills Hub, in partnership (and co-located) with Ambulance Victoria.
- VU Online met and exceeded its targets, doubling enrolments and extending its offer from five courses to 12.
- Finalised an exciting new partnership with HESTA.
- The launch of all four Innovation Hubs, funded by the Victorian Higher Education Sustainability Fund.
- Explored new opportunities to diversify our international education models of delivery and markets.
- Delivered our *Net Zero Plan*, completed in conjunction with our environmental consultants Arup.

### 2021 FINANCIAL PERFORMANCE

In 2021, VU continued to manage the uncertainty and financial impacts of COVID-19. To maintain the health and wellbeing of our communities, the University adhered to Government requirements and public health advice. This meant that, for a second year, on-campus learning was limited, and border closures prevented international students from entering the country. Staff also continued to work from home for the majority of 2021.

Despite budgeting for a deficit at the beginning of the year, we achieved a small operating surplus in 2021. The Consolidated Net Operating Result is \$1.3M or 0.3% of revenue. The University's (and its subsidiaries) underlying result is a \$16.3 million deficit, compared with \$3.5 million in 2020 (excluding capital grants, capital donations, loss on asset sales and investment income).

The University experienced a continued decline in revenue, by \$9.8M or 2%, primarily due to the reduction in international enrolments, with impacts expected to continue to be felt in 2022 and 2023. This was offset by additional Commonwealth Revenue and Investment Income in 2021.

In addition, we continued to focus on expenditure management delivering a 1% (\$5 million) reduction, primarily due to reduced staff expenditure from previous reform in 2020 and lower costs associated with COVID-19 restrictions (such as travel and energy).

The University and its subsidiaries grew its net asset position to \$1,071.0 million (2020: \$1,019.1 million) with the sale of the Maidstone Site (former Student Village).

During 2021 we invested \$73M in capital to deliver on Victoria University's Capital Masterplan and Digital Futures Program to ensure the vibrancy of its learning offerings in a world where students' expectations have changed.

We finished the year with a strong cash position (including the highly liquid managed funds), with an incremental increase of \$89 million on the 2021 closing balance and no need to access the additional loan facility negotiated in 2020.

As we head into 2022, VU is focused on maintaining and growing its financial sustainability in a COVID-19 recovery environment.

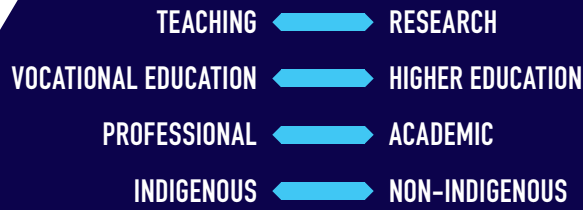
## ETHICAL MODEL

Protecting Country,  
planetary health, sustainability

# ONE VU

## CURRICULUM MODEL

First Year College,  
VU Block Model,  
doing dual  
differently



## OPERATING MODEL

Flipped campus,  
industry,  
employability



**CREATIVE IDEAS AND ADAPTABILITY IN A SUSTAINABLE MANNER WILL BE AT THE HEART OF THE UNIVERSITY'S FUTURE. EMBEDDED IN THIS ARE NEW WAYS OF WORKING, IDENTIFYING AND SEIZING OPPORTUNITIES IN A TIMELY MANNER, AND ALIGNING ALL PARTS OF VU INTO A COHERENT, INTEGRATED, AND SEAMLESS WHOLE – ONE VU.**

**OUR NEW STRATEGIC PLAN**

For VU, the future is laden with rewarding opportunities – building on our tradition of excellence, opportunity, and inclusiveness; strengths of dual sector and skills training; the successful VU Block Model; cutting edge applied and translational research addressing contemporary challenges; and our wide and deep connections to communities and industry in the west of Melbourne and beyond.

Creative ideas and adaptability in a sustainable manner will be at the heart of the University's future. Embedded in this are new ways of working, identifying and seizing opportunities in a timely manner, and aligning all parts of VU into a coherent, integrated, and seamless whole – One VU.

Reflecting upon what has been achieved in the past six years and building on the core strengths that characterise the University, a new vision for the next chapter of VU started to emerge, as we developed our next Strategic Plan.

**OUR NEW VISION IS**

**TO BE A GLOBAL LEADER IN DUAL SECTOR LEARNING AND RESEARCH BY 2028**

**THE NEXT SEVEN YEARS FOR VU**

Our path for the next seven years was laid out when we released the *Strategic Plan 2022-2028: Start well, finish brilliantly*. The new Strategic Plan was released in August, and was developed in a highly collaborative, iterative, and incremental way. We approached it differently for many reasons, the most obvious being that we were in the second year of a global pandemic – and this shaped a different, regenerative strategy for the University.

Looking forward, we are ready to embrace our future and take it to the next level in a more bold and aspirational way than our last Strategic Plan has allowed us to do.

This will be achieved through five strategic drivers – which, along with the vision, will guide every decision we make, empower us to be progressive, and define what makes VU distinctive.

There are three key elements of the new *Strategic Plan 2022-2028*:

- Fully realising our strengths as a dual sector university by integrating vocational and higher education in a concurrent way, that addresses the skills and workforce needs for our career focused students.
- A 'Flipped Campus' approach, bringing like-minded and ethical industries onto and into the core of each VU campus, to enhance employability and create deep alliances and synergies between university and industry.
- The integrative underpinning of Protecting Country throughout the research and operations of the University, with Indigenous-led cultural, social and climate solutions.

All three – taken together – define the VU of the next strategic period.

The full version of the *Strategic Plan 2022-2028: Start well, finish brilliantly* can be accessed at [www.vu.edu.au/strategic-plan](http://www.vu.edu.au/strategic-plan).



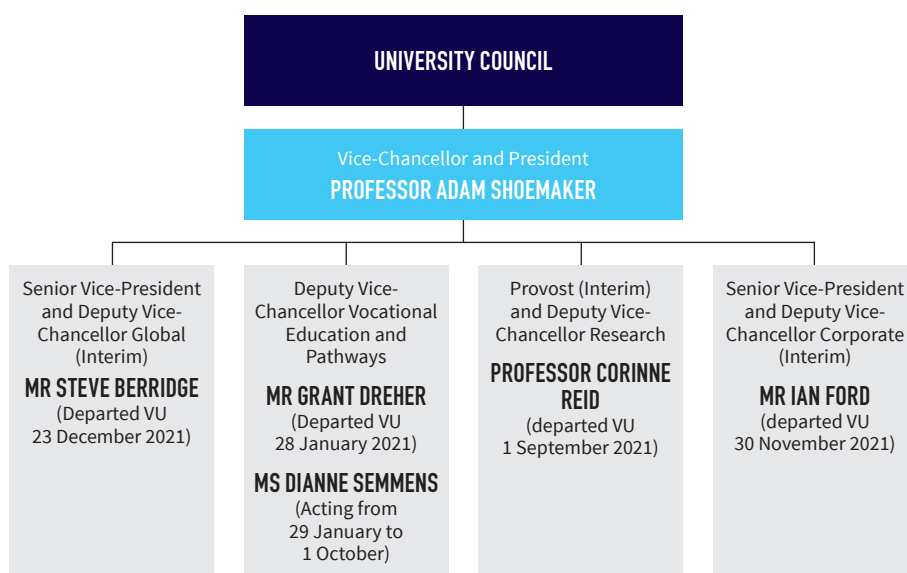
# ORGANISATIONAL STRUCTURE

With the approval of the new *Strategic Plan 2022-2028*, the Vice-Chancellor undertook a review of the executive structure to design a contemporary organisational framework that enables the University to deliver on our medium-term strategy.

In the second half of 2021, Council approved the new executive structure and recruitment to the six new roles was concluded by the end of the year.

## 2021 EXECUTIVE TEAM

The following organisational chart depicts the Vice-Chancellor's Executives in 2021 (for the majority of the year).



With the departure of Professor Corinne Reid as Provost and Deputy Vice-Chancellor Research, the following staff reported directly to the Vice-Chancellor from 1 September to 31 December 2021:

**Professor Greg Baxter**

Senior Associate Provost (Interim) and Structure Transition Lead

**Ms Naomi Dempsey**

Pro Vice-Chancellor Students (Interim)

**Professor Stephen Gray**

Associate Provost Research Institutes and Centres (Interim)

**Ms Karen Jackson**

Executive Director Moondani Balluk (Interim)

With the departure of Mr Ian Ford as Senior Vice-President and Deputy Vice-Chancellor Corporate, the following staff reported directly to the Vice-Chancellor:

**Professor Richard Constantine**

Vice-President Resources and Risk

**Ms Kym Bakaric**

Executive Director Human Resources (Acting)

**Ms Cynthia Hanley**

Chief Financial Officer (Interim)\*

\*Until Ms Lucy Franzmann commenced as Chief Financial Officer on 13 December 2021



**NEW EXECUTIVE TEAM**

COMMENCED IN DECEMBER 2021:

COMMENCED IN JANUARY 2022:



**DIANNE SEMMENS**

Deputy Vice-Chancellor  
Vocational Education  
(commenced 1 October 2021)



**WADE NOONAN**

Deputy Vice-Chancellor  
External Relations and Partnerships  
(commenced 6 December 2021)



**PROFESSOR ANDY HILL**

Deputy Vice-Chancellor  
Research and Impact  
(commenced 17 January 2022)



**PROFESSOR JOHN GERMOV**

Deputy Vice-Chancellor  
Higher Education  
(commenced 6 December 2021)



**LUCY FRANZMANN**

Chief Financial Officer  
(commenced 13 December 2021)

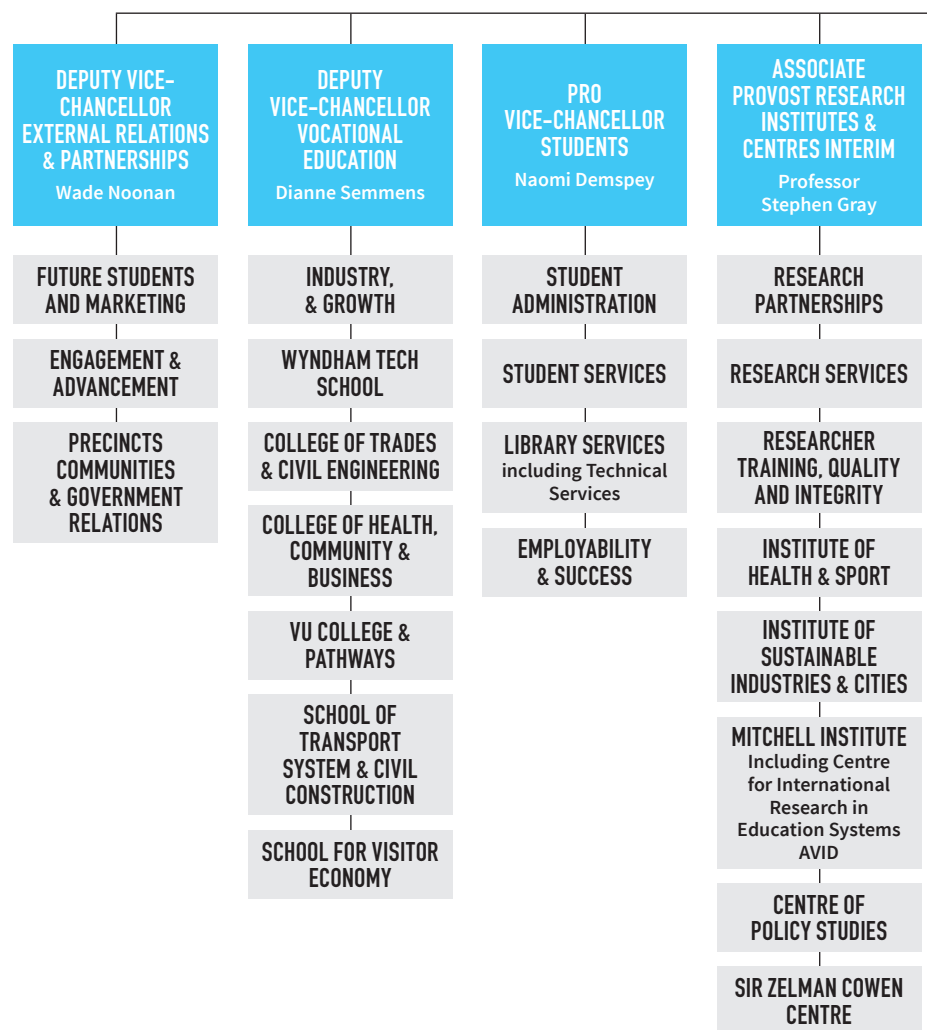


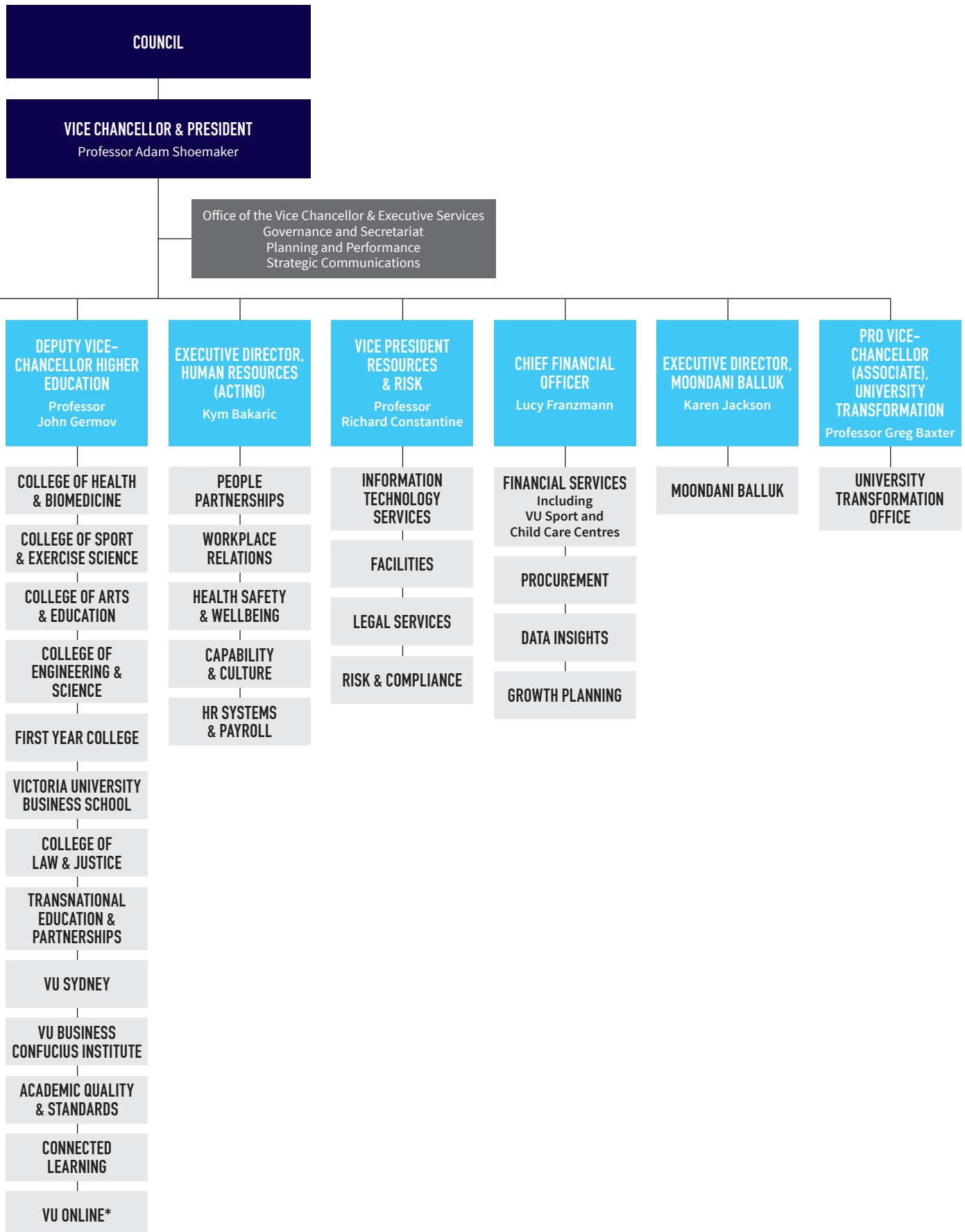
**PROFESSOR PETER RADOLL**

Deputy Vice-Chancellor  
People and Organisation  
(commenced 31 January 2022)

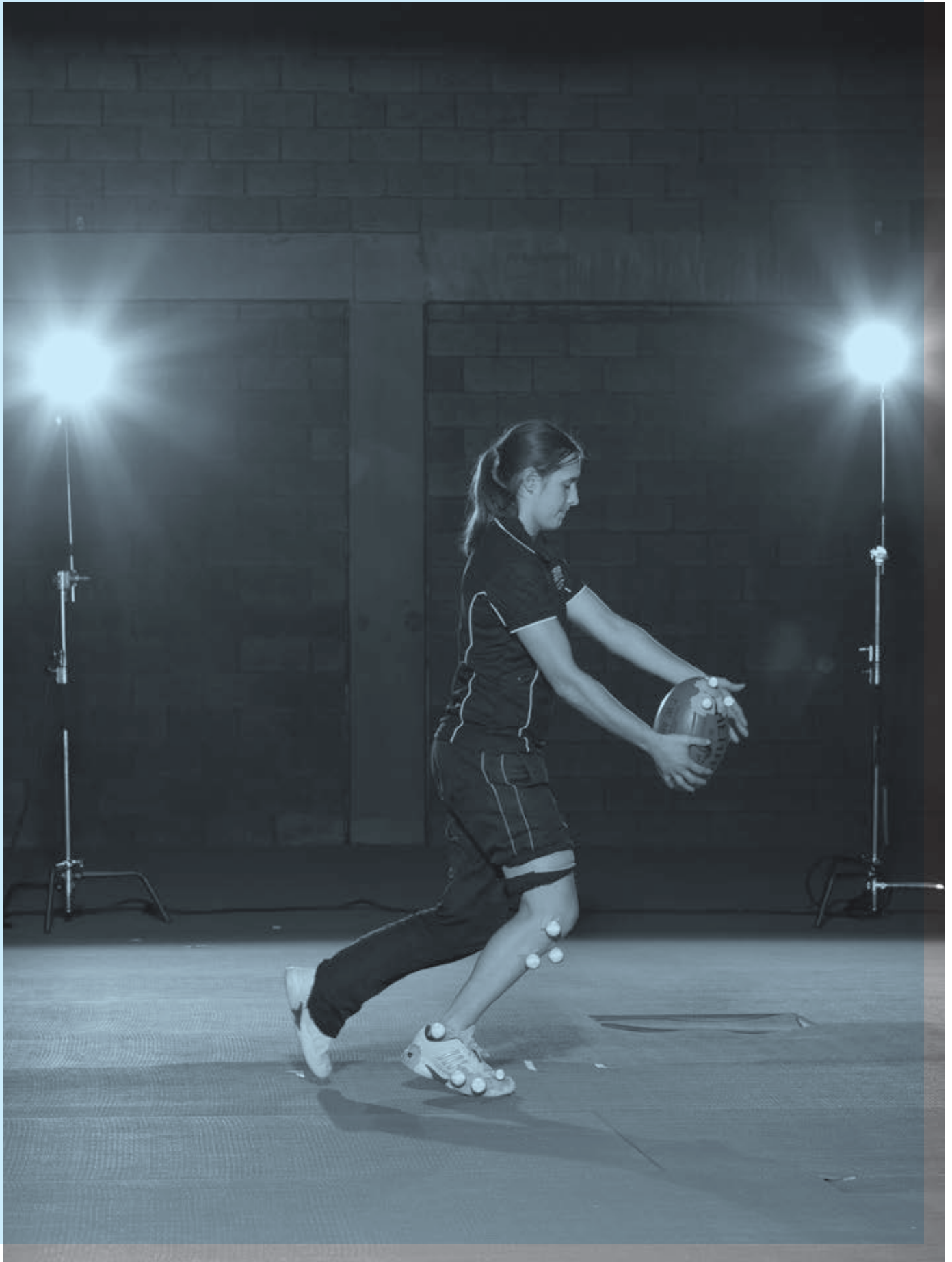
# TRANSITION ORGANISATIONAL CHART

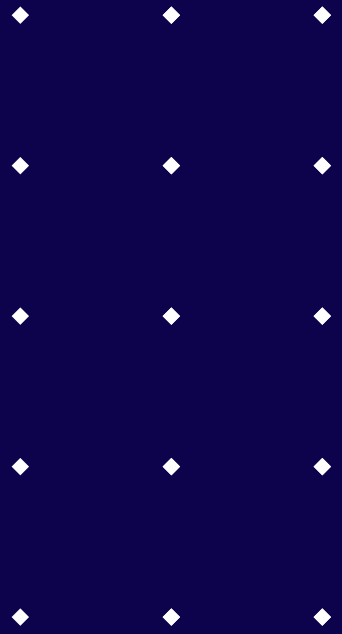
The following chart depicts the University structure as of 31 December 2021.





\*Wholly owned subsidiary





VU is one of only six universities in Australia to offer courses in both vocational and higher education.

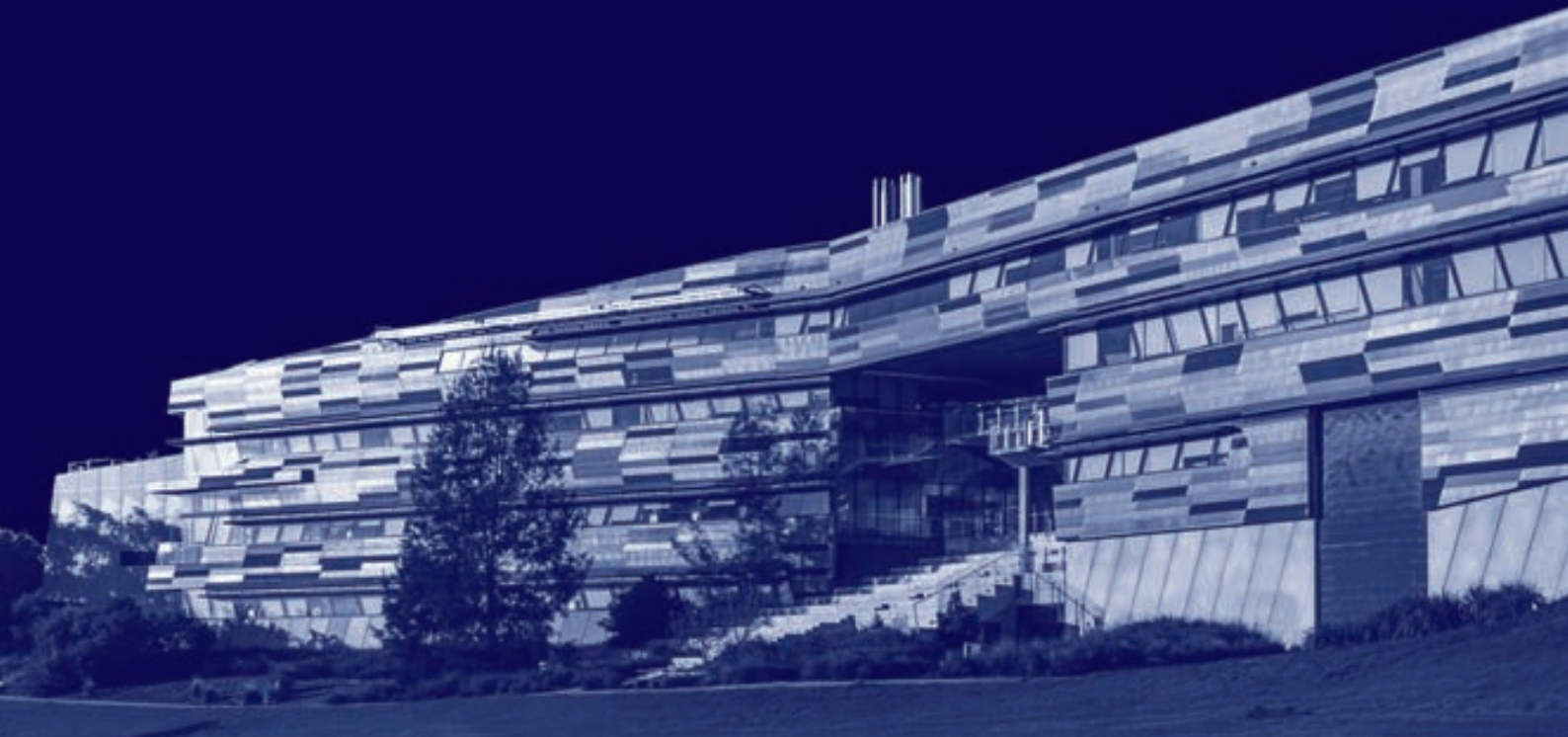
We are proud to be a student-centred university.

We operate as One VU, meaning that outside of the university we showcase our distinctiveness (in our ethical model, our curriculum and our operations); and internally we work together in mutual respect and equality.

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## OUR OPERATIONS

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# THE YEAR IN NUMBERS

## VICTORIA UNIVERSITY'S REPUTATION GREW

**#1 UNIVERSITY  
IN AUSTRALIA**  
for **Employability**  
(2021 Employer  
Satisfaction Survey)

**TOP 2% GLOBALLY**  
(THE World University  
Rankings 2022)

**63<sup>RD</sup>  
IN THE WORLD**  
(THE Young University  
Rankings 2021)

**1<sup>ST</sup> IN AUSTRALIA**  
and 10th globally for **Peace,  
Justice and Strong Institutions**  
(THE Impact Rankings 2021)

**8<sup>TH</sup> IN AUSTRALIA**  
for **quality education**  
(THE Impact Rankings 2021)

**1<sup>ST</sup> IN VICTORIA  
AND 3<sup>RD</sup> IN AUSTRALIA**

for **learner engagement**  
(Good Universities Guide 2021 and  
2021 QILT Student Experience Survey)

**9<sup>TH</sup> GLOBALLY**  
for **sport education**  
(Shanghai Rankings 2021)

## AWARDS WON



**VU BLOCK MODEL**  
WINNER  
2021 AFR HIGHER  
EDUCATION AWARDS  
TEACHING & LEARNING  
EXCELLENCE



**VU ONLINE**  
WINNER  
2021 LEARNX  
PLATINUM AWARD



**VU POLYTECHNIC**  
WINNER  
2021 LEARNX  
PLATINUM, DIAMOND  
& GOLD AWARDS



**VU CYBER**  
WINNER  
CYBER SECURITY  
OUTREACH PROGRAM  
OF THE YEAR

**5.86%**  
INCREASE

in social media  
audience (YoY)

**16%**  
INCREASE

in website visitors (YoY)

**2,240**  
MEDIA MENTIONS

with a 4.4 Media Impact  
Score (positive)

## MORE INTERESTING NUMBERS



**270,078**  
ACTIVE ALUMNI



**1,125** NUMBER  
OF UNITS  
BLOCKED



**83%** AVERAGE  
FIRST YEAR  
UNIT PASS RATE



**115.5%** YoY  
ENROLMENT  
GROWTH VU ONLINE



**\$34.6 MILLION**  
RESEARCH INCOME



**\$9.1 MILLION**  
PHILANTHROPY PLEDGES

# LEARNING AND TEACHING

- VU College
- Two cross-university schools
- Wyndham Tech School.

## FIRST YEAR COLLEGE

VU is the only university in Australia to have a college dedicated to guiding students as they make the well-recognised difficult transition to university. It is steered by a team of specially trained educators and learner-focused curricula, allowing students to gain the skills, motivation and confidence to excel beyond their first year.

In February 2021, the First Year College was announced as the winner of the 'Innovation in Curriculum Design and Pedagogy Practice' 2020 Australian Award for University Teaching (AAUT) by Universities Australia. With average pass rates of first-year units increasing from 78% in 2017 to 83% in 2021, and improvement for students from low equity groups, the First Year College has shown astounding and sustained success. The 2020 AAUT Award, determined by an independent panel of expert academics, recognised these results on a national scale.

Pivotal to the College's success is Victoria University's Australian-first Block Model that delivers units one at a time in intensive four-week blocks.

## VU BLOCK MODEL

The VU Block Model has involved a significant, University-wide effort over many years, and staff and students continue to contribute to its success and evolution. This effort was recognised in 2021 at the Australian Financial Review Higher Education Awards, with the VU Block Model winning the 'Teaching and Learning Excellence' category.

VU was bold in introducing the Block Model but it has paid off. It is now multi-award-winning, has seen a marked increase in student retention, grades and satisfaction rates, and is being integrated across all VU courses and levels. Eleven universities in Australia, Southeast Asia and the United Kingdom are consulting with us about the VU Block Model.

Early 2021, an external review of the VU Block Model was commissioned by Victoria University's Academic Board. This was strongly encouraged by TEQSA during

our 2020 TEQSA reaccreditation process, to continue to innovate and strengthen the quality of the VU Block Model. The mid-year release of the *Interim Review of the Block Model* puts a clear onus on the Academic Board to nurture and protect this transformative approach to learning and teaching that VU staff have adapted and developed together. At the same time, it validates in great detail our belief that the VU Block Model is a world-leading way to educate.

The review strongly commended the University on the significant achievement of implementing the VU Block Model across undergraduate and postgraduate units – creating a new model that supports student learning and success. It sets out reasons to be very confident that we can establish a global reputation for the VU Block Model, and the First Year College.

## COLLEGE HIGHLIGHTS

Despite the ongoing challenges presented by COVID-19, Victoria University's higher education colleges have been able to focus and deliver on a range of objectives throughout 2021, ensuring that the student experience was as optimised as possible. The VU Block Model, allowed our students to study safely in-person, or online in real-time classes and via self-paced activities.

The College of Health and Biomedicine developed innovative methods within government guidelines to progress students in our heavily practical skills courses, and manage both internal and external placement requirements. Pleasingly, the College launched two further combined undergraduate/postgraduate qualifications in physiotherapy and nutrition/dietetics and supported the launch of the VU Online courses in Masters of Public Health and Masters of Nursing,

In an Australian first, students from the College of Law and Justice took dispute resolution and mediation lessons to the next level by working closely with Relationships Australia Victoria (RAV) professionals. RAV is a community-based, not-for-profit organisation offering families and couples a wide range of support services. Victoria University's first year law and justice students and RAV have developed a unique online program focusing on the role of dispute resolution and the preparation of legal documents.

Victoria University's (VU) educational structure comprises six discipline-based higher education colleges and the First Year College, and Victoria University's vocational education provider, Victoria University Polytechnic.

## HIGHER EDUCATION

Discipline-based colleges structured around the University's distinctive specialisations and areas of expertise.

- College of Health and Biomedicine
- College of Sport and Exercise Science
- College of Arts and Education
- College of Engineering and Science
- Victoria University Business School
- College of Law and Justice
- First Year College

## VOCATIONAL EDUCATION

VU Polytechnic, the University's TAFE division, offers contemporary vocational education and applied industry relevant programs.

- College of Trades and Civil Engineering
- College of Health, Community and Business

## LEARNING AND TEACHING

The College of Sport and Exercise Science launched the six-month Graduate Certificate in Data Analytics for Sport Performance for sport industry professionals looking to upskill in a high-demand discipline, the only qualification of its kind in Victoria.

In a great collaborative exercise, the VU Business School and VU Polytechnic were successful in a grant application to the Australian Taxation Office to open a National Taxation Clinic. The clinic offers a range of general services including pro-bono advice, representation and advocacy to unrepresented tax payers, catering to the specific needs of its catchment communities.

### VU POLYTECHNIC

VU Polytechnic was exceptional in managing their response to COVID-19. Addressing the national skills shortage, the Polytechnic has prioritised the development, promotion and delivery of short courses, skill sets and micro-learning to assist with further study, employability, workforce needs and COVID-19 recovery. One example is the creation of additional student placement opportunities with Yooralla, in an attempt to address the number of disability support worker shortages.

VU Polytechnic also launched the highly successful 'Skills and Careers: Your Way' program, designed for cohorts most affected by the COVID-19 pandemic, with a particular focus on women, looking to get back into the workforce or change their careers. Participants were connected with industry specialists such as WomenCan Australia, Victorian Rail Advocate, Q1 Medical and Metricon Homes. The program included mentoring sessions and workshops with leaders, to further their skills and job readiness. Upon completion of the program, all participants were contacted by VU Polytechnic's Skills and Jobs Centre and invited to attend a 1:1 career or course counselling session to identify next steps and help guide them. With the success leading to further online iterations (see page 34), over 30 women have successfully completed the program to date.

The hard work of the VU Polytechnic's Course Development and Design Department was recognised at the 2021 LearnX Awards, placing in all eight of their

## CASE STUDY: MICRO-CREDENTIALS/SHORT COURSES

The First Year College and VU Polytechnic partnered up in 2021 to deliver three joint short courses for College students to enhance employability options and earn-while-they-learn:

- Introduction to the National Disability Insurance Scheme
- First Aid Paramedicine Students
- First Aid for Allied Health Students.

Due to its success, other short courses and micro-credentials have been identified and planning is underway to run them in 2022.

This project fostered deep collaboration between the First Year College and VU Polytechnic, and more opportunities for our students will emerge from this strengthened relationship. This demonstrates our commitment to doing dual differently – that is, bringing together offerings from the Polytechnic and Higher Education in the same space and time, ensuring our students get the full benefit of studying at a dual sector University.

submitted categories and achieving two Platinum Awards (the highest honour), four Diamond and two Gold. Since 2017, VU Polytechnic have consistently been acknowledged by the LearnX Awards – clear evidence of their reputation as a leader in the design of quality online learning models and systems.

### WYNDHAM TECH SCHOOL

The Wyndham Tech School continued to provide a unique experience for over 24,500 students from 34 secondary schools across Wyndham and Hobsons Bay. Immersing students in advanced technologies, the Tech School opens minds to new, future-focused careers.

In 2021, the Tech School established a professional esports arena - an Australian first - to teach students about the growing professional video gaming industry. Bolstered by government funding, the facility gives practical experience in esports entrepreneurship, development, content creation, cybersecurity, and participation opportunities in interschool esports competitions and events.

A core feature of the Tech School is a regular calendar of events providing students, teachers, and the community access to inspiring young people, business leaders, VU researchers, and networking opportunities. One example is Girls CAN, a series of events focused on niche manufacturing, physics,

and systems engineering. Other events covered the future of work, curriculum design thinking, and an 8-month student leadership program.

### PREPARING FOR ASQA REGISTRATION

The Australian Skills Quality Authority (ASQA) re-registration preparation for VU Polytechnic is progressing well, and there has been a substantial amount of work undertaken. This includes:

- a focus on improving VET assessments and Training and Assessment Strategies with the support of independent and internal audits
- an extensive staff compliance training program (over 1000 staff completed in 2021)
- feedback to and governance from ASQA Re-Registration Steering Committee portfolio areas
- intensive work with People and Culture to ensure a secure, central and accessible site for digital storage and retrieval of TAFE teaching staff documentation.

### VU ONLINE

The turbocharging of VU Online proceeded at rapid pace, increasing its postgraduate offers from five courses to twelve. Enrolments grew by 115.5% over the previous year, with 963 students enrolling



into VU Online's Business, Finance, Change Management, Public Health, and Nursing Masters degrees and Graduate Certificate courses.

Since it commenced delivery in September 2018, VU Online has reduced postgraduate attrition to 21% and in its oldest and largest course (the MBA) the transition rate from the Graduate Certificate to the Master's degree stands at 76.5%, with more than 150 graduates electing to undertake further study with VU Online. Additionally, VU Online has achieved high rates of unit continuation (87%), completion (91%) and progression (76%).

VU Online's solution-focused approach to online learning positions the University as leaders in the field of online education. As evidenced at the 2021 LearnX Awards, where VU Online received four Platinum awards for:

- Best Learning Model – Online for 'VU Online's Postgraduate Block Model', which includes highly responsive student support provided by academic experts in each unit 7 days a week'.
- Best eLearning Design – Agile for VU Online's Learning Design Team's 'Agile approach to eLearning design'.
- Best eLearning Design – Micro/Bite Size (with Moondani Balluk) for the FutureLearn short course titled, 'Introduction to providing Culturally Safe Care for Aboriginal and Torres Strait Islander Peoples'
- Best Talented Team (with Keypath Education and LINC Education) for the 'Public-private partnership to transform the provision of university online education'.

## VU SYDNEY

In the face of continued pressure on student numbers with international borders closed due to COVID-19, VU Sydney developed a set of action plans. At the core, was a desire to diversify the offerings to students and the student cohort.

The first was the approval of nine new courses for delivery at the VU Sydney Campus, including three postgraduate business courses, one undergraduate IT course, and five of the Federal Government sponsored graduate or undergraduate

certificates. At the same time, these postgraduate courses were all approved for delivery to domestic students.

Next came a huge collaborative effort between VU Sydney and VU staff from domestic admissions, marketing, brand and communications, to get to market quickly a campaign that VU Sydney was open for business for local students. The campaign set a strong foundation to continue building on raising awareness of VU Sydney in the domestic market.

## INTERNATIONAL EDUCATION

VU has developed a significant international footprint across a broad range of education, research and engagement dimensions. These include large numbers of inbound international students to Melbourne and Sydney and a wide range of international collaborations with overseas institutions. We are also one of the largest providers of Australian qualifications outside of Australia. We pioneered transnational education partnerships in Asia, first delivering VU qualifications in Asia more than 20 years ago.

COVID-19 has had a major negative effect on student flows to VU in Melbourne and Sydney and overall international revenue (offshore and onshore) dropped again in 2021. While originally optimistic, the anticipated return of a small number of international students became less likely as the year went on and multiple COVID-19 variants emerged.

In 2021, to meet the challenge in the short-term, VU implemented a range of COVID-19 mitigations (alongside our strong core student recruitment capabilities). These were captured under five priorities:

1. **Support our current international students.**
2. **Successfully compete for international students already in Australia.**
3. **Diversify our Sydney operation to include a domestic student base.**
4. **Maintain our readiness and advocacy for a return of international students from offshore.**
5. **Ensure the business continuity of our current international partnerships, including TNE.**

However, while it is expected that demand will return when borders reopen at scale, it will take us some years to recover our 2019 levels of onshore students given the multi-year nature of most of our courses. As a result, VU has explored 'recover and grow' opportunities which focus on diversifying our international models, markets, products and partnerships, to meet inevitable future demand and manage the risks of future shocks.

We have a great opportunity to grow new collaborative opportunities outside our core Melbourne campuses, both nationally and internationally. In 2021, Council approved new major priorities which will require activation through partnerships with external parties, extend our existing international student delivery partnerships and models in new ways, and develop a number of new ones, especially in the online learning space. Our strong track record in international student delivery partnerships gives us a great platform on which to take such an approach.

## TRANSNATIONAL EDUCATION PARTNERSHIPS

While many Australian universities, including VU, continued to be heavily impacted by Australia's closed international borders and declines in their international student revenue during 2021, Victoria University's longstanding transnational education partnerships in China, Malaysia, Sri Lanka and India continued to operate successfully. We even achieved some growth in China, with additional enrolments approved by the Chinese Ministry of Education for our program with Central University of Finance and Economics. With increased enrolments, 2021 revenue from our offshore programs also grew by close to \$1M to \$13.6M over the year.

Establishing a global footprint for the VU Block Model is in train, with planning and implementation for our Malaysia programs to transition from semester mode to VU Block Model in 2022 well underway.

# SUPPORTING STUDENT SUCCESS

Our students are, and always will be, at the core of everything we do.

## NUMBER ONE FOR EMPLOYABILITY SKILLS

Results released in 2021 from the country's most comprehensive survey of employer satisfaction, the government funded 2020 Employer Satisfaction Survey, employers ranked graduates of VU as having the most employable skills in Australia.

In addition to taking out the top gong nationally for employability skills at 92.8%, we ranked second in Australia for adaptive skills and collaborative skills, and third in Australia for foundation skills.

Our staff should also be commended and congratulated, as this is the second year in a row that they have delivered this fantastic result.

## STUDENT EXPERIENCE SURVEY

VU is now the third highest-ranked university in Australia for learner engagement and fifth highest for skills development, according to the 2020 Student Experience Survey (SES) (results released in early 2021).

The strong results also show that VU improved its standing in Teaching Quality in 2020 compared to 2019, at a time when the vast majority of other Australian universities showed declines.

The SES is the only comprehensive survey targeting how satisfied current Australian students are with their student experience, and was undertaken during the height of the COVID-19 pandemic.

These results clearly prove that the VU Block Model can quickly pivot and provide a high engagement online learning experience for our students and that our First Year College is flexible and able to keep our students connected in a dynamic environment.

## VU GUARANTEED

Our early entry program VU Guaranteed (VUG) was once again successful in enabling VCE students to secure their place at VU or VU Polytechnic ahead of their VCE exams in 2021. Our student ambassadors ensured that there was ongoing engagement throughout the year with participating schools.

After a second year of lockdowns and home-schooling, VUG provided students with a sense of security and alleviated their anxiety. Over 2,700 students were accepted into the program, a 19% increase in application numbers compared with 2020. The courses which saw the biggest increases in 2021 were accounting, finance and business (+32%). Our VTAC offer numbers to VUG students also increased, with 670 being made an offer in Round 1 compared with 620 in 2021.

2021 saw the introduction of a new initiative with the planting of a native tree for every student who applied to the Program. The planting occurred at our St Albans Campus and was delivered in conjunction with Moondani Balluk and Iramoo Grassland Centre and Nursery. Certificates of appreciation were sent to all participating schools. VUG student Isabelle Day said for her and many other students, the project feels personal, "being able to see your university encapsulate a shared vision for change in our climate condition and promote a better future for my generation of students and the world is inspiring".

## SUPPORT DURING COVID-19

A number of initiatives were rolled-out in 2021 as part of Victoria University's ongoing commitment to support our students during the COVID-19 pandemic.

The Student Support Fund distributed \$110,650 to 252 students in 2021. These funds are crucial to hundreds of students who are still not working or cannot access government support. The VU Thrive scholarship program was also launched under the Student Support Appeal and provides emergency support funding to students with a range of fundraising activities activated throughout the year.

VU also provided a number of specialised COVID-19 support services. These included:

- Student Life partnering with SecondBite, a local not-for-profit organisation to provide free, healthy frozen meals for students.
- Student counselling working in partnership with our International Student Advisors (ISA), Victoria University Student Association (VUSU) and Victoria University Postgraduate Association (VUPA) to provide 'Coping with COVID Together' weekly group sessions.
- Worked with the Victorian State Government and their appointed travel agency to bring international students back to Victoria through the International Student Arrivals Plan
- Promoted and referred international students to the range of additional supports and programs provided by Study Melbourne
- Raised awareness of the State Government Rental Relief Grants offered to eligible international students who experience rental hardship due to COVID-19.
- Ongoing wellbeing check-ins with international students performed by our ISA and Student Support team.
- Regular series of communication campaigns focused on support and solidarity (particularly for crisis situations eg India), with information on localised support services.

## CASE STUDY: ACADEMIC CREDIT AT OFFER PROJECT

Victoria University is the first institution in Australia to roll out the cutting-edge Universities Admissions Centre (UAC) Advance credit management system. UAC Advance offers an innovative suite of solutions, which will enable current and prospective students to make immediate, well-informed decisions on their study options and will encourage them to choose VU.

One third of university applicants seek academic credit, at some point in their student journey. But this process is commonly plagued by inconsistency of decision-making, poor integration, and limited tracking and reporting functionality. UAC Advance overcomes these obstacles through integration with existing admissions, student management and enquiry tools. High levels of automation and verification of prior learning direct from source enables credit-at-offer and ensures consistent outcomes with an efficiency far greater than manual credit assessment.

This project will address a number of institutional, student and staff pain points in relation to academic credit. The key outcome is to build an advanced credit management system, and late 2021, we delivered our first major solution, a credit calculator. This feature offers students a quick and easy real-time calculation of academic credit available to them at VU, in just a few simple steps.

The launch of the online credit calculator is just the first step in transforming the way we assess and award credit at VU. Next year we will launch a new credit precedent database and a digital credit assessment tool – these additions will allow us to quickly grow the number of credit options available to students via the online credit calculator, further enhancing its effectiveness.

- Wellbeing services developed and offering a series of workshops and support groups for students that focus on self-care and coping mechanisms to deal with trauma, grief and feelings of helplessness.
- The refreshed *Student Mental Health Strategy 2018-2021* extending the course of action VU needs to take in 2021 to continue to be an agile mentally healthy university that promotes, protects and supports the mental health of students in a COVID-19 environment.
- On campus provision of services to support students who remain on campus studying, have particular access or support needs, or who require safe places to study and learn remotely with adequate equipment.

### STUDENT RETENTION

Through a strong collaborative and collegial approach to positively impacting the student experience and retention, the first year of our new enterprise-wide retention plan was implemented.

This included predictive modelling and analytics to inform a range of proactive student intervention campaigns, aimed at targeting and supporting students who may have disengaged with their studies at various stages of their course.

As well as this, a refreshed *Student Retention Policy* was developed and published with an emphasis on the links between student retention and student experience, academic and social support, student success and career development and opportunities.

Interim mid-year internal data showed a small decline in year-to-year student retention rates in 2021, however this must be considered in the context of 2020 being the highest mid-year rate since 2014, and the extended impact of COVID-19 on students' motivation and capacity to succeed. The 2021 interim data is higher than 2019 (pre-COVID) and has improved incrementally every year since 2016.

## OUR PHYSICAL AND VIRTUAL LEARNING ENVIRONMENTS

VU provides a student-centred and active learning experience, which was demonstrated in 2021 with our staff and students navigating their way through restrictions and ever-changing requirements to ensure that study was not interrupted. Our blended learning model continued to thrive, as well as an injection of on-campus activity. Authorised groups of VU staff and students frequented campuses as part of sanctioned activities and duties, such as VU Polytechnic groups undertaking practical assessments, clinical health staff and students, research staff and students where lab activities could not be undertaken remotely, and more. All learning activity that was authorised to be delivered on campus continued to be run under strict COVID-19 safe practices.

Our excellent campus spaces – our lecture theatres, workshops, laboratories and classrooms – have translated into the virtual world. The VU Block Model creates a shift from using lectures to transmit content and exams and lengthy essays to assess the learning process, with the online space as an extension of classroom activity rather than a static repository of resources.

In the VU Polytechnic, our interactive e-learning models replace paper-based theory with a combination of face-to-face teaching and user-friendly e-learning tools that can be completed anytime, anywhere. We have refined and adapted our innovative learning models for a number of years, and won awards for our e-learning modules, learning design team, and learning model development in 2021, 2020 and 2019.

## STUDENT DATA

## HIGHER EDUCATION

STUDENT ENROLMENTS AND LOAD	2019	2020	2021
Number of Students – Total <sup>1</sup>	28,412	28,585	28,290
Number of Students – CSP, Undergraduate, Domestic	13,195	13,895	14,273
Load (EFTSL <sup>2</sup> ) – Total	21,235	21,132	19,956
Load (EFTSL) – CSP, Undergraduate, Domestic	10,198	11,050	10,775
MAJOR FUNDING GROUP (EFTSL)	2019	2020	2021
Australian Fee Paying	531	548	520
Domestic Tuition Fee Exempt	2	1	0
Exchange	39	18	0
Government Funded	11,093	12,028	11,991
International Offshore	3,772	3,782	3,808
International Onshore	3,101	2,702	2,064
International VU Sydney	2,324	1,605	970
No Fund Group	12	2	12
Research Training Program	286	285	263
Victoria University Online	77	162	329
COURSE CATEGORY (EFTSL)	2019	2020	2021
Undergraduate	15,816	16,430	15,760
Postgraduate Coursework	3,609	2,905	2,461
Sub-Bachelor	1,146	1,207	1,264
Research	455	430	382
Non-Award	209	160	90
HOME RESIDENCE – WESTERN MELBOURNE REGION <sup>3</sup> (EFTSL)	2019	2020	2021
Western Regions	6,265	6,598	6,359
Other Regions	6,940	6,735	6,702
Overseas	7,910	7,664	6,792
Not Available	121	135	104
CAMPUS LOCATION (EFTSL)	2019	2020	2021
City	3,753	3,808	3,315
Footscray	8,570	8,701	8,521
St Albans	2,661	2,760	2,575
Werribee	47	66	113
VU Sydney	2,325	1,605	971
Victoria University Online	77	162	329
Offshore	3,708	3,766	3,797
Other <sup>4</sup>	94	264	335
GENDER IDENTITY (EFTSL)	2019	2020	2021
Female	11,335	11,824	11,510
Male	9,881	9,282	8,414
Other/Neither	18	26	32

<sup>1</sup> 2021 student enrolments are estimates

<sup>2</sup> EFTSL = Equivalent Full-Time Student Load (e.g. 8 units over 2 semesters equals 1.0 EFTSL for UG)

<sup>3</sup> Based on self-identified home postcode information

<sup>4</sup> Includes distance venues and online delivery

## STUDENT DATA (CONTINUED)

## VOCATIONAL EDUCATION

TOTAL STUDENTS	2019	2020	2021
Number of Students	15,390	13,639	13,201
Total Student Contact Hours (SCH)	5,504,709	5,107,143	4,902,553
Total Load (EFTSL) <sup>1</sup>	7,645	7,093	6,809
MAJOR FUNDING GROUP <sup>2</sup> (EFTSL)	2019	2020	2021
Government Funded	6857	6555	6,465
Full Fee-Paying (Domestic)	189	62	47
International (Onshore)	198	178	114
International (Offshore)	171	117	0
Fee for Service	189	181	184
COURSE CATEGORY (EFTSL)	2019	2020	2021
Postgraduate Coursework	13	4	3
Advanced Diploma/Diploma	2,185	1,985	2,066
Certificate IV	1,701	1,587	1,606
Certificate III	1,828	2,151	2,046
Certificates II & I	1,431	1,109	861
Other <sup>3</sup>	487	257	227
HOME RESIDENCE – WESTERN MELBOURNE REGION <sup>4</sup> (EFTSL)	2019	2020	2021
Western Regions	5,500	5,014	4,789
Other Regions	1,945	1,702	1,788
Overseas	0	301	129
Not Available	200	77	103
CAMPUS LOCATION (EFTSL)	2019	2020	2021
City	819	623	631
Footscray	2,487	2,476	2,185
Sunshine <sup>5</sup>	2,104	2,281	2,325
St Albans	851	601	616
Werribee	1,179	1,044	982
Other <sup>6</sup>	204	70	70
Offshore	0	0	0
GENDER IDENTITY (EFTSL)	2019	2020	2021
Female	4,125	3,748	3,675
Male	3,508	3,328	3,113
Other/Neither	10	17	21

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

# RESEARCH WITH IMPACT

**IN OUR DRIVE TO BENEFIT PEOPLE, PLACE AND PLANET, WE HAVE SEEN DIVERSITY AND INCLUSION RESEARCH INCREASINGLY INTERSECT WITH OTHER AREAS OF RESEARCH EXCELLENCE.**

At Victoria University (VU) we are committed to delivering research with impact, ensuring that it is undertaken in close collaboration with partners and delivers measurable outcomes that benefit people, place and planet.

We achieve this by drawing upon our 28 research disciplines - ranked at or above world standard - and our commitment to interdisciplinary research. The best talent is brought together to address real-world challenges, both from within and beyond VU. We are grounded in our disciplinary strengths but pragmatic in our approach.

## MAJOR RESEARCH HIGHLIGHTS

Consistent with our commitment of Protecting Country, the University's Indigenous research portfolio continues to grow in strength. Centering the Indigenous voice is a driving principle informing research activity in this space and the Aboriginal History Archive<sup>1</sup>, a nationally-significant infrastructure is housed at VU which supports this research. Creative expression and public engagement are critical tools engaged by researchers in the Moondani Balluk Indigenous Academic Unit to support public access to the retelling of Australian history through an Indigenous lens.

In 2021, research supported through an ARC Discovery grant was translated for public accessibility. 'A Fight for Survival', features untold stories of community and cultural resistance to the closure of Northland Secondary School. At the time, the school was one of the only schools in Victoria with an approach to learning that drew on Aboriginal knowledge systems and cultures, nurturing disadvantaged students and Koori students in particular (page 36).

In our drive to benefit people, place and planet, we have seen diversity and inclusion research increasingly intersect with other areas of research excellence. For example, our Women in Sport program is expanding the sport research capability of the University and leading to real translatable change. A 2021 national study investigating the intersection between sport uniforms and the confidence levels of girls and young women to participate in

sport pointed to simple change strategies to support more inclusive participation. The findings were translated into practical action to assist school and sport sectors develop policies and practices focused on making girls feel comfortable and confident in their uniforms to play sport and be physically active.

At the intersection of inclusion, sport and mental health, Professor Alex Parker was chosen to sit on a Swimming Australia independent panel, investigating issues relating to women and girls' experience and advancement in the sport of swimming. The panel will report findings and recommendations to the Presidents of both the Australian Sports Commission and Swimming Australia.

Victoria University researchers are also working directly with communities to build understanding of diversity and inclusion. After having completed a pilot project in partnership with Wyndham City Council (2019-2021), VU continues to expand its work with local service providers and communities from diverse backgrounds to build adequate community-led support services for people who have experienced racism. The Wyndham pilot resulted in the establishment of the Wyndham Anti-Racism Support Network, coordinated by the Wyndham Community and Education Centre, the first anti-racism support network of its kind in Australia. This work is now being extended to develop similar anti-racism support networks in close collaboration with local communities, including a project in Melbourne's north in partnership with Whittlesea Community Connections, and a twin-project in the south-east with the City of Casey and Greater Dandenong City Councils.

## PARTNERING FOR IMPACT

Partnering has been integral to multiplying the impact of our research.

We continued to strengthen our sport research excellence through strategic partnering, cementing a partnership with Barca Innovation Hub. The Hub is home to the largest sporting stadium in Europe and is responsible for sharing knowledge generated by FC Barcelona. Its mission is to create an internationally

<sup>1</sup> Establishment of the Aboriginal History Archives was supported by an Australian Research Council Linkage Infrastructure, Equipment and Facilities grant in 2017.

## CASE STUDY: EXOSKELETON RESEARCH

Professor Rezaul Begg's exoskeleton research is one of 15 projects funded by the Victorian Government's \$2.8 million International Research Collaborations Program (VESKI). The VESKI program aims to foster international research partnerships. Rezaul and his research team have established a collaboration with the University of Tsukuba, and CYBERDYNE - a Japan-based international exoskeleton company. Their project will apply research findings from gait biomechanics and machine learning to exoskeleton-assisted movement rehabilitation. The project's outcomes will lead to safer, more mechanically efficient everyday locomotion across a range of patient groups with musculoskeletal and neurological disorders that affect their walking.

renowned Research and Development centre, and innovate in the sports sector in collaboration with the best brands and the most prestigious professionals. The key areas of application include medical services, performance, technology, team sports, and social sciences.

Four Innovation Hubs were formerly launched with the support of the Victorian Government as part of the \$22 million Victorian Higher Education State Investment Fund (VHESIF). With 16 projects underway, the research program focuses on partnering for impact and delivering real world solutions, including:

- Addressing orthopaedic waiting lists through a stepped care model;
- Investigating the use of recycled glass, plastic and demolition wastes in construction materials;
- Undertaking storm-water analysis and reuse modelling to inform water management strategies; and
- Initial concepts for new shock absorbent biodegradable packaging.

More can be found on these projects in the Sustainability section (pages 37-40).

In 2021, more than 190 newly funded research projects were contracted with a total value exceeding \$34.6 million. Key projects funded through competitive grant schemes, tenders or via direct contracting with government or industry included:

- Blak Women's Healing funded by Australian Institute of Aboriginal and Torres Strait Islander Studies (ATSIS)
- Building leadership capacity of women with disability to work with sport

organisations to build sustainable programs that will improve access to sport for people with disability funded by Australian Department of Social Services

- Evaluation of Disability Inclusion funded by Victorian Department of Education and Training
- Review of the Student Resource Package: An intensive study of school costings in different contexts funded by Victorian Department of Education and Training
- Community Integration Support Program (CISP): Facilitating disengagement from violent extremism funded by Victoria Police
- Countering Violent Extremism Flexible Learning Program funded by Victorian Department of Families, Fairness and Housing
- Heat Induced Destabilisation of Milk funded by FrieslandCampina N.V.
- Commonwealth International Data Protection Developments and Cross-Border Transfers Project funded by UK Foreign, Commonwealth and Development Affairs
- Semantic analysis on transactions for anti-money laundering funded by Novatti Group Limited
- Recycled Material Blends to Backfill Sewer Tranches in Trafficable Areas funded by Sustainability Victoria
- Broken Conductor Detection in Single-Wire Earth Return Networks funded by Powercor Australia

- Economic Analysis for the WHO Investment Case 2.0: calculating the economic benefits of investing in WHO funded by World Health Organisation
- Modelling energy-related aspects of the COVID-19 response, funded by Frontier Economics
- The economic impacts of COVID-19 vaccination funded by Biointelect Pty Ltd.
- China's Low Carbon Development Strategy towards 2050 under Carbon Emission Constraints: Development of energy and climate change module and baseline simulation, funded by CHN Energy Economic and Technological Research Institute Co. Ltd
- Economic modelling (VURMTAX) services for the Western Australian Department of Treasury
- Computable General Equilibrium Modelling for the Bradfield Regional Assessment and Development Panel funded by Queensland Department of Regional Development, Manufacturing and Water
- Bottom-up multi-region modelling of Australia's state and territory economies, funded by Queensland Treasury.

## POLICY IMPACT

We continued to contribute to public debate and influence policy development through the Mitchell Institute, Centre of Policy Studies and Victorian Energy Policy Centre (VEPC).

In recognition of the significant work done regarding the energy sector, the Victorian Government awarded VEPC a further \$1.7 million, to continue their significant work on the future of energy in Victoria and Australia. In 2021, this was particularly evident in the work done on the policy proposal to charge solar homes to export to the grid, with VEPC presenting research and evidence to reject such proposals. On the basis of that research, the Victorian and Queensland governments have rejected the proposal and the policy implementation by other state governments remains doubtful.

The Mitchell Institute continued to strengthen its position as a leading policy institute. Its work has never been more important, as COVID-19 continued to highlight the inequalities of opportunity

## RESEARCH WITH IMPACT

of access and equity of outcomes in both health and education for all Australians.

The Federal Health Minister Greg Hunt launched the Australian Health Policy Collaboration's (AHPC) *Being Equally Well Roadmap* report. Developed in partnership with GPs, psychiatrists, mental-health consumers and carers, and other health professionals, the roadmap lays out changes to how medical services can work. Dr Omar Khorsid, Federal President of the Australian Medical Association launched *Getting Australia's Health on Track*, a national blueprint to cut the life expectancy gap between the wealthiest and poorest Australians.

The Mitchell Institute, with Griffith University, commenced Pathways in Place: Co-Creating Community Capabilities, an innovative program of research and action that supports the flourishing of children and young people in two communities: Brimbank in Victoria and Logan in Queensland. Through this program, researchers are working closely with the communities to co-create evidence-informed responses that harness the strengths, resources, and opportunities that are already in place, and to address local needs. The Mitchell Institute is leading the program stream focused on pathways through to education and employment (youth 15-24), working closely with the Brimbank community to strengthen and diversify the pathways for young people as they move from high school to further education and/or employment. The Mitchell's Education team continued to contribute to public discourse around current and topical issues including international education in Australia and the pandemic; industry experiences and their role in education to work transitions as well as bridging the higher education/industry gap; and the public funding model of childcare.

2021 also saw the Mitchell Institute further strengthened by the addition of the Centre for International Research for Education Systems and Advancement by Individual Determination (AVID Australia).

The Centre of Policy Studies (CoPS) continued to investigate significant economic opportunities and challenges facing our society, particularly in a COVID-19 environment. Economic

modelling of the work-from home phenomena showed there will be costs alongside the personal benefits, with more urban sprawl, job flight to the biggest cities and greater economic disparities between regions. CoPS's *Zero Greenhouse Gas Emissions by 2050: What it means for the Australian Economy, Industries and Regions*, compared two scenarios: business-as-usual (BAU) and a transition to net-zero emissions by 2050, using currently available technology. The release of the report was timely as the Federal Government released its own modelling where it outlined a 75% reduction in emissions with a further 25% to be met by yet to be developed technological innovation. The CoPS report highlighted that Australia's economy would double by 2050 if it transitioned to net-zero emissions.

### AWARDS

The University's capability in fire research is supported by world-class infrastructure, which, in 2021 was awarded accreditation by the National Association of Testing Australia (NATA). The Fire Testing Facility at Werribee is unique in the southern hemisphere. The large-scale structural fire test furnace is capable of testing fire structures under combined structural and fire loading, and has been integral to research supporting major infrastructure investment nation-wide.

The innovative nature of VU research is acknowledged through prestigious, nationally competitive grant awards. In 2021, the following Australian Research Council (ARC) and National Health and Medical Research Council (NHMRC) projects were awarded or launched:

- Professor Hua Wang was awarded an ARC Discovery grant for his project "Privacy preserving and data utility in outsourced systems", which aims to develop a balanced distributed framework to achieve the best utility of outsourced data while protecting private information
- Dr Vasileios Stravopoulos initiated his ARC Discovery Early Career Award 'Ahead of the Game: Balancing the Gaming Industry and Public Interest'. This research aims to support the ethical growth of the Australian Health games

industry as well as inform strategies to combat gaming disorder

- Professor Gary Foley initiated the ARC Special Research Initiative (SRI) project 'Shaping Australia's Aboriginal Health Service: Politics, power and people', which will provide the first comprehensive Aboriginal-owned and authored history of the national Aboriginal Community Controlled Health Services network
- Professor Kathy Laster initiated the ARC SRI project for an 'Intergenerational Oral History of the Koori Courts (Ngarnga Nanggit)'. In partnership with the Koori Unit and Court Services Victoria, this project will investigate how the establishment of Indigenous courts has been a major justice system reform
- Professor David Bishop initiated his NHMRC Ideas Grant to examine if mitochondrial changes underlie insulin resistance induced by inadequate sleep, and whether this can be prevented by prescribed exercise.

### NEW LEADERSHIP

In early December, the Vice-Chancellor announced the appointment of Professor Andy Hill as the new Deputy Vice-Chancellor Research & Impact, starting 17 January 2022. With a reputation as a stellar research leader and a highly respected and collegial scholar, Professor Hill will lead the next stage of development of research with impact at VU.

He is well credentialed to do that, with a significant international reputation for his ground-breaking work in neurodegenerative disorders, such as Alzheimer's, Parkinson's and Prion Diseases, and in the field of extracellular vesicles. His research continues to address some of the major health challenges of the twenty-first century – all areas that align strongly with Victoria University's priorities.



# ALLIES, PARTNERS AND ALUMNI

**VICTORIA UNIVERSITY HAS MANY LONG-STANDING PARTNERSHIPS THAT HAVE A MULTI-FACETED IMPACT ON ALL WE DO. IN 2021, OUR RELATIONSHIPS WITH THESE ALLIES AND PARTNERS STRENGTHENED AND SAW THE DEVELOPMENT OF CREATIVE SOLUTIONS FOR THE BENEFIT OF MELBOURNE'S WEST.**

Critical to multiplying our impact in the west of Melbourne and beyond is to work collaboratively with like-minded allies and partners. This has continued to be our commitment in 2021.

## VU IN THE COMMUNITY

VU in the Community continues to progressively strengthen its engagement with local councils and communities in Melbourne's West through place-based programs aimed at increasing access to educational opportunity and skills pathways, as well as projects that contribute to community wellbeing and sustainable economic development in the region.

Key achievements in 2021 included:

- Victoria University entered into a Memorandum of Understanding with Melton City Council. This agreement sits alongside Victoria University's existing partnerships which focus on increasing access to education and jobs for local communities, and undertaking applied research to address local challenges in the municipalities of Maribyrnong, Brimbank and Hume. Other strengthened relationships and collaborations across the western region including membership of the Greening the West Alliance, the Opportunity Wyndham partnership and the Hume (a partnership program with leading training institutions and industry bodies).
- Supporting local business capacity within the context of COVID-19 through the piloting of short courses for optimising online business visibility in Hume and expanding VU student contribution to the local community through the 'Adopt a Club' initiative being developed with community sports clubs in Wyndham and Hume.
- In the Hume municipality some highlights have included a new Multiversity scholarship program for locals, new collaborations with industry and local government to develop a circular economy strategy and a new education program to bridge skills gaps for workers in early childhood services. A successful collaboration with VU Polytechnic to deliver a Skills and Careers: Your Way employability

program for a group of vulnerable women in Hume is now being extended to Brimbank and Wyndham (further detailed on page 24 and 34).

Community collaboration to celebrate creative industries and culture in Footscray included:

- The very successful third biennial Footscray Art Prize (over 800 entries from across Australia).
- The VU-organised Picturing Footscray, a free open-entry photography prize that focuses on Melbourne's unique inner-west suburb of Footscray (120 entries).
- The installation of the Footscray Learning Precinct STEAM Mural celebrating science and technology in education.
- Supporting Mini Maddern which was an innovative community building activity and play environment for children in Footscray's Maddern Square. Run over 12 weeks this initiative activated Footscray as it emerged from COVID-19 lockdown – visibly connecting VU into the local community and providing work placement for over 150 VU Early Childhood students.

VU also continued to work with a number of other local government areas to sponsor key events including the Brimbank Writers and Readers Festival and Wynnovation.

Another initiative was The Community Classroom which provided local retailers with an opportunity to establish or build on their digital presence including social media, website and online store. VU took on the task of developing and facilitating the four-part program to meet the needs of these retailers and the aims of the program. The program was so well received it will be delivered again in 2022.

## OUR STRATEGIC ALLIES AND PARTNERS

Victoria University has many long-standing partnerships that have a multi-faceted impact on all we do. In 2021, our relationships with these allies and partners strengthened and saw the development of creative solutions for the benefit of Melbourne's West. We have highlighted some of these key partnership activities below.

## ALLIES, PARTNERS AND ALUMNI

One of the most visible partnerships is with Western Health. Adjacent to our Footscray Park campus, towering cranes indicate the sheer scale of the new Footscray Hospital construction and signify a new era of collaboration between VU and Western Health. Underpinned by a newly formed alliance plan and co-location at Footscray and Sunshine, the relationship has deepened across teaching, research, and engagement. Significant achievements in 2021 include:

- increased joint research projects, such as the Wait List Project
- Western Health hired students from across the university to support their surge in COVID-19 related workforce demand, including over 50 paramedic students and countless nurses and health assistants as vaccinators or support workers
- working with the Western Health Foundation to roll out a range of thank you initiatives for frontline workers, and
- improving the Graduate Program recruitment rate for VU Nursing and Midwifery students.

Our Western Bulldogs alliance thrived, despite a disrupted AFL season. Western Bulldogs overcame adversity to reach the 2021 Toyota AFL Grand Final, in which seven VU students were selected to play. The meaningful work of the Western Bulldogs Community Foundation also continued, with over 93 students participating in the program delivery ranging from health and wellbeing to research.

Two pop-up vaccination clinics were hosted at VU Whitten Oval, where over 2,000 first dose vaccinations were administered with the support of the Department of Health, Western Health and Dr Mukesh Haikerwal. It returned three weeks later to deliver second doses and played a significant role in boosting vaccination rates in the West.

The far-reaching nature of our partnerships saw a range of other activities across 2021:

- Several research projects have been undertaken with Greater Western Water (new merger of City West Water and Western Water), including Institute for Sustainable Industries & Liveable Cities (ISILC) and the Water Resources Research Group *Estimating*

*the Economic Level of Leakage for GWW and Development of a Leak Management Strategy - Problem Identification.*

- Two VU alumni, Liz Di Fazio and Jayden Anderson, played critical coaching roles in Melbourne Victory Football Club's 2021 W-League championship and 10 current students were exposed to a range of unique learning experiences with the Club.
- In May, VU and the Sport Australia Hall of Fame delivered the National Sport Integrity Forum 'It takes a sporting village to raise a child' to over 250 people online.
- Footscray Community Art supported seven Work Integrated Learning (WIL) placements from education, international development and community services.

VU Polytechnic achieved great success in securing new industry driven programs of work in 2021. Most notably, with Belgravia Leisure, Yooralla, Delaware North, LUCAS restaurants, Riverland Group, Untapped Holdings, Tradeswomen Australia, Gymnastics Victoria, BAE Systems, Melton City Council and West Gate Tunnel.

In a recent partnership with leisure management group, Belgravia Leisure, VU Polytechnic sought to increase skill-based learning opportunities for students studying in recreation, leisure, massage, beauty, tourism and hospitality industries. The partnership delivered a cadetship program enabling massage and beauty students an opportunity to 'earn while they learn' at the award-winning Hepburn Bathhouse and Spa, managed by Belgravia Leisure, creating work-ready graduates in an industry that has experienced demand in local tourism.

Partnership between VU Polytechnic and Hume City Council saw a successful online iteration of the Skills and Careers: Your Way program delivered to women in Hume, as well as partnership with Belgravia Leisure and Moonee Valley City Council to deliver to at-risk residents within the Moonee Valley municipality (more details on the launch of the program on page 24). Due to the program success in 2021, five new programs are under development for 2022, partnering with Moondani Balluk, Brimbank City Council, Belgravia Leisure and more.

## CASE STUDY: LINKING STUDENTS TO JOBS AT THE NEW FOOTSCRAY HOSPITAL

In December, the Connectivity Centre, a new job centre in Victoria University's leased MetroWest facility, was launched.

It will link apprentices and trade assistants to 2,000 roles at the new Footscray Hospital, including construction and trades, signage and graphics, and landscaping.

This initiative sees VU Polytechnic Skills and Jobs Centre, Plenary Health, Multiplex and Apprenticeships Victoria joining forces to provide job opportunities for VU students and local marginalised groups.

Employers and industry will also benefit, with the service connecting them to workers.

We also began to nurture new enterprise-wide relationships with new partners including Ambulance Victoria, HESTA, and Orygen, to name a few and look forward to developing these further in 2022.

## ALUMNI ENGAGEMENT

Keeping alumni informed, connected and engaged helps grow our VU community of volunteers, donors and partners. With more than 250,000 alumni around the world, alumni are inspiring current and future students and actively supporting students through mentoring, providing placements, and relevant careers advice.

In 2021, alumni engagement was online due to the ongoing impact of COVID-19. This digital approach was built on work undertaken in 2020, which saw a move away from in-person engagement and events. Some examples of how alumni have supported VU are:



- Alumni supported the VU mentoring program, Talent Connect, which is managed by Employability & Success. 458 alumni registered their expressions of interest to be a mentor in 2021, with 57 pairs of alumni mentors and graduate mentees successfully matched. Six alumni participated in three Mentoring Circle events, where they presented to 30-45 students per session.
- The inaugural graduation of NSBM Green University in Sri Lanka who received their VU qualification were welcomed to the global VU alumni community via a digital graduation celebration, which featured two prominent Sri Lankan VU Alumni.
- Dictum Society, the University's law student association, engaged with eight successful law alumni to provide content for the Dictum Society Careers Guide and participate in a Q&A and moot courts. Dictum Society's Careers Guide is an annual publication that guides the legal landscape and potential career prospects for current VU law students.

The annual Alumni Awards recognise those alumni making a powerful and positive difference in our community - and our world - against the backdrop of an era-defining global pandemic.

The celebration was held digitally for the second year via the VU website and VU social media channels to drive traffic and

participation. We received 107 Alumni Award nominations, while the public vote for the Spirit of VU award received 1,727 votes. Collectively, the viewing figures totalled 8,126 across all official VU channels.

### PHILANTHROPY

Transformational gifts received in 2021 helped VU achieve one of its best years in fundraising, with pledges reaching \$9.1 million. The Harold Mitchell Foundation will invest \$5M over five years into the Mitchell Institute for Education and Health Policy. VU established the Institute in 2012, thanks to the Foundation's initial investment.

A grant of \$2 million from the Paul Ramsay Foundation will enable the Aboriginal History Archive, led by Professor Gary Foley, to contribute the stories of Aboriginal self-determination and activism to the Victorian Yoo-rrook Justice Commission.

Individual donors continued their generous support for students through the Student Support Appeal. In 2021, the priority was to provide grants for students facing financial hardship during the Melbourne and Sydney lockdowns. Donors also supported the Asylum Seeker Scholarships program and the new First Nations Fund, matched by the international McCall MacBain Foundation. Supporting greater access for students from all backgrounds is core to Victoria University's vision and made possible through the generosity of our donors.

## ALUMNI AWARDS 2021 WINNERS



**LIFETIME ACHIEVEMENT**  
**DR ANDI DIAMOND**

**PROFESSIONAL ACHIEVEMENT**  
**ERIN FINNIGAN**

**RISING STAR**  
**LAUREN RICHARDSON**

**SPIRIT OF VU**  
**(PEOPLE'S CHOICE)**  
**ABIOLA (ABI) AKINBIYI**

# PROTECTING COUNTRY AND INDIGENOUS KNOWLEDGE

PROTECTING COUNTRY AS AN ACTION-ORIENTED PILLAR WILL LINK PEOPLE, PLACE AND PLANET TO VU CAMPUSES, ENGAGEMENT, TEACHING AND RESEARCH WITH A FOCUS ON FIRST NATIONS.



**340** FIRST NATION STUDENTS

**21** VU GUARANTEED PLACES OFFERED TO ABORIGINAL PEOPLE

The inclusion in 2021 of Protecting Country and Indigenous knowledge into the new *Strategic Plan 2022-2028* points to the significant change VU made in working with Aboriginal people and community, and with Moondani Balluk.

## PROTECTING COUNTRY

Protecting Country as an action-oriented pillar will link people, place and planet to VU campuses, engagement, teaching and research with a focus on First Nations. The first VU Protecting Country webinar was held with close to 400 people in attendance listening to Traditional Owners, Aboriginal climate activists and VU Aboriginal academic staff.

Importantly, letters from the Vice-Chancellor to Traditional Owner Registered Aboriginal Parties is aimed at giving recognition and commitment of the University to ensuring Aboriginal voice, knowledge and wisdom can be respected and listened to at our campus locations.

## LEADERSHIP

For the first time in the history of Moondani Balluk, the Director was titled Associate Provost - Indigenous and included into the Senior Executive, which enabled inclusion onto the Universities Australia DVC/PVC Indigenous Committee. Karen Jackson, our Associate Provost Indigenous, was also appointed to the newly formed Yoo-rrook Commission Expert Advisory Committee and the Victorian Aboriginal Economic and Employment Committee.

Other structural changes within Moondani Balluk saw the establishment of a Leadership Team comprising of a Director Teaching and Learning and a Director of Research. Aboriginal staff continue to engage with the Aboriginal community in the west of Melbourne and in metropolitan Melbourne to maintain reciprocity and relationality, building on Moondani Balluk community-led research and local knowledge in teaching praxis.

## RESEARCH

We continued to excel in gaining research funding linked to the Aboriginal History Archive and local Aboriginal community issues. An Australian Research Council Special Research Initiative (ARC SRI)

will enable work with the historically significant Victorian Aboriginal Health Service to explore the context of Aboriginal community control that links closely to a Victorian Higher Education State Investment Fund project on Addressing Aboriginal Disadvantage in the west of Melbourne.

Our 2020 ARC Northlands funded project was expanded through the successful research and external grant funding for the finalisation of a 90-minutes political cabaret, with sold-out performances at the Yirramboi Festival in May. It also contributed to a long-term exhibition at Bunjilaka Aboriginal Cultural Centre, Melbourne Museum, in November, which will run until July 2022. Melbourne City Council commissioned two Moondani Balluk researchers to write a truth-telling publication that considers First Nation's perspectives on Captain Cook's legacy and Cook's Cottage.

## MOONDANI BALLUK

Moondani Balluk academic staff continue to deliver critical contemporary Aboriginal units in the VU Block Model to many students in varied disciplines. In 2021 further work in Aboriginal pedagogy and praxis was enabled through a Moondani Balluk team teaching approach. This is important not only to student experience but to ensuring cultural safety for Aboriginal academic staff in our classrooms. Our academic staff participated in teaching outside of Moondani Balluk units and also in Course Accreditation and Program Advisory Committees.

Our Aboriginal student enrolments continued to grow and 21 VU Guaranteed places were offered to Aboriginal people. Moondani Balluk supports our enrolled students through the Indigenous Student Success Program (ISSP) Commonwealth Government allocation. ISSP funds enabled Moondani Balluk staff to support, protect and provide much needed resources to our Aboriginal students during COVID-19 restrictions through scholarships, rewards, equipment and cultural resources.

# OUR COMMITMENT TO SUSTAINABILITY

Victoria University has a significant and sustained commitment to the United Nations Sustainable Development Goals (UN SDGs). We have a responsibility, in all that we do – our teaching, our research, on our campuses and in our communities – to improve the health and wellbeing of our local and global communities, and the planet that we share. This commitment is now further strengthened in our new *Strategic Plan 2022-2028* through the strategic driver Protecting Country, where we acknowledge we will be guided by Indigenous voices and standpoints on these very important matters.

## IMPACT RANKING

In the most recent Times Higher Education Impact Rankings, which measures a university's contribution to the UN SDGs, VU ranked a creditable 101-200 out of 1117 institutions in the world. For the chosen areas of strength, VU was ranked:

	GOOD HEALTH AND WELL BEING (SDG 3)	101-200
	QUALITY EDUCATION (SDG 4)	77
	DECENT WORK AND ECONOMIC GROWTH (SDG 8)	101-200
	SUSTAINABLE CITIES AND COMMUNITIES (SDG 11)	101-200
	PEACE, JUSTICE AND STRONG INSTITUTIONS (SDG 16)	10
	PARTNERSHIPS FOR THE GOALS (SDG 17)	101-200

## OUR NET ZERO PLAN

In 2021, Victoria University, as a member of the Climate Ambition Alliance, adopted a 2025 Net Zero commitment. Our *Net Zero Plan*, developed in consultation with our students, staff and suppliers, outlines how we will get there:

- 1. Tangible:** Directly contributing to reducing greenhouse gas emissions through our institutional decision-making and practice.
- 2. Integrated:** Enabling the delivery of the Net Zero targets with integrated activities that shift our culture, behaviours and actions.

- 3. Influence and Amplify:** Supporting positive outcomes beyond the Net Zero target that demonstrate leadership and influence beyond the university.

In developing our plan, we utilised one of the world's leading environmental consultancy groups, Arup to help us ensure its development will lead to achievable sustainable outcomes for VU and its communities in Melbourne's West.

We have already made great progress toward the target. We have instituted an ethical procurement framework where procurement of goods and services considers the social and environmental impacts to our local and global community. Specifically supply and consumption risk in the following areas and the impact it has on VU, and the local and global community:

- *Modern Slavery Act 2018* (Cth) – supply chain management
- Supporting Victorian social enterprise and Australian First Nation business sectors
- Environmental sustainability, and attributes of the products or services including: the raw materials, product design, packaging, manufacturing process, resources management, and product lifecycle
- Diversity and inclusion, specifically promoting and supporting LGBTQIA+ community, gender diversity, cultural diversity and supporting accessibility
- Supporting Local Jobs First, with a focus on west of Melbourne, Victoria, and Australia.

Our commitment to taking sustainability seriously is backed by our procurement decisions to appoint like-minded organisations who can also demonstrate their commitment and actions in these areas. Part of our *Net Zero Plan* enables VU to expand its influence and challenge those with which we choose to partner. Whether they are a supplier, commercial entity or strategic collaborator – we will partner with ethical and like-minded partners.

The University's Environment Policy covers energy, water, waste and procurement objectives to minimise our environmental impact in line with operational best practice.

WE HAVE A RESPONSIBILITY, IN ALL THAT WE DO – OUR RESEARCH, OUR TEACHING, ON OUR CAMPUSES AND IN OUR COMMUNITIES – TO IMPROVE THE HEALTH AND WELLBEING OF OUR LOCAL AND GLOBAL COMMUNITIES, AND THE PLANET THAT WE SHARE.

## OUR COMMITMENT TO SUSTAINABILITY

The University acts to improve its environmental sustainability performance across all campuses by improving its built environment while protecting and enhancing the biodiversity on all campuses. All new building projects are designed to achieve a high level of environmental sustainability. These projects, together with a program of replacing aged infrastructure, ensure the continued improvement in Victoria University's environmental performance.

In 2021 the University also signed a power-purchase agreement to procure 100% renewable electricity. This agreement has reduced carbon emissions by more than 70% when compared to 2019. The slight increase in the usage of resources (energy usage and water consumption) in 2021 reflects increased on-campus activity compared with extended lockdown experienced in 2020. Importantly, greenhouse gas emissions and waste to landfill continued their downward trend.

The University's usage on key indicators is summarised as follows:



### CASE STUDY: APPLIED SUSTAINABILITY IN HEALTH CARE

Sustainable Development Goal 4.7 aims for all learners to acquire knowledge and skills needed to promote sustainable development. Our higher education discipline colleges are designing new units, modules and courses to explicitly develop graduate capability in addressing the UN Sustainable Development goals in all our students.

For example, the College of Health and Biomedicine, working with our strategic ally Western Health has developed the Applied Sustainability in Health Care unit for all health students - to create awareness of and commitment to sustainable health care practice. The 60-minute online module comprises four parts - Our health, our planet; Transforming to sustainable healthcare; Applying a framework for sustainability in healthcare to health settings and workplaces; and Driving change towards sustainable healthcare.

RESOURCE USAGE	2017	2018	2019	2020	2021
ENERGY USAGE (MJ)	175,801,057	167,198,948	152,877,019	105,051,355	118,856,411
WASTE – LANDFILL (KG)	887,566	839,688	806,721	324,098	247,721
WASTE – RECYCLING (KG)	194,396	197,317	196,566	63,800	40,311
WATER CONSUMPTION (KL)	131,995	115,748	109,343	67,010	73,906
PAPER USAGE (REAMS)	30,579	30,352	24,765	14,325	9,813

GREEN HOUSE EMISSIONS (TONNES CO <sub>2</sub> -e)	2017	2018	2019	2020	2021
ENERGY	34,205	32,826	29,995	20,901	11,679
WASTE	1,065	1,008	968	389	374
WATER	286	251	237	165	182
PAPER	248	246	201	116	80
AIR TRAVEL	1523*	1523*	1,523	186	13
FUEL	92*	92*	92	11	35(A)
<b>TOTAL GREENHOUSE GAS EMISSIONS</b>	<b>35,804</b>	<b>34,331</b>	<b>33,016</b>	<b>21,768</b>	<b>12,327</b>

\* Travel emissions were measured from 2019. For comparison purposes, 2017 and 2018 emission calculations are estimated to be the same as 2019.

Note: 2019 is the last pre-COVID measurement of greenhouse gas emissions and more closely represents the University's emissions. Post-COVID, the reductions have largely been due to pandemic disruptions and lockdowns (2020) and the 100% renewable electricity agreement, which commenced from 1 July 2021. Gas emissions from electricity in 2021 therefore represent 6-months usage (a), and from 2022 this will be zero.

Vehicle usage emission also remained low during the pandemic, however an increase in 2021 was due to diesel vehicles and heavy machinery training resuming at Werribee campus.

## THE INNOVATION HUBS ARE ACTIVATING OPPORTUNITIES THROUGH PARTNERSHIP DEVELOPMENT AND ACCELERATION AND INCUBATION PROGRAMS, TO DEVELOP INNOVATION AND ENTREPRENEURIAL CAPABILITIES IN MELBOURNE'S WEST.

### EDUCATION, RESEARCH AND ENGAGEMENT FOR THE UN SDGs

In 2021, our Innovation Hubs program, with \$22 million funding from the Victorian Government's Victorian Higher Education State Investment Fund (VHESIF) have been the centrepiece in Victoria University's SDG effort. Led by VU Research, this program is delivering research and engagement activities using expertise from all academic areas of VU from VU Polytechnic to our First Year College through to our research institutes, the Institute of Sustainable Industries and Liveable Cities, and the Institute for Health and Sport. The Innovation Hubs are activating opportunities through partnership development, acceleration and incubation programs to develop innovation and entrepreneurial capabilities in Melbourne's West.

Undertaken in collaboration with VU industry and community partners, the research projects are helping deliver the skills and support required for the long-term sustainable economic and social growth in Melbourne's West. Our partners include Western Health, Western Bulldogs, Greater Western Water, John Holland, and Victorian Tourism Industry Council, to name a few.

### SUSTAINABLE FUTURES INNOVATION HUB @ WERRIBEE

#### UN SDGs Impacted



This hub focuses on responsible consumption and production practices in the water, construction and packaging industries, contributing to the State Government's *Recycling Victoria Strategy*, the advancement of the circular economy and waste reduction.

The research is delivering sustainable outcomes in relation to major infrastructure projects, specific infrastructure challenges for the west of Melbourne, packaging needs for various export industries and environmental water issues across Werribee.

Research which commenced in March 2021 has so far led to the establishment of a Construction Simulation Lab at Werribee; the development of new methods and models for pavement and house foundation solutions using recycled glass, plastic and demolition wastes; storm-water analysis and reuse modelling to inform water management strategies; and initial concepts for new biodegradable packaging with superior shock absorbing characteristics to mitigate transport shock and vibrations.

### STRONGER COMMUNITIES INNOVATION HUB @ FOOTSCRAY

#### UN SDGs Impacted



Building healthier, stronger and more resilient communities is a key strategic focus in Victoria University's emerging health, education and employment precinct at Footscray.

Key projects include: partnering with communities on an Aboriginal approach to grow community-controlled organisations and SMEs in Melbourne's West; a stepped care model to support the health and wellbeing of patients on orthopaedic waiting lists with Western Health; improving the health and wellbeing of culturally diverse communities through targeted sports participation and inclusion programs with the Western Bulldogs; and a regenerative city living lab, which is engaging and empowering youth to address some of the planet's most pressing (social and environmental) issues with the social enterprise STREAT.

Together with our research partner organisations we have so far developed a prototype online intervention, in both English and Vietnamese, for the Western Health waitlist patients; secured baseline data for the Aboriginal Community Controlled organisations in the west of Melbourne; developed and deployed an innovative framework to engage students and young people to grow their capability and knowledge for environmental sustainability; and together with Western Bulldogs Community Foundation delivered four place-based health promotion pilot programs for Vietnamese women in Melbourne's West.

### JOBS & SKILLS INNOVATION HUB @ SUNSHINE

#### UN SDGs Impacted



Through Victoria University's existing strong partnerships with government, prospective employers and community, this hub in our Sunshine precinct is developing and implementing solutions to support skills and jobs growth in Melbourne's West.

This Innovation Hub which launched in June has completed an in-depth study of skill needs in the region in four target industries (infrastructure, digital economy, social services and care and

## OUR COMMITMENT TO SUSTAINABILITY

manufacturing); undertaken economic modelling on the employment outlook for the west of Melbourne; undertaken analysis and reporting on the skills, capability gaps for the west of Melbourne as a tourism destination; and commenced data collection to identify the current experiences and obstacles to realising social value in the Victorian transport and infrastructure supply chain.



### UN SDGs Impacted



Through our VU Block Model and First Year College (FYC), VU has established itself as a university with break-through solutions to growing education participation and success. This Hub is developing co-designed, evidence-based educational solutions with our community partners aimed at supporting students to overcome transition barriers into, through and out of educational programs; and realising increased workplace learning and graduate employment outcomes. This is being achieved through the creation of and research on cutting-edge academic programs, to ensure all students can enter the workplace as highly skilled, job ready, future-ready graduates.

The first phase of the research program, completed in 2021, has designed, developed and implemented programs and strategies to improve student retention, success and employability. Action research has been used to refine new and adjusted course design and delivery structures; data collection and analysis on the employability value for micro-credentials has been completed; and new micro-credentials have been developed for Allied Health and Paramedicine students to support the workforce needs of the health sector during the COVID-19 pandemic.



Our policy institutes continue to demonstrate thought leadership in relation to the UN SDGs. Key projects include:

- The Pathways in Place: Co-Creating Community Capabilities, VU and Griffith's innovative joint research program and action agenda to transform disadvantage in communities; with a focus on producing transferable programs and toolkits to scale impact in other communities.
- The Centre of Policy Studies' *Zero Greenhouse Gas Emissions by 2050: What it means for the Australian Economy, Industries and Regions* outlines that even with a commitment to net-zero emissions, the Australian economy will continue to grow strongly at an average of 2.56% per annum, just 0.03% below the expected growth if no change was made to Australia's emissions.
- The Victoria Energy Policy Centre led analysis and public discourse on a number of Federal Government intrusions into the electricity market that will impose costs on the public and electricity consumers in order to fund wasteful gas generation (Kurri Kurri) and inefficient pumped hydro (Snowy 2.0) generators and their necessary transmission links.
- The Centre for International Research on Education Systems with Charles Sturt University released a research report, funded by Collier Charitable Foundation, on the systemic barriers to higher education for the estimated 45,000 young people raised in out-of-home care, providing recommendations to universities, career advisors and others on how to best support their transition to higher education.



# A GREAT PLACE TO WORK

**THE WAY WE WORKED IN 2021 – WITH MOST STAFF WORKING FROM HOME FOR LONG PERIODS AND COMING IN AND OUT OF LOCKDOWN – MEANT THAT STAFF ENGAGEMENT WAS MORE IMPORTANT THAN EVER.**



It was a huge year for everyone – both institutionally and individually. Little did we know in 2021 we would have another (almost full) year of lockdowns.

Every one of our staff colleagues displayed remarkable resilience and endurance throughout 2021. A real highlight for this year has been our progress towards working – with respect and collegiality – towards a ‘one VU’ model of egalitarian operations. There is much for us to reflect on, to celebrate, and to be proud of at VU.

## STAFF ENGAGEMENT

The way we worked in 2021 – with most staff working from home for long periods and coming in and out of lockdown – meant that staff engagement was more important than ever.

The Vice-Chancellor hosted three Online Town Halls, to address all VU staff on matters of strategic significance. These had high attendance (averaging 900 staff live and hundreds more watching the recording at a later time), and included Q&A time, a process in which staff submitted

live questions that were then up-voted by colleagues, so that the matters most pertinent were addressed.

In 2021, VU introduced a new platform for staff engagement. Titled ‘The Workshop’, it was originally implemented in order to facilitate staff consultation when developing our new *Strategic Plan 2022-2028*. As a crowd-sourcing platform, The Workshop allowed staff to provide direct feedback, share ideas and engage in robust conversation. The benefit of this approach was the democratisation of the process, making staff at all levels feel empowered to contribute, whether they posted or voted on an idea. We also created a persona called ‘The Disruptor’, to encourage staff to challenge ideas and the status quo (in a respectful way) and to provoke critical thinking. The Workshop was overwhelmingly successful, with nearly 1,000 staff registering as users, 323 ideas posted in response to challenges, over 3,000 votes on those ideas, and over 11,000 views over the time period.

Due to the success, we continued to use The Workshop post-Strategic Plan as

## A GREAT PLACE TO WORK

our main hub for staff engagement and intrapreneurship. This included broader idea generation and discussion around issues such as sustainability, process improvements and work/life balance. It was also used for targeted campaigns such as our staff awards (allowing for widespread demonstration of staff success in a way that had never been done before) and refining the principles of the Block Model (as part of the 'Interim Review of the VU Block Model'). We look forward to further harnessing people power at VU, using The Workshop as our enabler to make VU a thriving place to study and work.

### HUMAN RESOURCE DEVELOPMENTS

A staff survey conducted in 2018 showed that VU staff wanted to see an improvement in the VU employee experience – which included reviewing and updating our HR systems and processes.

As a result, the new People and Culture platform, titled 'VU People First' was launched on 24 November 2021. VU People First implements leading practice HR processes on an integrated cloud based solution.

VU People First creates more opportunities to showcase achievements, receive advice on professional development and help with career planning. It also streamlines HR processes and communication, offers a more personalised 'anywhere, anytime' experience, and gives our managers and leaders consistent and timely support for HR services. These benefits will be further enhanced as the capability of the platform is refined and improved with use.

### 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, Staff Complaints Resolution, and Health, Safety and Wellbeing.

### OUR CYBER SECURITY PROGRAM

Cybersecurity is a constant risk to the education sector due to the increased adoption of new technologies, and greater connectivity between universities, industry partners and services provided by suppliers. Amongst the threats are foreign states seeking access to intellectual property, hacktivists motivated to disrupt operations, and criminals seeking to make a financial gain. These attacks have potential operational, reputational, financial and legal consequences and the recent cyber-attacks on a number of Australian and Global higher education institutes reaffirms the continuing trend.

The holistic cyber security capabilities at VU have been continuously developed since 2017. These included the establishment of a Cyber Security Director/CISO role and an establishment of Cyber Safe VU (CSVU) program team to develop strong security foundations as outlined in the *VU Cybersecurity Strategy 2017-2020*. An interim tactical Cyber Security Improvement Program (CSIP) was established in 2021 to address and *delivered* against the changed business environment due to COVID-19.

Under the CSVU and CSIP programs, significant progress has been made to uplift overall security maturity and develop baseline security capabilities with the objective of protecting our workforce, students, academics, partners and our data from ever increasing cyber threats; everywhere, every time and from any device used by the VU stakeholders.

VU Cybers' awareness program 'Safe Savvy Secure' was recognised for the most innovative and impactful cybersecurity outreach program of year 2021 by AISA (Australian Information Security Association). This program has been the cornerstone in raising cybersecurity

**WE LOOK FORWARD TO FURTHER HARNESSING PEOPLE POWER AT VU, USING THE WORKSHOP AS OUR ENabler TO MAKE VU A THRIVING PLACE TO STUDY AND WORK.**

awareness and knowledge among the broader VU stakeholders including the council, executive leadership, staff and students.

Victoria University has recognised cybersecurity threats as a key enterprise risk. A close collaboration between VU Cyber, Enterprise Risk & Governance and Legal & Privacy functions along with appropriate management oversight is driving continuous improvement to strengthen university controls and minimise the impact of potential cyber breach.

The next iteration of Victoria University's cybersecurity plan is under development. This evolution of the cybersecurity plan has a clear focus on enabling the achievement of the strategic and operational priorities of the *Strategic Plan 2022-2028*. The resulting *VU Cyber Enterprise Plan* will form an integral component of the University's *Operational Planning and Performance Reporting Framework*.

### 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
57	26	1	25





### OUR CAMPUS SPACES

The impact of COVID-19 on the tertiary education sector, has made institutions rethink how their physical and digital infrastructure integrates to create a sense of 'place' for their communities – to support how students will study and how our staff will work in the future.

For VU, this has meant the undertaking of a comprehensive review of our *Campus Master Plan* to take account of the changed local and regional contexts in which we operate, our new bold strategy and the tangible impacts on core University operations due to COVID-19. The refreshed *Campus Master Plan* will be considered by University Council in 2022.

### CURRENT CAPITAL PROJECTS

Despite a need to slow down or pause some projects within our *Capital Investment Plan*, due to financial constraints, 2021 still saw significant infrastructure projects continue to progress and new ones approved. Most notably construction commenced on the new \$1.5bn Footscray Hospital adjacent to the Footscray Park campus with the

contract awarded to Plenary Health in March 2021. VU has worked closely with the Department of Health and Human Services and Plenary Health in the design of the VU dedicated space and pedestrian footbridge across Ballarat Road. By the end of 2021, work on the ground slab was well underway, including construction of concrete core, structural columns and suspended slab. The hospital will open in 2025 and will bring to life Victoria University's vision for the creation of the world-class Health, Education and Employment Precinct in Footscray.

Another major project that continued to progress, despite the challenges of numerous industry lockdowns, was the VU City Tower, embedded at the gateway to the west of Melbourne and at the interface with the CBD's commercial and justice precincts. The tallest vertical campus in Australia has been designed with student-centric spaces to encourage collaboration, with dynamic and interactive learning environments to enrich student learning experiences and with industry co-located, providing students with direct access to practical experience and real-

world expertise. It will also be the home of the 'Boardroom of the Future' and '5G Lab', a collaboration between VU, CISCO and Optus – providing a window into the workplace of the future. The campus will be home to select higher education and vocational courses in business, health, beauty, education and English language and will formally open April 2022.

### NEW CAPITAL PROJECTS

Late 2021, the University Council approved the commencement of Phase 1 of the exciting new project, the Moondani Balluk Indigenous Centre at the Footscray Park campus. This exciting new project sees the refurbishment of the ground floor of Building G to create a new centre for Victoria University's Indigenous academic unit, Moondani Balluk and the Aboriginal History Archive. As well as providing quality, functional work spaces and support areas, and building upon opportunities for the Aboriginal History Archive in recognition of its international and national significance, the refurbishment creates new opportunities for connection and activation at the heart of the Footscray Park campus. By responding to Country, the integrated landscape and architectural design re-sensitises to place and foregrounds relationships between peoples as well as ecologies, stories the past, present and future. The final design approved aligns with and supports our strategic driver Protecting Country and commits to our role as the *university for the west of Melbourne; our place on Aboriginal country; and our responsibilities as a global citizen*. This exciting project will commence in the first half of 2022.

### ASSET DISPOSALS

The disposal of surplus assets has been integral to funding the design and construction of state of the art learning and teaching, and research spaces. 2021 saw the sale of our Maidstone site (former Student Village) to the Department of Transport, where it will become the home of the Victorian Government \$1.48 billion commitment for '100 Next Generation Trams', designed, manufactured, maintained and stabled in a new facility at Maidstone.

In December 2021, University Council approved the sale of 225 King Street

Melbourne. This location is now considered surplus to requirements with many of the courses taught on site relocating to the new VU City Tower. Following a comprehensive process comprising confirmation of the Valuer-General Valuation and the conclusion of First Right of Refusal, approval has been granted to proceed to an Open Market process in early 2022.

## INCLUSION, DIVERSITY AND GENDER EQUITY

VU recognises that each individual is made up of multiple experiences and identities. ‘Progressive inclusivity’ means honouring and making visible these connections between people, gender and culture, so as to dismantle systems of power, oppression, colonialism and inequality.

We are committed to deepening and strengthening the University’s commitment to progressive inclusivity. In 2021 we have focused on cultural inclusion, equity for people with disability, promotion of gender equality, LGBTIQ+ inclusion and the prevention of gender-based violence.

In one year, significant milestones have been achieved:

- Establishment of a Cultural Inclusion Network involving both staff and student ambassadors.
- Achievement of Bronze rating in the Australian Workplace Equality Index for LGBTQ workplace inclusion.
- Deepening the University’s inclusion of LGBTIQ+ and gender diverse community including expansion of the Pride and Ally Network and the co-design of new online modules.
- Ongoing work within and beyond the University to prevent gender-based violence, including participation in the Preventing Violence Together regional partnership, ongoing training of staff and students, and support for the National Student Safety Survey.
- Comprehensive data gathering, consultation and development of the University’s inaugural *Gender Equity Action Plan*, as required by the *Gender Equality Act 2020 (Vic)*.
- Establishment of the University’s first-ever Disability Employee Network.

- Meaningful, ongoing collaborations with the whole VU community to deliver events and programs that promote progressive inclusivity and the University’s commitment to social justice and equality, such as International Women’s Day, Wear It Purple, Victoria University’s first-ever contingent in the Midsumma Pride March, International Day for People with a Disability and the 16 Days of Activism Against Gender-Based Violence.

The Inclusion and Engagement team also liaises with and supports the work of the Moondani Balluk Indigenous Academic Unit.

## HEALTH, SAFETY AND WELLBEING

The continued impact of COVID-19 in 2021 has resulted in a range of prevention and awareness initiatives to enhance health, safety and wellbeing at VU.

A comprehensive *Workplace Wellbeing Plan* was finalised and added to existing mental health resources. The Plan aims to identify and address psychosocial risk factors and promote preventive measures to create a protective work environment.

Through the ‘Wellness Hub’, VU provided a portal of health and wellbeing information and resources across four key areas – a wellness toolkit, mental health, physical health and social health. The portal also links many other essential resources, including the Employee Assistance Program, VU Sport, and WellMob-Healing Our Way (culturally relevant wellbeing support for Aboriginal and Torres Strait People).

We also provided hands-on mental health leadership development, a government-funded initiative which invited VU to participate as one of five Victorian Universities in the Applied Mental Health Leadership program. Through applied training, this program equipped leaders with the practical skills required to create mentally healthy workplace environments at VU, and their participating team members with awareness and empowerment to positively impact these environments.

Another initiative implemented in 2021 were the ‘wellbeing days’. In light of months of hard lockdowns, and recognising the impact on staff, three ‘wellbeing days’ were gifted to the nearly 2,000 VU colleagues employed on ongoing or fixed-term contracts. These days off were scheduled around public holidays, providing extra-long weekends so that staff could genuinely unhook from email, step back from teaching, research and administration and have a proper, uninterrupted break. Additionally, staff were encouraged to get vaccinated, and were able to do this during work hours, or in the case of casual/sessional staff, they were given three hours of reimbursement.

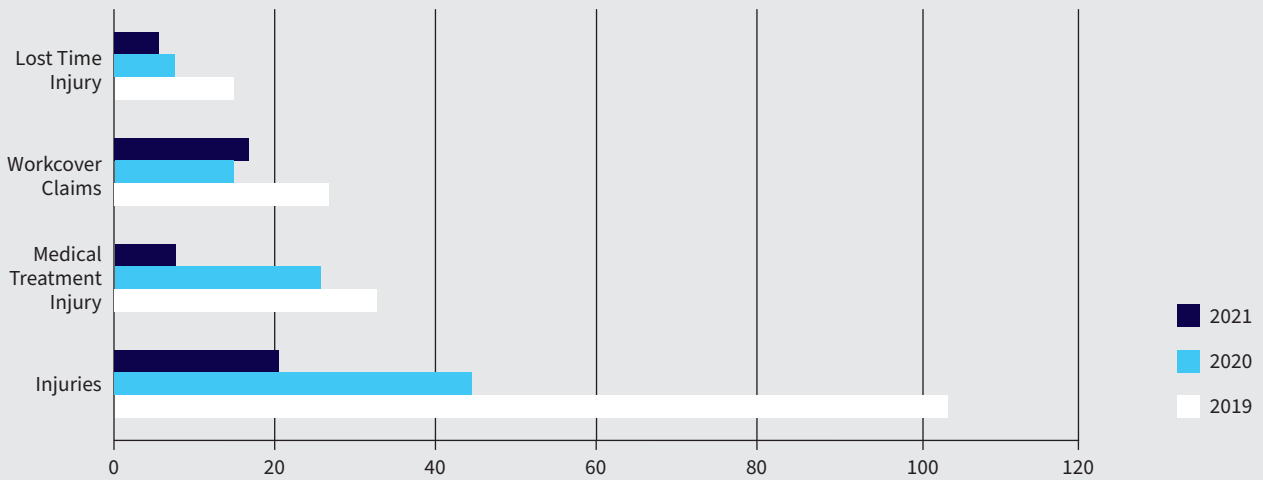
## OUR PERFORMANCE

Over the past two years, we have reduced lost-time injury claims through prevention and awareness initiatives. We do anticipate that there will be a slight increase in our performance data as students and staff return to campus in 2022, following periods of sustained lockdowns in 2021.

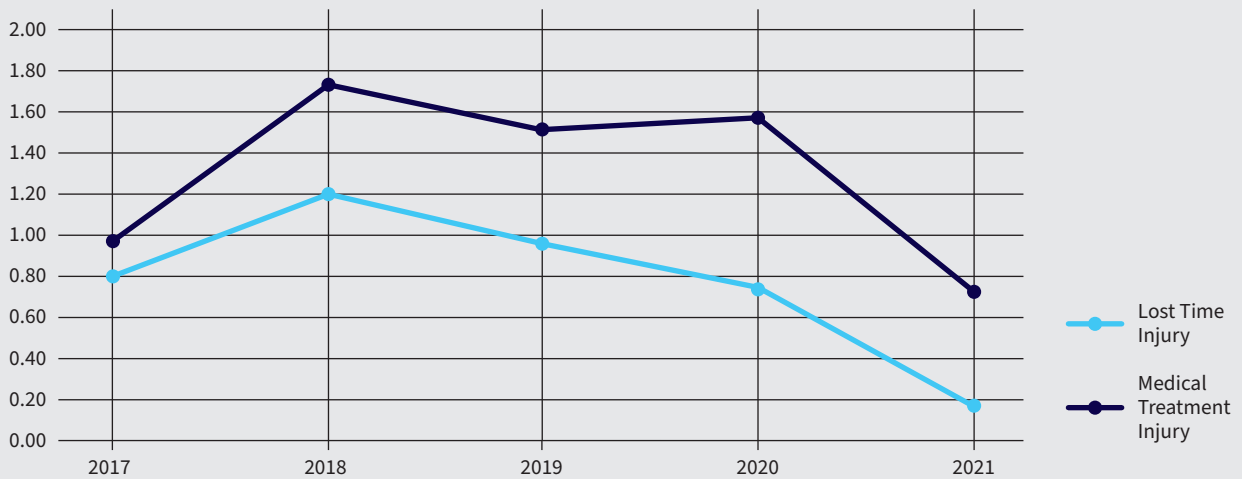
## HEALTH, WELLBEING AND SAFETY PERFORMANCE DATA 2019–2021

	2019	2020	2021
NUMBER OF REPORTED HAZARDS/INCIDENTS FOR THE YEAR PER 100 FTE STAFF MEMBERS	17.7	5.6	3.7
NUMBER OF ‘LOST TIME’ STANDARD CLAIMS FOR THE YEAR PER 100 FTE STAFF MEMBERS	0.86	0.41	0.34
AVERAGE COST PER CLAIM (INCLUDES PAYMENTS TO DATE AND A FUTURE ESTIMATE OF CLAIM COSTS)	\$221,123	\$213,651	\$205,677
REPORTED FATALITIES	0	0	0

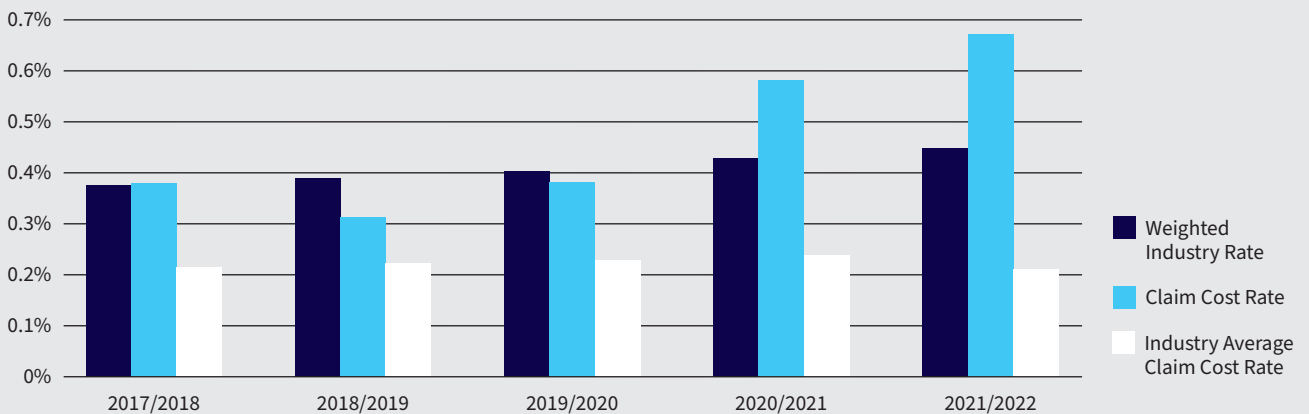
### BREAKDOWN OF STAFF INJURIES 2019–2021



### OHS FREQUENCY RATES

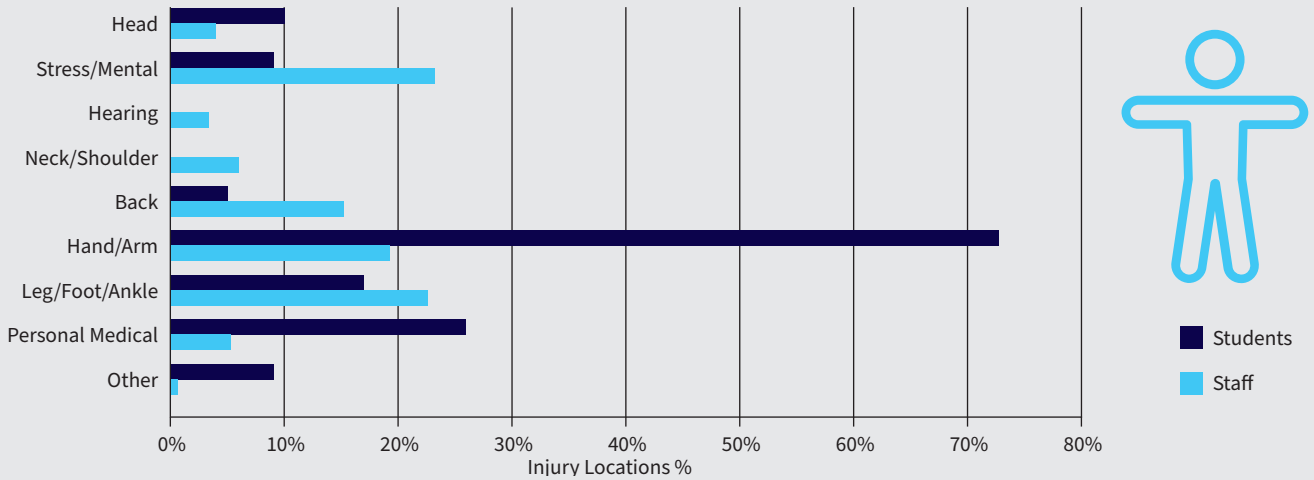


### TREND FOR RATES OVER THE INSURANCE YEAR 2020–2021

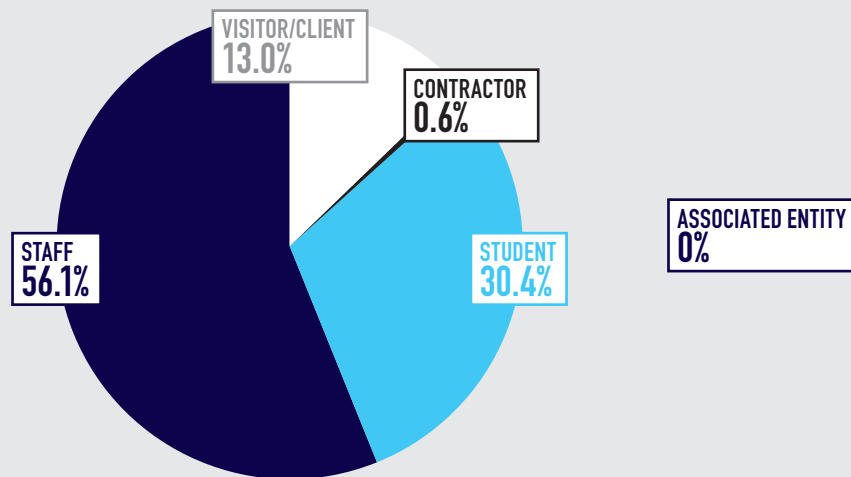


Note: An increase in WorkCover claims in 2018–2019 led to an increase in associated claims costs for the following three years. However, since 2019, WorkCover claims have reduced, likely leading to reduced claims costs in the next few years.

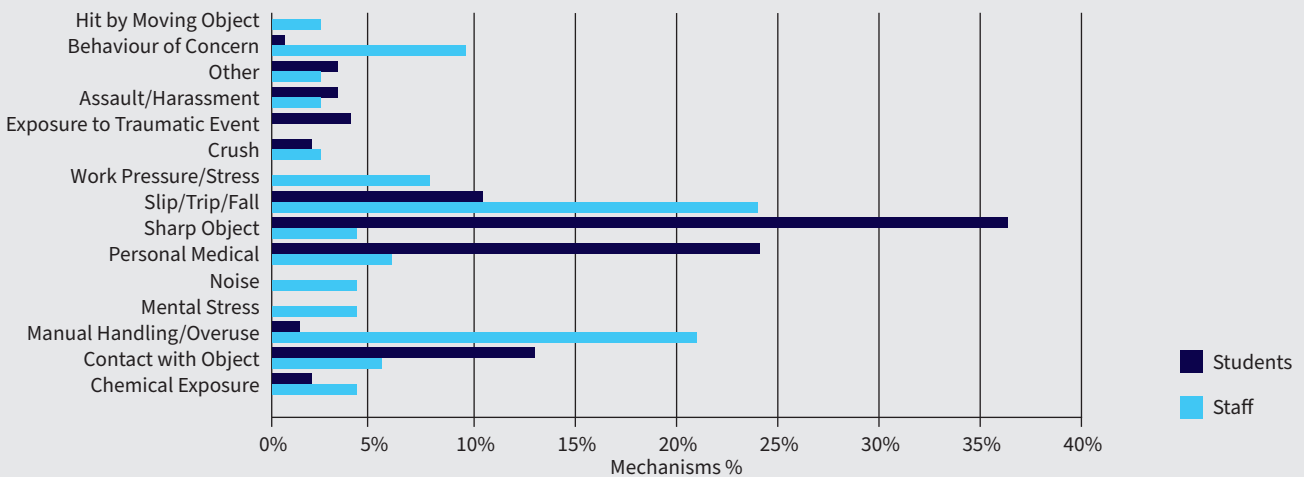
### INJURY LOCATIONS 2019–2021



### INCIDENTS RECEIVED 2019–2021



### MECHANISMS OF INJURY 2019–2021



## WORKFORCE DATA

The University's FTE had an overall increase of 5% from 2020. Staffing numbers changed due to the rise of Higher Education FTE in response to the *Victoria Higher Education State Investment Fund* and an increase in Vocational Education FTE after the conversion of casual teaching to fixed term as part of the enterprise agreement. Further, staffing adjustments addressed the needs of our rapidly changing environment, such as long closure periods, due to COVID-19 restrictions.

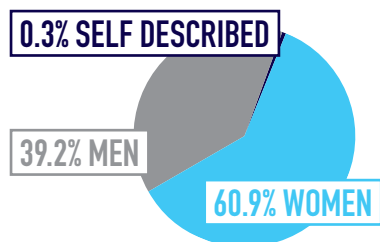
## OUR TARGETS

We developed a series of new measures and targets at the end of 2021 as part of the *Workforce Operational Plan 2021 - 2022* People Scorecard. They include:

- compliance with the *Victorian Gender Equality Act*
- gender balance and pay parity, and
- increasing Indigenous employment.



**2,365** TOTAL STAFF  
INCLUDING ONGOING, FIXED TERM, CASUAL AND SESSIONAL



We monitor Gender Pay Gap as an enterprise level key performance indicator, and in 2021 this reduced to 9.6% from 13.1% in 2020. The remaining targets are on track and will be reportable in 2022.



**1,954** FULL TIME EQUIVALENT  
INCLUDING ONGOING AND FIXED TERM

- 550** ACADEMIC
- 1133** PROFESSIONAL
- 6** SENIOR MANAGEMENT
- 265** VET TEACHING STAFF

## WORKFORCE DATA REPORTING

### WORKFORCE DISCLOSURES (DECEMBER 2020 – DECEMBER 2021)

HEADCOUNT ONLY	DECEMBER 2020						
	ALL EMPLOYEES		ONGOING			FIXED TERM AND CASUAL	
	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	FTE	NUMBER (HEADCOUNT)	FTE
<b>GENDER</b>							
Women Executives	2	2	0	0	0	2	2
Women (Total Staff)	1,333	1,089	613	238	768	482	321
Men Executives	6	6	1	0	1	5	5
Men (Total Staff)	878	761	473	43	500	362	261
Self-Described	4	4	1	1	2	2	2
<b>AGE</b>							
15–24	35	19	3	1	4	31	16
25–34	401	325	152	36	174	213	150
35–44	582	503	293	85	349	204	154
45–54	585	517	327	70	373	188	144
55–64	497	416	273	66	317	158	99
Over 64	123	81	40	24	53	59	28
<b>Total Employees</b>	<b>2,223</b>	<b>1,862</b>	<b>1,088</b>	<b>282</b>	<b>1,270</b>	<b>853</b>	<b>591</b>





## WORKFORCE DISCLOSURES (DECEMBER 2020 – DECEMBER 2021) (CONTINUED)

HEADCOUNT ONLY	DECEMBER 2021						
	ALL EMPLOYEES		ONGOING			FIXED TERM AND CASUAL	
	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	FTE	NUMBER (HEADCOUNT)	FTE
<b>GENDER</b>							
Women Executives	2	2	0	0	0	2	2
Women (Total Staff)	1,431	1,161	641	240	800	550	361
Men Executives	4	4	0	0	0	4	4
Men (Total Staff)	922	783	483	51	515	388	268
Self-Described	6	4	4	0	4	2	0
<b>AGE</b>							
15–24	82	40	7	1	8	74	32
25–34	440	350	165	33	186	242	164
35–44	601	515	300	80	353	221	162
45–54	614	533	332	77	383	205	150
55–64	506	432	285	70	332	151	100
Over 64	122	84	39	30	57	53	27
<b>Total Employees</b>	<b>2,365</b>	<b>1,954</b>	<b>1,128</b>	<b>291</b>	<b>1,319</b>	<b>946</b>	<b>635</b>

Note: 2020 figures in the 2020 Annual Report differs to that reported in the 2021 Annual Report due to a change of the reporting criteria for casuals. Casual employees counted are those who are active and employed in the last full pay period of the reporting year  
Data was extracted on 10th January 2021

All employees have been correctly classified in the workforce data collections

## CASUAL WORKFORCE DISCLOSURES (DECEMBER 2020 – DECEMBER 2021)

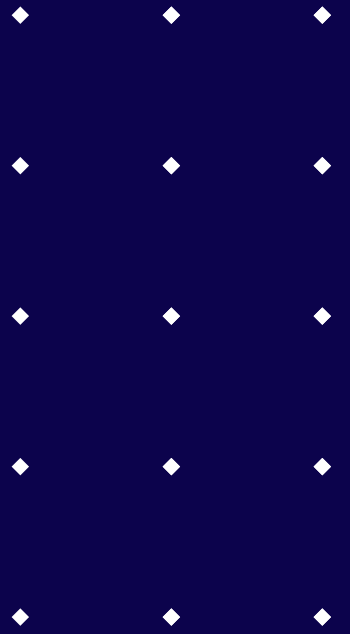
HEADCOUNT ONLY	DECEMBER 2020*		MARCH 2021***		DECEMBER 2021**	
	CASUAL EMPLOYEES		CASUAL EMPLOYEES		CASUAL EMPLOYEES	
	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	NUMBER (HEADCOUNT)	FTE
<b>Total Employees</b>	<b>325</b>	<b>123</b>	<b>737</b>	<b>287</b>	<b>340</b>	<b>119</b>

Note: VU does not have self-described executives

\* 2020 figures in the 2020 Annual Report differs to that reported in the 2021 Annual Report due to a change of the reporting criteria for casuals. Casual employees counted are those who are active and employed in the last full pay period of the reporting year

\*\* Casual employees active and employed in the last full pay period of the reporting year

\*\*\* Casual employees active and employed in the last full pay period of March



Good governance is the key to operating as a responsible and sustainable University. It lays the foundation of every aspect of our operations, ensuring we act ethically, prudently, and in the best interests of our students, our community, our partners and other stakeholders.

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## OUR GOVERNANCE

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# GOVERNANCE FRAMEWORK

**THE PAST TWO YEARS HAVE ENABLED COUNCIL AND MANAGEMENT TO THINK DIFFERENTLY ABOUT HOW WE DELIVER OUR CORE BUSINESS, FUNDAMENTALLY CHANGING THE WAY WE OPERATE AND OUR NEW STRATEGY WILL POSITION THE UNIVERSITY TO BE AGILE IN DEALING WITH FURTHER DISRUPTIVE IMPACTS.**

Our governance framework ensures the responsibilities of the Council, the Academic Board and the executive team support accountability and meet the obligations of the *Victoria University Act 2010 (Vic)*. The relevant minister for the reporting period was The Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education.

2021 saw the formal installation of The Hon. Steve Bracks AC as Victoria University's new Chancellor for the next five years. He was supported by two Deputy Chancellors through-out the year: Gaye Hamilton and Wayne Kayler-Thomson (until his resignation on 30 June 2021).

## MODERNISING GOVERNANCE PROGRAM

At VU we are committed to continuous improvements and modernisation of our governance practices. In particular, focusing on streamlining of supporting systems and processes and further reform that delivers more agile decision-making in a complex environment without compromising good governance.

In 2021, we achieved, among other things, the following as part of our Modernising Governance program of work:

- reform of our Governance Framework including supporting Regulations and revised Council, Academic Board and Standing Committee Terms of Reference
  - Significant streamlining of existing documentation down to three – the Council Regulations, the Vice-Chancellor's Regulations, and the Academic Board Regulations.
  - Strengthened Terms of Reference.
- greater alignment and visibility to the Regulatory context within Terms of Reference, Committee work plans and educative material.
- a refreshed tailored Professional Development Program for Governance Committee members.

## COUNCIL PERFORMANCE

Over the course of 2021, governance remained a key focus for Council, despite the challenging operating environment (COVID-19), the following major items were approved:

- the revised executive level structure to support the implementation of the new Strategic Plan 2022-2028
- Foreign Interference Protocols
- Modern Slavery Statement
- Victoria University's Vaccination Statement and Roadmap
- Disposal of excess land and development of strategic partnership strategies.

## COUNCIL ENGAGEMENT IN STRATEGY

The Council is the governing body of the University. It is responsible for providing overall strategic leadership of the University. The University Council sets the strategic directions of the University and monitors strategy implementation by the executive team in accordance with our governance framework.

In July 2021, Council approved a new *Strategic Plan 2022-2028: Start well, finish brilliantly* as well as a Strategic Scorecard, to track performance against plan. Development of this plan commenced with a forum with Council and the executive early 2021 to determine the strategic drivers and emerging priorities. This informed a crowdsourcing campaign, over a period of 12 weeks, utilising The Workshop (Crowdcity platform) which engaged 1400+ staff, students and stakeholders in the development of the new strategy.

2021 was also the final year of Victoria University's current strategy, *Strategic Plan 2016-2021: The University of Opportunity and Success* and a close-out report was considered by Council to assess achievement against the six-year period of the plan (refer to page 12-13). Importantly, this report highlighted the many emerging opportunities as we bridge across to the new strategy as well as the strategic risks we are likely to face over the medium term as we begin to implement it.

Council approved a new Strategic Plan that continues to build upon the significant innovation, creativity and boldness that has occurred over the past six years – leveraging great strengths of the University including the VU Block Model, our dual sector capability and commitment to impact in all that we do, especially in protecting people, place and planet. The past two years have

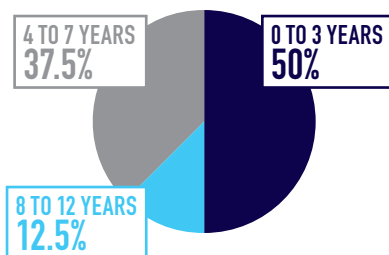
## GOVERNANCE FRAMEWORK

enabled Council and management to think differently about how we deliver our core business, fundamentally changing the way we operate and our new strategy will position the University to be agile in dealing with further disruptive impacts.

Over the course of 2021, Council continued to engage with management on major strategic matters as part of a Council Forum program.

Council also participated in a joint meeting with Academic Board looking at the recommendations of the Interim Review of VU Block Model and associated action plan.

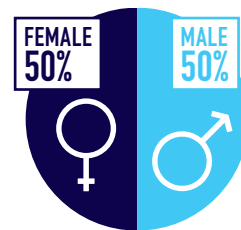
### BOARD TENURE



### LOOKING FORWARD

Effective governance continues to be the focus of the Council in 2022 including a refreshed membership, the additional attributes, skills and expertise will strengthen the Council's breadth and

### BOARD DIVERSITY (GENDER)



depth. Additionally, we will be launching an interactive Council Knowledge Centre, to enable our members to remain informed of sectoral trends and developing our Council communication plan, to raise greater awareness amongst the university community of the Council's work.

## OUR COUNCIL (CORPORATE GOVERNANCE)

OFFICIAL MEMBERS	GOVERNMENT APPOINTED MEMBERS	COUNCIL APPOINTED MEMBERS	ELECTED MEMBERS
The Chair of Council, <b>The Hon Steve Bracks AC</b> Years of Service = 1	<b>Elizabeth Beattie</b> Years of Service = 5	<b>Peter George</b> Years of Service = 6.4	<b>Catherine Abourizk</b> (STUDENT) Years of Service = 1.5
The Vice Chancellor, <b>Professor Adam Shoemaker</b> Years of Service = 1	<b>Tony Brain</b> Years of Service = 2	<b>Dr Jenny Gray</b> Years of Service = 5	<b>Stuart Martin</b> (STAFF) Years of Service = 1.5
The Chair of Academic Board, <b>Associate Professor Tom Clark</b> Years of Service = 2.1	<b>Susan Schlesinger</b> Years of Service = 3	<b>Rhonda Hawkins</b> Years of Service = 6	
	<b>Virginia Simmons</b> (resigned 19 July 2021) Years of Service = 5.6	<b>Mark Toohey</b> Years of Service = 6.2	
	<b>Gaye Hamilton</b> (Deputy Chancellor, stepped down 31 December 2021) Years of Service = 9.6	<b>Wayne Kayler-Thomson</b> (resigned 30 June 2021) Years of Service = 11.5	
		<b>Kate Roffey</b> (commenced 1 July 2021) Years of Service = 0.6	

## BOARD COMMITTEES

The Council has the following six standing committees to assist in discharging its responsibilities:

COMMITTEE		
<p><b>COMPLIANCE, AUDIT AND RISK COMMITTEE (CARC)</b></p> <p>CARC met 6 times during the year and reported the key committee activities and outcomes to the Council after each meeting.</p> <p>The committee is responsible for providing Council with strategic advice, oversight and monitoring of the risk management, legislative and regulatory compliance frameworks as well as internal accountability requirements and controls for the University and its controlled entities. This includes oversight of each of the Internal Audit and External Audit functions.</p>	<b>CHAIR</b>	<b>Peter George</b>
	<b>MEMBERS</b>	<p><b>Tony Brain</b></p> <p><b>Claudia Fatone</b> (External independent member)</p>
<p><b>FINANCE AND INVESTMENT COMMITTEE (FIC)</b></p> <p>FIC met 10 times during the year (including 4 shorter teleconference meetings). These extra meetings have been valuable in monitoring the ongoing financial impacts of COVID-19 on the university.</p> <p>This committee is responsible for providing Council with strategic advice and oversight of the overall financial performance and sustainability of the University and its controlled entities, and the management, allocation and investment of University capital and funds.</p>	<b>CHAIR</b>	<b>Mark Toohey</b>
	<b>MEMBERS</b>	<p><b>Tony Brain</b></p> <p><b>Peter Day</b> (External independent member)</p> <p><b>Peter George</b></p> <p><b>Rhonda Hawkins</b></p> <p><b>Wayne Kayler-Thomson*</b></p>
<p><b>INFRASTRUCTURE PLANNING COMMITTEE (IPC)</b></p> <p>IPC met 5 times during the year and its priority role is to oversight the implementation of the University's <i>Campus Master Plan</i>.</p> <p>The committee is responsible for advising Council on matters relating to the planning and development of the University's major property and physical infrastructure, ensuring alignment with the University broader strategic directions.</p>	<b>CHAIR</b>	<b>Rhonda Hawkins</b>
	<b>MEMBERS</b>	<p><b>Elizabeth Beattie</b></p> <p><b>Richard Constantine*</b></p> <p><b>Ian Ford*</b></p> <p><b>Jenny Gray</b></p> <p><b>Kirsten Jeffrey*</b></p>
<p><b>LEADERSHIP AND CULTURE COMMITTEE</b></p> <p>This committee met twice and was responsible for advising Council on matters relating to the University's workforce.</p> <p>Following the revision of Standing Committee Terms of Reference, it was recommended that these matters be incorporated into the University Council's work plan and that this committee be disbanded, effective from 1 June 2021 (this was also consistent with a recommendation made in an external review of corporate governance at the end of 2020).</p>	<b>CHAIR</b>	<b>Virginia Simmons</b>
	<b>MEMBERS</b>	<p><b>Lisa Bradley</b> (external independent member)</p> <p><b>Shaun Eltham*</b></p> <p><b>Ian Ford*</b></p> <p><b>Jenny Gray</b></p>
<p><b>REMUNERATIONS COMMITTEE</b></p> <p>This committee met 3 times during 2021 and is responsible for the oversight of the remuneration and conditions of employment of the University's senior executive. A key priority in 2021 was determining the new Vice-Chancellor's short- and long-term performance objectives.</p> <p>In an emergency, the committee may exercise the power of the Council to appoint an Acting Vice-Chancellor.</p>	<b>CHAIR</b>	<b>Steve Bracks</b>
	<b>MEMBERS</b>	<p><b>Gaye Hamilton</b></p> <p><b>Mark Toohey</b></p> <p><b>Virginia Simmons*</b> *resigned 19 July 2021</p>
<p><b>NOMINATIONS COMMITTEE</b></p> <p>This committee met 3 times during 2021 and provided Council and/or the Minister responsible for the <i>Victoria University Act 2010 (Vic)</i> with recommendations for the appointment of members of Council and making recommendations to Council for appointments to the Boards of Directors of subsidiary entities.</p> <p>In 2021, a significant renewal of Council membership occurred with key appointments made to commence in 2022 (government and Minister-appointed).</p>	<b>CHAIR</b>	<b>Gaye Hamilton</b>
	<b>MEMBERS</b>	<p><b>Elizabeth Beattie</b></p> <p><b>Steve Bracks</b></p> <p><b>Virginia Simmons*</b></p> <p><b>Adam Shoemaker</b> * resigned 19 July 2021</p>

## COUNCIL MEMBERS' ATTENDANCE AT COUNCIL AND COMMITTEE MEETINGS

The table below sets out the number of Council and committee meetings held during the year that ended 31 December 2021 and the number of meetings attended by each Councillor:

### MEETING ATTENDANCE IN 2021

COUNCIL MEMBER	COUNCIL (5 MEETINGS)	COMPLIANCE AUDIT & RISK (6 MEETINGS)	FINANCE & INVESTMENT (10 MEETINGS)	INFRASTRUCTURE PLANNING (5 MEETINGS)	NOMINATIONS (3 MEETINGS)	REMUNERATION (3 MEETINGS)	LEADERSHIP & CULTURE (2 MEETINGS)
The Hon Dr Steve Bracks AC	5	-	-	-	3	3	-
Professor Adam Shoemaker	5	6	10	-	3	-	2
Catherine Abourizk	5	-	-	-	-	-	-
Elizabeth Beattie	5	-	-	5	3	-	-
Tony Brain	5	6	10	-	-	-	-
Associate Professor Tom Clark	5	-	-	-	-	-	-
Peter George	5	6	9	-	-	-	-
Dr Jennifer Gray	5	-	-	5	-	-	2
Gaye Hamilton	5	-	-	-	3	3	2
Rhonda Hawkins AM	5	-	10	5	-	-	-
Wayne Kayler-Thomson*	2	-	4	-	-	-	-
Stuart Martin	5	-	-	-	-	-	-
Kate Roffey*	2	-	3	-	-	-	-
Susan Schlesinger	5	6	-	-	-	-	-
Virginia Simmons*	1	-	-	-	1	1	2
Mark Toohey	5	-	10	-	-	3	-

NOTE: \*Concluded or commenced term during 2021  
Further information regarding University Council and standing committees is available at:  
[www.vu.edu.au/about-vu/administration-governance/governance/university-council-committees](http://www.vu.edu.au/about-vu/administration-governance/governance/university-council-committees)

## THE ACADEMIC BOARD (ACADEMIC GOVERNANCE)

The Academic Board is the principal academic authority within Victoria University, supporting the Council for maintaining the highest standards (quality) in learning, teaching and research.

The Chair of the Academic Board is a member of Council and was re-elected as Chair for a further two year term in November 2021.

The Academic Board has a broad membership encompassing teaching and learning staff, students, management and professional staff in line with its broad academic authority.

In 2021, oversight of the key recommendations arising from the Interim Review of the VU Block Model was a particular focus for the Board and they established a taskforce to define the core principles of the VU Block Model. The Board remained focused on ensuring the University maintained quality

teaching, scholarship and research during these highly disrupted times, including recognising the importance of online teaching (real-time and self-paced) as a learning mode going forward.

As well as reviewing academic policy recommendations (including the Academic Integrity and Research Integrity Suites and Student Charter Policy) and approving and accrediting degrees and other awards, it provided a forum for debate within the University and between the academic community and the executive team. Academic Board worked with others across VU to ensure that high academic standards were maintained throughout the disruption (due to COVID-19).

Some of the key areas of focus were:

- Input into the revised Academic Board Regulation and Terms of Reference
- Consultation and feedback on the new *Strategic Plan 2022-2028: Start well, finish brilliantly*

- Monitoring of the ASQA Re-registration Project (ahead of VU Polytechnic's 2022 re-registration)
- Consultation and feedback on the VU Business School Turnaround Plan
- Input into the *2022 University Operation Plan* and associated academic entity plans
- Feedback on the transition to the new VU City Tower.

Further information regarding Academic Board and standing committees is available at: [www.vu.edu.au/about-vu/administration-governance/governance/academic-board](http://www.vu.edu.au/about-vu/administration-governance/governance/academic-board)

Looking forward the Academic Board is intending to review its membership to ensure it aligns with the new *Strategic Plan 2022-2028*. It has also scheduled to hold two joint forums with Council on areas of significance to extend its alignment with Council's overall responsibilities.

# UNDERSTANDING OUR RISKS

Risk management is an integral part of Victoria University's planning and decision-making processes and is crucial to good governance.

We have implemented a risk management framework to ensure that risk identification and mitigation are effectively integrated into our strategic and annual planning cycles. In addition, we promote a positive risk culture to encourage risk identification and management in our operations.

In 2021, we undertook a full refresh of our strategic and enterprise risks in consultation with the Vice Chancellor's Executive, Compliance, Audit and Risk Committee and the University Council. The risk profiles have been aligned with the new *Strategic Plan 2022-2028* serving as a guide for the Executive during a period of uncertainty and rapid change.

## ATTESTATION ON COMPLIANCE WITH MINISTERIAL STANDING DIRECTION 3.7.1

I, Adam Shoemaker, Vice-Chancellor and President, certify that for the period 1 January 2021 to 31 December 2021, Victoria University had risk management processes in place consistent with the Victorian Government's Risk Management Framework, and the Australian Risk Management Standard (AS ISO 31000:2018), and that an internal control system was in place that enables the Executive to understand, manage and satisfactorily control risk exposures.

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



**Professor Adam Shoemaker**  
Vice-Chancellor and President  
Victoria University

18 March 2022

# STATUTORY REPORTING

## FREEDOM OF SPEECH AND ACADEMIC FREEDOM ATTESTATION STATEMENT

On 16 December 2019 the University advised the then Minister for Education of its approach to the adoption of the Hon. Robert French's recommended *Model Code for the Protection of Freedom of Speech and Academic Freedom in Australian Higher Education Providers* [the Model Code]. The University confirmed that it would incorporate the broad principles of the Model Code within the University's current policy architecture in order to provide clarity and consistency for all University stakeholders in identifying their rights and obligations in this area. Accordingly a new *Freedom of Expression Policy* [the Policy] was approved by the University Council and adopted by the University on 5 June 2020.

Since that approval by Council, and in the context of Emeritus Professor Sally Walker's review of compliance with the Model Code by the university sector, the University undertook a further internal review of its own application of the Model Code. Following that review, it was considered that the University's application of the Model Code could be further strengthened by adopting the Model Code alongside the Policy. This approach would ensure that should any interpretation issues arise by virtue of the Policy being a high level document, these will be clarified by the more specific provisions of the Model Code. At its 1 December 2020 meeting Council endorsed the following:

*That the Model Code for the Protection of Freedom of Speech and Academic Freedom in Australian Higher Education Providers ("Model Code") be adopted by the University as a University policy such that:*

- *The Model Code shall prevail to the extent of any inconsistency with the Freedom of Expression Policy any other policy or non-statutory rule of the University.*
- *Terms which are defined in the Model Code shall have the same meaning in Freedom of Expression Policy and other policies or non-statutory rules of the University.*

The University was subsequently notified that Professor Walker considered that the Policy in the context of the Model Code was "partly aligned, significant areas not

aligned", although Professor Walker would not have been aware that the University had adopted the Model Code prior to completion of her review. On 16 June 2021, the Department of Education, Skills and Employment provided an updated assessment of the University's alignment with the Model Code, and advised that the University's policies are now "fully aligned".

University management have also reviewed its suite of policies more generally in the context of the *Freedom of Expression Policy* and the Model Code in order to ensure alignment with the principles outlined in those documents. As a result of that review, some amendments have been made to the *Hire of Facilities Policy*, and the remaining policies were considered to be in alignment.

The University is strongly committed to freedom of expression and academic freedom, and this commitment was reinforced to students, staff and other stakeholders by the former Vice-Chancellor, Professor Peter Dawkins, upon implementation of the Policy.

The University is not aware of concerns being raised regarding freedom of speech and academic freedom within the University during 2021.

Regular student surveys give respondents an opportunity to raise concerns or issues they may have in respect of freedom of speech and academic freedom on campus. The University will ensure that future staff surveys also give staff members a similar opportunity.

## FREEDOM OF INFORMATION ACT 1982

Victoria University is subject to the *Freedom of Information Act 1982* (Vic). Requests for access to documents under the Act can be made by following the instructions at [www.vu.edu.au/freedom-of-information-foi](http://www.vu.edu.au/freedom-of-information-foi).

In 2021, the University received 17 requests for access to documents under the Act, 4 non-personal and 13 personal, as follows:



REQUESTS	17
REQUESTS REFUSED	3
DECISIONS TO RELEASE	14
- IN PART	0
- IN FULL	14
DECISIONS DENYING ACCESS IN FULL	3
DECISIONS WHERE NO DOCUMENTS IDENTIFIED	0
REQUESTS NOT PROCEEDED BY THE APPLICANT	0
REQUESTS NOT FINALISED BY THE END OF 2021	0
INFORMATION COMMISSIONER REVIEWS	2
VICTORIAN CIVIL AND ADMINISTRATIVE TRIBUNAL APPEALS	0
REQUESTS RECEIVING TIMELY RESPONSES	17

## OTHER INFORMATION

Subject to the provisions of the *Freedom of Information Act 1982* (Vic), the following information is available on request:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- details of publications produced by the entity about itself, and how these can be obtained

- details of changes in prices, fees, charges, rates and levies charged by the entity
- details of major external reviews carried out on the entity
- details of major research and development activities undertaken by the entity
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes
- a list of major committees sponsored by the entity, and the purposes of each committee and the extent to which the purposes have been achieved
- details of all consultancies and contractors including:
  - consultants / contractors engaged
  - services provided
  - expenditure committed to for each engagement.

Enquiries should be emailed to: [foi@vu.edu.au](mailto:foi@vu.edu.au)

## BUILDING ACT 1993

Victoria University complies with the building and maintenance provisions of the *Building Act 1993* (Vic). To ensure compliance, the University has policies and procedures in place and refers all relevant works to an independent building surveyor for certification.

## NATIONAL COMPETITION POLICY

Victoria University complies with competition laws and applies the principles of the *National Competition Policy* and the *Victorian Competitive Neutrality Policy* to business activities.

## PUBLIC INTEREST DISCLOSURES ACT 2012

Victoria University is committed to the aims and objectives of the *Public Interest Disclosures Act 2012* (Vic) and has developed a Public Interest Disclosures Policy and Procedure, which is available at [policy.vu.edu.au](http://policy.vu.edu.au).

The University does not tolerate improper conduct by the University, its employees, officers or members, or the taking of reprisals against those who come forward to disclose such conduct. The requirements under the Act are further supported by the University's *Fraud and Corruption Control Policy and Procedure*.



## STATUTORY REPORTING

Victoria University is not permitted to receive disclosures made under the Act. Individuals wishing to make a disclosure must make that disclosure directly to the Independent Broad-based Anti-corruption Commission ([ibac.vic.gov.au](http://ibac.vic.gov.au)). While the University is not able to receive public interest disclosures, the Public Interest Disclosure Coordinator remains available for individuals wishing to make reports or raise concerns that would not give rise to public interest disclosures, with the assurance of confidentiality.

### LOCAL JOBS FIRST ACT 2003

The *Local Jobs First Act 2003* (Vic) requires departments and public sector bodies to apply the Local Jobs First policy to all projects over \$3 million in metropolitan Melbourne or state-wide, and \$1 million in regional Victoria.

In 2021, Victoria University applied for and was awarded \$22m (\$11m in 2021 and \$11m in 2022) from the Victorian Higher Education State Investment Fund (VHESIF) which is funding four Research Innovation Hubs.

Three of four Innovation Hubs (Education Innovation Hub, Stronger Communities Innovation Hub and Sustainable Futures Innovation Hub) meet the threshold of the Local Jobs First policy, with a total expenditure within the 2021 reporting period of \$8,893,089. All expenditure during the period met the requirements of the Local Jobs First policy.

For Victorian Government grants provided during 2021, including VHESIF grants, Victoria University had a total of 9 interactions with the Industry Capability Network (Victoria) Ltd. where interaction reference numbers were required.

### COMPULSORY NON-ACADEMIC FEES AND CHARGES

Victoria University applied the following compulsory Student Services and Amenities Fees (SSAF) for eligible students in 2021:

### 2021 SSAF FEES

	VOCATIONAL EDUCATION / TAFE STUDENTS	HIGHER EDUCATION STUDENTS
Full-time & Part-time	\$156.50 per year (government subsidised students with no concession, studying more than 25 hours per year)	\$156.50 per semester (maximum \$313.00 for the year)
Part-time	\$156.50 per year (government subsidised students with no concession, studying more than 25 hours per year)	\$78.25 per semester (maximum \$156.50 for the year)
Off campus and industry training	\$47.25 per year (students studying off campus, and industry training)	n/a
Concession	\$93.90 (students currently eligible for concession rates on tuition)	n/a

SSAF funds were invested to provide student services, programs and activities that included:

- Counselling services, health, student advocacy and welfare support
- Delivery of student life and engagement activities and programs
- Career service VU Employ
- Sports and fitness facilities and programs
- SSAF Student Experience Initiative Grant program
- Students as Partners leadership program
- Student volunteering program
- Student organisations, clubs and societies

For the majority of 2021, services were delivered remotely while students studied online real-time due to the COVID-19 pandemic and state lockdowns.

The following student organisations received SSAF funding in 2021, which were used for the purpose of students providing independent representation and advocacy, as well as activities and programs that included lockdown care packages, online social events, physical and mental health activities and mental health first aid training to enable students to remain connected as a student community throughout the year.

ORGANISATION	SSAF BUDGET ALLOCATION	SSAF ACTUAL SPEND
Victoria University Student Association (VUSU)	\$461,136	\$429,440
Victoria University Postgraduate Association (VUPA)	\$70,000	\$47,941

The amount of compulsory non-academic fees and charges collected by the University is disclosed in the [Notes to Financial Statements - 6 Fees and Charges].

Further information regarding Victoria University student fees and charges is available at: [www.vu.edu.au/current-students/your-course/fees/your-ssaf-contribution/where-your-ssaf-goes](http://www.vu.edu.au/current-students/your-course/fees/your-ssaf-contribution/where-your-ssaf-goes)

### CONSULTANCIES

In 2021, there were 26 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2021 in relation to these consultancies is \$1,629,000 (excluding GST). Details of individual consultancies can be viewed at [www.vu.edu.au/about-vu/news-events/publications/annual-reports](http://www.vu.edu.au/about-vu/news-events/publications/annual-reports).

In 2021, there was 1 consultancy where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2021 in relation to these consultancies is \$9,000 (excluding GST).

## ASSET MANAGEMENT ACCOUNTABILITY FRAMEWORK

The 2017 Victorian Auditor General's Office report to parliament identified that Victoria University's Asset Maintenance Framework maturity was 'developing'. Following this the University has progressed the development of an integrated asset management approach aligned with

ISO55001 which has seen the development of a significant asset data base and critical assessment that now informs the University's future capital investment planning in asset replacement. Asset management capabilities are being developed in line with the requirements of the Asset Management Accountability Framework (AMAF). Strategy Asset

Management Policies and Procedures and Plans will be finalised in 2022 and work is currently underway to finalise risk-based Asset Class Plans for a select number of facilities asset classes. An external assessment against the requirements of the AMAF is progressing which would enable alignment of asset management with AMAF requirements.

## UNIVERSITY COMMERCIAL ACTIVITIES

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

### INCOME STATEMENT

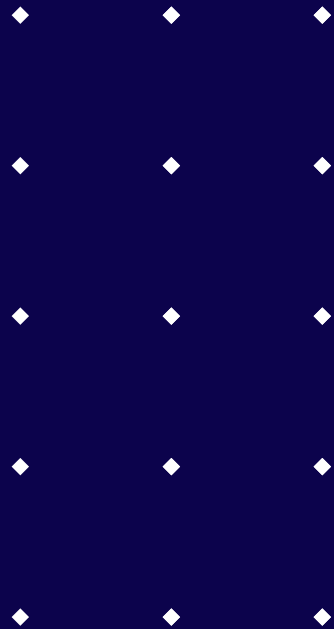
NAME	PRINCIPAL ACTIVITIES	DOMICILE	OWNERSHIP INTEREST	TOTAL REVENUE 2021	TOTAL REVENUE 2020	TOTAL EXPENDITURE 2021	TOTAL EXPENDITURE 2020	TAX/EXTRA ORD ITEMS 2021	TAX/EXTRA ORD ITEMS 2020	OPERATING RESULT* 2021	OPERATING RESULT* 2020	CONTRIBUTION TO UNI OPERATING RESULTS* 2021	CONTRIBUTION TO UNI OPERATING RESULTS* 2020
			%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Victoria University Enterprises Pty Ltd	Administers IP from research related spin-off companies	Australia	100%	-	-	-	-	-	-	-	-	-	-
VU Online Pty Ltd	Online course provider	Australia	100%	8,315	4,358	7,508	4,004	-	-	807	354	807	354
<b>Total - University Commercial Activities</b>				<b>8,315</b>	<b>4,358</b>	<b>7,508</b>	<b>4,004</b>	<b>-</b>	<b>-</b>	<b>807</b>	<b>354</b>	<b>807</b>	<b>354</b>

### BALANCE SHEET

NAME	WORKING CAPITAL 2021	WORKING CAPITAL 2020	PHYSICAL ASSETS 2021	PHYSICAL ASSETS 2020	TOTAL ASSETS 2021	TOTAL ASSETS 2020	INTERNAL BORROWINGS 2021	INTERNAL BORROWINGS 2020	EXTERNAL BORROWINGS 2021	EXTERNAL BORROWINGS 2020	TOTAL LIABILITIES 2021	TOTAL LIABILITIES 2020	EQUITY 2021	EQUITY 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Victoria University Enterprises Pty Ltd **	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VU Online Pty Ltd	1,266	420	-	-	2,597	911	-	-	-	-	1,403	523	1,194	388
<b>Total - University Commercial Activities</b>	<b>1,266</b>	<b>420</b>	<b>-</b>	<b>-</b>	<b>2,597</b>	<b>911</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,403</b>	<b>523</b>	<b>1,194</b>	<b>388</b>

\* 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 is \$1.



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**OUR FINANCIAL  
REPORT**

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# FINANCIAL OVERVIEW 2021

**Table One: Key Financial Data - Group**

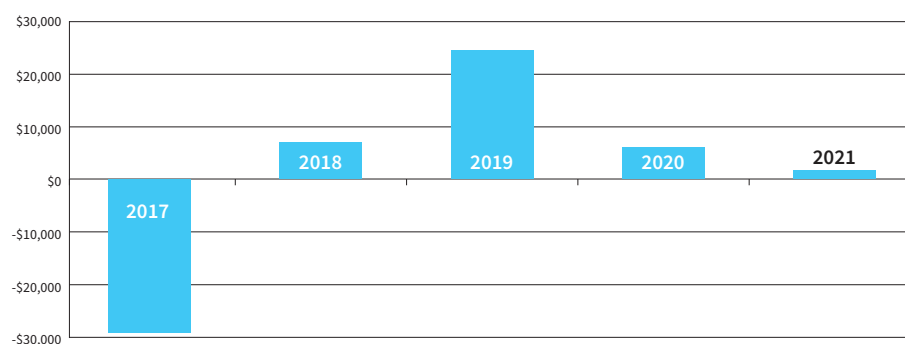
	2017 \$M	2018 \$M	2019 \$M	2020 \$M	2021 \$M
Revenue	443.8	453.0	480.8	474.4	464.6
Expenses	473.0	446.1	456.5	468.3	463.3
Operating Surplus/Deficit after tax	(29.2)	6.9	24.4	6.1	1.30
Operating Margin %*	(6.6%)	1.5%	5.1%	1.3%	0.3%
Cash Flows from Operating Activities	16.8	40.4	69.0	71.3	90.5
Net Assets	990.4	966.0	1,001.5	1,019.1	1,071.0
Liquidity Ratio	0.71	1.05	0.90 <sup>#</sup>	0.99 <sup>#</sup>	0.83 <sup>#</sup>

\*Operating margin calculations exclude deferred government superannuation contributions

<sup>#</sup>With the inclusion of managed funds that can be drawn down in three business days, the liquidity ratio for 2021 is 1.84 (2020: 1.92)

## Group Operating Results for period 2017-2021

### Operating Results \$'000



## INTRODUCTION

Victoria University (VU) and its controlled entities (the Group) posted a total net operating surplus of \$1.3 million for the year ending 31 December 2021 (\$6.1 million in 2020). This has resulted in an operating margin of 0.3%, (2020: 1.3%) on gross revenue. The underlying result is a net deficit of \$16.3 million (2020: a net deficit of \$3.5 million), which excludes capital grants, capital donations, investment income and losses from asset sales.

Table One, Key Financial Data - Group, shows that Group revenue decreased by 2% from the 2020 level of \$474.4 million to \$464.6 million. Group expenses has decreased by 1% during the financial year to \$463.3 million.

The Group's net assets were \$1,071 million, an increase of \$51.9 million or 5.1% on 2020.

## REVENUE

The Group revenue was \$464.6 million, a decrease of \$9.8 million or 2.1% on 2020, which is largely attributed to:

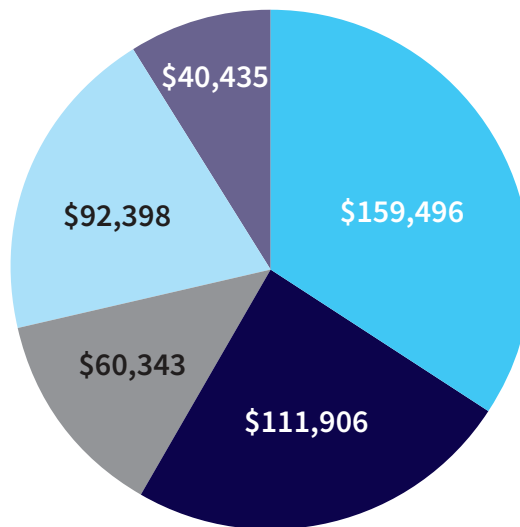
- \$24.7 million in lower course fees and charges, primarily as a result of fewer fee-paying onshore overseas students due to international border restrictions (\$26.2 million). Fee for service activity declined by \$0.9 million, however income from fee-paying offshore overseas students and fee-paying domestic postgraduate students increased slightly by \$0.9 million and \$1.0 million respectively.
- \$2.1 million reduction in State and Local Government funding – noting that whilst the Victorian Higher Education State Investment Fund (VHESIF) of \$10.0 million was received to support research initiatives, the State Government business continuity grant was not received 2021 (\$9.0 million in 2020).
- \$2.0 million reduction in Other Revenue and Income.

Partially offsetting the above are:

- \$11.9 million in additional Commonwealth Funds comprising: \$3.3 million for Research Support, \$3.6 million in Commonwealth Grant Scheme (including HELP-Australian Government payments) and \$4.7 million in new funding for National Priorities and Linkage to support enhanced engagement with universities and industry to produce job-ready graduates.
- \$7.3 million increased investment income, due to the turnaround in the investment market resulting in an unrealised gain of \$5.9 million in 2021 (compared to an unrealised loss of \$4.4 million in 2020).

**Source of Income \$'000**

- Australian Government Grants: 34%
- HELP - Australian Government Payments (Including Upfront Student payments): 24%
- Victorian Government Grants: 13%
- Fees and Charges: 20%
- Other: 9%



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.

**EXPENSES**

The Group operating expenditure was \$463.3 million, a decrease of \$5.0 million or 1% on 2020. This was mainly a result of lower employee benefits following redundancies made in 2020 as part of the University's COVID-19 mitigation strategy (\$6.0 million).

The Group increased overall non-salary expenditure by \$1 million. Whilst some costs declined due to remote learning and working, other costs to support on-campus and to expand digital teaching increased. Projects such as VU People First, and those funded by the VHESIF, contributed to new initiatives in 2021.

Major expense movements in non-salary were:

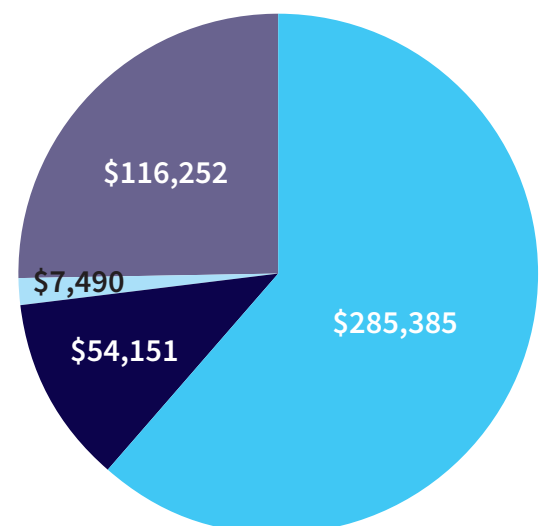
- Consulting, legal and professional fees increased by \$8.4 million driven by the investment in new VU Online Courses, the impact of the Software-as-a-Service (SaaS) on the VU People First project and other IT projects, as well as key strategic and research projects.
- Fees and subscriptions increased by \$3.2 million
- Depreciation and amortisation increased by \$1.6 million
- Scholarships, grants and prizes decreased by \$4.0 million
- Operating lease expenses decreased by \$3.8 million

- Telecommunications decreased by \$2.2 million
- Impairment of receivables decreased by \$1.0 million
- Energy costs decreased by \$0.8 million
- Travel and professional development decreased by \$0.4 million

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

**Expenditures \$'000**

- Employee benefits & on costs: 62%
- Depreciation & Amortisation: 12%
- Repairs & Maintenance: 2%
- Other expenses: 25%



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

### MAJOR BALANCE SHEET MOVEMENTS

The Victoria University Group has continued to maintain a strong and healthy net asset position; as at 31 December 2021 the Group held net assets of \$1,071.0 million (2020: \$1,019.1 million). This is mainly due to the sale of the Maidstone site (former Student Village). The liquidity ratio declined slightly from 0.99 to 0.83, due to higher trade and other payables and contract liabilities at the end of 2021 compared to 2020.

During 2021 VU reviewed its investment strategy to better align Victoria University's commitment to Planetary Health. As a result VU moved its investment funds into products that reduce its carbon footprint and fossil fuel exposure by investing in equities funds that do not invest in companies with fossil fuels reserves, and at the same time increasing our exposure to green energy companies.

### REPORT ON KEY PERFORMANCE INDICATORS

The University's *Strategic Plan 2016-2021* established 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 Higher Education Loan Program (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 2020 benchmark ratio of 45:55; Victoria University's group ratio for 2021, with State government COVID-19 support funding was 30:70 (2020: 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 2021, the Group's current ratio was 0.83 (2020: 0.99) compared to the Australian Universities benchmark of 1.05. However the University holds \$168.9 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 1.84.

The Groups' operating margin of 0.3% is below the Australian Universities 2020 benchmark ratio of 1.9% (national). It's yet to be seen as to whether this will remain the benchmark for the University sector in a post COVID-19 environment.



# FIVE-YEAR FINANCIAL SUMMARY

FOR THE YEAR ENDED 31 DECEMBER 2021

The table below provides a summary of the Group's financial results for the current and preceding four reporting periods.

	2021 000s \$	2020 000s \$	2019 000s \$	2018 000s \$	2017 000s \$
<b>CONSOLIDATED INCOME STATEMENT</b>					
<b>Income from Continuing Operations</b>					
<b>Government Sources</b>					
Australian Government Grants	159,496	141,090	134,759	143,872	142,961
HELP - Australian Government Payments	105,673	112,193	103,873	102,538	103,371
State and Local Government financial assistance	60,343	62,409	52,560	55,053	54,109
<b>Non-Government Sources</b>					
Fees and charges	92,398	117,145	130,751	110,743	97,436
Other income	46,668	41,516	58,899	40,808	45,962
<b>Total revenue</b>	<b>464,578</b>	<b>474,353</b>	<b>480,842</b>	<b>453,014</b>	<b>443,839</b>
<b>Total operating expenses</b>	<b>463,278</b>	<b>468,276</b>	<b>456,492</b>	<b>446,072</b>	<b>473,000</b>
<b>Operating result for the year</b>	<b>1,300</b>	<b>6,077</b>	<b>24,350</b>	<b>6,942</b>	<b>(29,161)</b>
Accumulated funds at the beginning of year	407,881	401,312	377,776	369,799	400,480
	409,181	407,389	402,126	376,741	371,319
Transfer to/(from) reserves	57,036	492	(814)	1,035	(1,519)
<b>Accumulated funds at end of year</b>	<b>466,217</b>	<b>407,881</b>	<b>401,312</b>	<b>377,776</b>	<b>369,799</b>
<b>CONSOLIDATED BALANCE SHEET</b>					
Current assets	139,756	135,214	118,916	116,157	85,160
Non-current assets	1,335,937	1,264,864	1,266,122	1,171,723	1,221,965
Current liabilities	(168,047)	(137,287)	(132,179)	(110,633)	(120,465)
Non-current liabilities	(236,686)	(243,729)	(251,366)	(211,240)	(196,289)
<b>Net Assets</b>	<b>1,070,960</b>	<b>1,019,062</b>	<b>1,001,493</b>	<b>966,007</b>	<b>990,371</b>
Reserves	604,743	611,181	600,181	588,231	620,572
Accumulated funds	466,217	407,881	401,312	377,776	369,799
<b>Total Equity</b>	<b>1,070,960</b>	<b>1,019,062</b>	<b>1,001,493</b>	<b>966,007</b>	<b>990,371</b>

# REPORT BY THE MEMBERS OF COUNCIL

## Victoria University

ABN: 83776954731

### Report By The Members Of The Council 31 December 2021

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 2021.

#### 1. General Information

##### Members

A list of Victoria University Council members during 2021 is shown in Note 36 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 2021, 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.

#### 4. Matter Subsequent to the End of the Financial Year

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

#### 5. Likely Developments and Expected Results of Operations

VU continues to manage the uncertainty and financial impact of COVID-19 in 2022. Aside from this, there are no significant developments that 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.

#### 6. 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.

**Victoria University**

ABN: 83776954731

**Report By The Members Of The Council  
31 December 2021**

## 7. 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.

## 8. 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 18 day of March 2022

# AUDITOR-GENERAL'S INDEPENDENCE DECLARATION



## 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 2021, I declare that, to the best of my knowledge and belief, there have been:

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

MELBOURNE  
30 March 2022

Charlotte Jeffries  
*as delegate for the Auditor-General of Victoria*

# INDEPENDENT AUDITOR'S REPORT

# VAGO

Victorian Auditor-General's Office

## Independent Auditor's Report

To the Council of Victoria University

<b>Opinion</b>	<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"><li>• consolidated entity and university statements of financial position as at 31 December 2021</li><li>• consolidated entity and university income statements and statements of comprehensive income for the year then ended</li><li>• consolidated entity and university statements of changes in equity for the year then ended</li><li>• consolidated entity and university statements of cash flows for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• statement by the Chancellor, Vice-Chancellor and President, and Principal Accounting Officer.</li></ul> <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"><li>• presenting fairly, in all material respects, the financial position of the university and the consolidated entity as at 31 December 2021 and their financial performance and cash flows for the year then ended</li><li>• complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2013</i>.</li></ul>
<b>Basis for Opinion</b>	<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 <i>APES 110 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>
<b>Council's responsibilities for the financial report</b>	<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 is 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>

**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  
30 March 2022



Charlotte Jeffries  
as delegate for the Auditor-General of Victoria

# STATEMENT BY THE CHANCELLOR, VICE-CHANCELLOR 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 a true and fair view of the financial transactions during the financial year ended 31 December 2021 and the financial position of its operations for the year ended on that date,

(b) the amount of Australian Government financial assistance expended during the reporting period was for the purposes 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 the *Australian Accounting Standards*, the *Financial Management Act 1994*, *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 2021 Reporting Period as issued by the Australian Government, Department of Education, Skills and Employment.

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.



.....  
The Hon S Bracks AC  
Chancellor



.....  
Professor A Shoemaker  
Vice-Chancellor and President



.....  
L Franzmann  
Chief Financial Officer  
Principal Accounting Officer

Dated at Melbourne on the 18 day of March 2022

# INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>REVENUE AND INCOME FROM CONTINUING OPERATIONS</b>					
<b>Australian Government financial assistance</b>					
Australian Government grants	4	159,496	141,090	159,496	141,090
HELP - Australian Government payments	4	105,673	112,193	105,673	112,193
State and local government financial assistance	5	60,343	62,409	60,343	62,409
HECS-HELP - Student payments		6,233	6,430	6,233	6,430
Fees and charges	6	92,398	117,145	92,398	117,118
Investment income (net gain/(losses))	9	15,077	7,784	15,076	7,782
Consultancy and contracts	7	13,744	13,676	13,744	13,676
Other revenue and income	8	11,614	13,626	11,614	13,596
<b>Total revenue and income from continuing operations</b>		<b>464,578</b>	<b>474,353</b>	<b>464,577</b>	<b>474,294</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>					
Employee related expenses	10	285,385	291,412	283,944	290,570
Depreciation and amortisation	19, 20	54,151	52,498	54,151	52,498
Repairs and maintenance		7,490	7,322	7,490	7,322
Borrowing costs	11	3,656	3,871	3,656	3,871
Impairment of assets	12	1,190	2,235	1,190	2,235
Loss on disposal of assets	19(a)	232	252	232	252
Other expenses	13	111,174	110,686	113,421	111,822
<b>Total expenses from continuing operations</b>		<b>463,278</b>	<b>468,276</b>	<b>464,084</b>	<b>468,570</b>
<b>Net result for the period</b>		<b>1,300</b>	<b>6,077</b>	<b>493</b>	<b>5,724</b>

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



# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Net result for the period</b>		<b>1,300</b>	<b>6,077</b>	<b>493</b>	<b>5,724</b>
<b>ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS</b>					
Gain/(loss) on revaluation of land, buildings and artwork	27(b)	35,229	(634)	35,229	(634)
(Decrease)/Increase in Deferred government contribution for superannuation	40	(10,538)	3,417	(10,538)	3,417
Decrease/(Increase) in Deferred employee benefits for superannuation	40	10,538	(3,417)	10,538	(3,417)
Gain on equity instruments designated at fair value through other comprehensive income	27(b)	15,843	11,634	15,843	11,634
<b>Total</b>		<b>51,072</b>	<b>11,000</b>	<b>51,072</b>	<b>11,000</b>
<b>Other comprehensive income for the period</b>		<b>51,072</b>	<b>11,000</b>	<b>51,072</b>	<b>11,000</b>
<b>Total comprehensive income for the period</b>		<b>52,372</b>	<b>17,077</b>	<b>51,565</b>	<b>16,724</b>

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

# STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	14	42,299	18,046	41,569	17,196
Receivables	15	39,987	32,495	40,694	32,806
Contract assets	15	213	472	213	472
Other financial assets	16	46,339	72,702	46,339	72,702
Other non-financial assets	17	10,918	11,499	10,918	11,499
<b>Total current assets</b>		<b>139,756</b>	<b>135,214</b>	<b>139,733</b>	<b>134,675</b>
<b>NON-CURRENT ASSETS</b>					
Receivables	15	150,152	161,615	150,152	161,615
Contract assets	15	841	711	841	711
Other financial assets	16	240,322	137,993	240,472	138,143
Property, plant and equipment	19	868,398	894,048	868,398	894,048
Intangible assets	20	76,224	70,497	76,224	70,497
<b>Total non-current assets</b>		<b>1,335,937</b>	<b>1,264,864</b>	<b>1,336,087</b>	<b>1,265,014</b>
<b>Total assets</b>		<b>1,475,693</b>	<b>1,400,078</b>	<b>1,475,820</b>	<b>1,399,689</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Trade and other payables	21	53,260	42,431	54,672	42,399
Borrowings	23	466	10	466	10
Lease liabilities	24(a)	6,669	12,942	6,669	12,942
Provisions	25	73,100	67,662	72,933	67,576
Other liabilities	26	1,464	457	1,464	457
Contract liabilities	22	33,088	13,785	33,088	13,785
<b>Total current liabilities</b>		<b>168,047</b>	<b>137,287</b>	<b>169,292</b>	<b>137,169</b>
<b>NON-CURRENT LIABILITIES</b>					
Trade and other payables	21	7,010	194	7,010	194
Borrowings	23	544	-	544	-
Lease liabilities	24(a)	28,208	31,116	28,208	31,116
Provisions	25	156,819	167,924	156,747	167,892
Contract liabilities	22	42,378	44,495	42,378	44,495
Other liabilities	26	1,727	-	1,727	-
<b>Total non-current liabilities</b>		<b>236,686</b>	<b>243,729</b>	<b>236,614</b>	<b>243,697</b>
<b>Total liabilities</b>		<b>404,733</b>	<b>381,016</b>	<b>405,906</b>	<b>380,866</b>
<b>Net assets</b>		<b>1,070,960</b>	<b>1,019,062</b>	<b>1,069,914</b>	<b>1,018,823</b>
<b>EQUITY</b>					
Reserves	27(b)	604,743	611,181	604,743	611,181
Retained earnings	27(b)	466,217	407,881	465,171	407,642
<b>Total equity</b>		<b>1,070,960</b>	<b>1,019,062</b>	<b>1,069,914</b>	<b>1,018,823</b>

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

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	CONSOLIDATED			VICTORIA UNIVERSITY		
	RESERVES 000s \$	RETAINED EARNINGS 000s \$	TOTAL 000s \$	RESERVES 000s \$	RETAINED EARNINGS 000s \$	TOTAL 000s \$
<b>2021</b>						
<b>Balance at 1 January 2021</b>	<b>611,181</b>	<b>407,881</b>	<b>1,019,062</b>	<b>611,181</b>	<b>407,642</b>	<b>1,018,823</b>
Retrospective changes*	-	(474)	(474)	-	(474)	(474)
<b>Balance as restated</b>	<b>611,181</b>	<b>407,407</b>	<b>1,018,588</b>	<b>611,181</b>	<b>407,168</b>	<b>1,018,349</b>
Net result for the period	-	1,300	1,300	-	493	493
Gain/(loss) on revaluation of land and buildings	35,229	-	35,229	35,229	-	35,229
Gain on equity instruments designated at fair value through other comprehensive income	15,843	-	15,843	15,843	-	15,843
Transfer in	-	57,510	57,510	-	57,510	57,510
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	(57,510)	-	(57,510)	(57,510)	-	(57,510)
<b>Balance at 31 December 2021</b>	<b>604,743</b>	<b>466,217</b>	<b>1,070,960</b>	<b>604,743</b>	<b>465,171</b>	<b>1,069,914</b>
<b>2020</b>						
<b>Balance at 1 January 2020</b>	<b>600,181</b>	<b>401,312</b>	<b>1,001,493</b>	<b>600,181</b>	<b>401,426</b>	<b>1,001,607</b>
Net result for the period	-	6,077	6,077	-	5,724	5,724
Gain/(loss) on revaluation of land and buildings	(634)	-	(634)	(634)	-	(634)
Transfer in	-	492	492	-	492	492
Gain on equity instruments designated at fair value through other comprehensive income	11,634	-	11,634	11,634	-	11,634
<b>Balance at 31 December 2020</b>	<b>611,181</b>	<b>407,881</b>	<b>1,019,062</b>	<b>611,181</b>	<b>407,642</b>	<b>1,018,823</b>

\* The retrospective changes relate to initial application of the International Financial Reporting Standards Interpretations Committee (IFRS IC) in relation to the accounting for configuration and customisation costs incurred related to a Software-as-a Service (SaaS) arrangement. Refer to Note 1(d) for further information.

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

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Australian Government Grants received		268,410	252,893	268,410	252,893
OS-HELP (net)		-	3,346	-	3,346
Superannuation Supplementation		9,641	6,211	9,641	6,211
State Government Grants received		61,207	62,288	61,207	62,288
HECS-HELP - Student payments		6,276	6,430	6,276	6,430
Dividends received		8,825	11,897	8,825	11,897
Interest received		113	235	112	233
Interest and other costs of finance paid		(376)	(239)	(376)	(238)
Royalties received		2	1	2	1
Receipts from student fees and other customers (inc. of GST)		143,003	146,263	143,303	146,280
Payments to suppliers and employees (inc. of GST)		(407,335)	(425,493)	(407,034)	(425,479)
GST recovered/(paid)		779	7,446	299	7,118
<b>Net cash provided by/(used in) operating activities</b>	28	90,545	71,278	90,665	70,980
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of property, plant and equipment		75,022	39	75,022	39
Payments for property, plant and equipment		(51,584)	(28,208)	(51,584)	(28,208)
Payments for intangible assets		(22,785)	(16,229)	(22,785)	(16,229)
Payment for financial assets		(59,528)	(17,007)	(59,528)	(17,007)
Proceeds from sale of financial assets		5,260	-	5,260	-
<b>Net cash provided by/(used in) investing activities</b>		(53,615)	(61,405)	(53,615)	(61,405)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of borrowings		1,001	(117)	1,001	(117)
Repayment of lease liabilities		(13,678)	(13,467)	(13,678)	(13,467)
<b>Net cash provided by/(used in) financing activities</b>		(12,677)	(13,584)	(12,677)	(13,584)
<b>Net increase/(decrease) in cash and cash equivalents</b>		24,253	(3,711)	24,373	(4,009)
Cash and cash equivalents at beginning of year		18,046	21,757	17,196	21,205
<b>Cash and cash equivalents at the end of the financial year</b>	14	42,299	18,046	41,569	17,196
<b>Financing arrangements</b>	23	50,000	50,000	50,000	50,000

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

# NOTES TO THE FINANCIAL STATEMENTS

## 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Group for the year ended 31 December 2021 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

As per AASB 1054 *Australian Additional Disclosures*, 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 through either 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. Details provided under “Impact of material events on this report”.
- Presented in Australian dollars, which is the Group’s functional and presentation currency.
- Rounded to the nearest thousand dollars.
- Where necessary, comparative amounts have been restated, where applicable, to conform to the current period presentation.

### Date of authorisation for issue

The financial statements were authorised for issue by the members of Victoria University on 18 March 2022.

### Impact of material events on this report

In 2021, the Group continued to manage the uncertainty and financial impacts of COVID-19. To maintain the health and wellbeing of the community, the Group continued to adhere to Government requirements and public health advice. This meant, for a second year, on campus learning and teaching activities were limited along with the ability of international students to enter the country to study. Staff continued to work from home for the majority of 2021.

Victoria University experienced a continued decline in revenue, by \$9.8m or 2%, primarily due to the reduction in international enrolments. This was offset by additional Commonwealth Revenue and Investment Income.

In addition the University continued to focus on expenditure management which delivered a 1% or \$5m reduction, primarily due to reduced staff expenditure and lower costs associated with COVID-19 restrictions (e.g. travel and energy).

The Group’s underlying result is a deficit of \$16.3m, compared to \$3.5m in 2020 (excluding capital grants, capital donations, loss on asset sales and investment income). The impact of the reduced enrolments of international students is expected to continue to impact VU in 2022 and 2023.

The Group maintained a net asset position of \$1,071m as at 31 December 2021 (2020: \$1,019.1m). This was mainly due to the sale of the Maidstone site (former Student Village).

The University finished the year with a cash position (including the highly liquid managed funds), with an incremental increase of \$89m on the 2020 closing balance. However, the liquidity ratio declined from 0.99 to 0.83, due to higher Trade and Other Payables and Contract Liabilities at the end of 2021 compared to 2020. In addition, the University did not need to access the additional loan facility negotiated in 2020.

During 2021, the University reviewed its investment strategy to align with our commitment to Carbon Net Zero and Planetary Health. As a result the University invested in products that reduce carbon footprint and fossil fuel exposure.

The University is focused on maintaining and growing its financial sustainability in a COVID-19 recovery environment. On this basis, the financial reporting has been prepared on a going concern basis.

### 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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

carrying amounts of assets and liabilities are found in the following notes:

**Estimates**

- Impairment of assets Note 12;
- Other financial assets Note 16;
- Property, plant and equipment Note 19;
- Lease liabilities Note 24;
- Provisions Note 25; and
- Fair value of financial assets and financial liabilities Note 35.

**Judgements**

- Revenue and Income Notes 4, 5, 6, 7, 8 and 9;
- Impairment of assets Note 12; and
- Property, plant and equipment Note 19.

**(B) FOREIGN CURRENCY TRANSACTIONS**

**(i) Functional and presentation 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) TAXATION**

- Victoria University and its subsidiaries are exempt from income tax under *Division 50 of the Income Tax Assessment Act 1997 (ITAA)*.
- 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.
- The net amount of GST recoverable from or payable to the Australian Taxation Office (ATO) is included as a current asset or liability in the Statement of Financial Position.
- Cash flows are presented on a net basis with net cash flow payable to, or receivable from the ATO recorded separately. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the Australian Taxation Office, are presented as operating cash flows.

**(D) INITIAL APPLICATION OF THE INTERNATIONAL FINANCIAL REPORTING STANDARDS INTERPRETATIONS COMMITTEE (IFRS IC) AGENDA DECISIONS**

**(i) Software-as-a-Service (SaaS) arrangements**

In April 2021, the IFRS IC published an agenda decision relating to the accounting for configuration and customisation costs incurred related to a Software as a Service (SaaS) arrangement. As a result, Victoria University has changed its accounting policy in relation to configuration and customisation costs incurred in implementing SaaS arrangements.

**(ii) Impact of change in accounting policy**

For the current year, \$2.85m of costs that would previously have been capitalised (under the previous policy) were expensed. Cash outflows of \$2.85m were included in payments to suppliers and employees in the statement of cash flows that previously would have been included as payments to acquire intangible assets.

The change in policy has been retrospectively applied to intangible assets held as at 31 December 2020. As a result of retrospective application, there was a reduction of \$0.94m in previously capitalised configuration costs for existing intangible assets, and this expensed amount was adjusted against retained earnings. Allowing for amortisation adjustments, the net adjustment to retaining earnings was \$0.47m in 2020.

A further \$0.54m was retrospectively written off at 31 December 2020 WIP, resulting in a cumulative SaaS adjustment of \$1.01m.

The impact on the statement of financial position (increase/(decrease) has not been restated as the change is immaterial to Victoria University. Refer to Note 20 Intangible assets (ii) Software-as-a-Service arrangements for further disclosures on SaaS arrangements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**(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 2021. The Group has elected not to early adopt any of these standards. The Group's assessment of the impact of these new Standards and Interpretations is set out below:

STANDARD	AMENDMENT	APPLICATION DATE	IMPLICATIONS
AASB 2020-1 and AASB 2020-6	Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current and Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date	1 January 2023	The Group is in the process of analysing the impact of these Amendments. However, it is not anticipated to have a material impact to the reporting Group.
AASB 2020-3	Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments	1 January 2022	No impact to the reporting Group.
AASB 2021-2	Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates	1 January 2023	The Group is in the process of analysing the impact of this Amendment. However, it is not anticipated to have a material impact to the reporting Group.
AASB 2020-8	Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform	1 January 2022	No impact to the reporting Group.
AASB 2017-5	Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128	1 January 2022	No impact to the reporting Group.
AASB 2014-10	Amendments to Australian Accounting Standards - Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2022	No impact to the reporting Group.

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.

**2 DISAGGREGATED INFORMATION**

**(A) GEOGRAPHICAL - CONSOLIDATED ENTITY**

	REVENUE AND INCOME FROM TRANSACTIONS*		RESULTS		ASSETS	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Australia	451,149	462,239	(7,845)	(1,028)	1,473,983	1,399,948
Asia	13,429	12,114	9,145	7,105	1,710	130
<b>Total Geographical</b>	<b>464,578</b>	<b>474,353</b>	<b>1,300</b>	<b>6,077</b>	<b>1,475,693</b>	<b>1,400,078</b>

\* It includes Revenue from Contracts with Customers in scope of AASB 15 and Income of not-for-profit Entities in scope of AASB 1058.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
2 DISAGGREGATED INFORMATION (CONTINUED)

(B) INDUSTRY – PARENT ENTITY

INCOME STATEMENT						
	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
	2021 000s \$	2021 000s \$	2021 000s \$	2020 000s \$	2020 000s \$	2020 000s \$
<b>REVENUE AND INCOME FROM CONTINUING OPERATIONS</b>						
<b>Australian Government financial assistance</b>						
Australian Government grants	159,496	-	159,496	141,090	-	141,090
HELP - Australian Government payments	103,488	2,185	105,673	108,886	3,307	112,193
State and local government financial assistance	12,957	47,386	60,343	2,051	60,358	62,409
HECS-HELP - Student payments	6,233	-	6,233	6,430	-	6,430
Fees and charges	77,912	14,486	92,398	100,701	16,417	117,118
Investment income (net gains/(losses))	12,884	2,192	15,076	6,632	1,150	7,782
Consultancy and contracts	13,736	8	13,744	13,661	15	13,676
Other revenue and income	9,478	2,136	11,614	11,310	2,286	13,596
<b>Total revenue and income from continuing operations</b>	<b>396,184</b>	<b>68,393</b>	<b>464,577</b>	<b>390,761</b>	<b>83,533</b>	<b>474,294</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>						
Employee related expenses	218,379	65,565	283,944	225,295	65,275	290,570
Depreciation and amortisation	39,655	14,496	54,151	38,067	14,431	52,498
Repairs and maintenance	6,604	886	7,490	12,664	1,983	14,647
Borrowing costs	3,522	134	3,656	3,695	176	3,871
Impairment of assets	775	415	1,190	905	1,330	2,235
Losses on disposal of assets	(235)	467	232	(205)	457	252
Other expenses	100,320	13,101	113,421	91,186	13,311	104,497
<b>Total expenses from continuing operations</b>	<b>369,020</b>	<b>95,064</b>	<b>464,084</b>	<b>371,607</b>	<b>96,963</b>	<b>468,570</b>
<b>Net result for the period</b>	<b>27,164</b>	<b>(26,671)</b>	<b>493</b>	<b>19,154</b>	<b>(13,430)</b>	<b>5,724</b>

STATEMENT OF COMPREHENSIVE INCOME						
	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
	2021 000s \$	2021 000s \$	2021 000s \$	2020 000s \$	2020 000s \$	2020 000s \$
Net result for the period	27,164	(26,671)	493	19,154	(13,430)	5,724
<b>Items that will not be reclassified subsequently to profit or loss</b>						
(Decrease)/Increase in Deferred government contributions for superannuation	(10,538)	-	(10,538)	3,417	-	3,417
Decrease/(Increase) in Deferred employee benefits for superannuation	10,538	-	10,538	(3,417)	-	(3,417)
Gain/ (loss) on revaluation of land, buildings and artwork	29,218	6,011	35,229	(505)	(129)	(634)
Gain on equity instruments designated at fair value through other comprehensive income	11,418	4,425	15,843	8,382	3,252	11,634
<b>Total other comprehensive income for the period</b>	<b>40,636</b>	<b>10,436</b>	<b>51,072</b>	<b>7,877</b>	<b>3,123</b>	<b>11,000</b>
<b>Total comprehensive income for the period</b>	<b>67,800</b>	<b>(16,235)</b>	<b>51,565</b>	<b>27,031</b>	<b>(10,307)</b>	<b>16,724</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
2 DISAGGREGATED INFORMATION (CONTINUED)

(B) INDUSTRY – PARENT ENTITY (CONTINUED)

STATEMENT OF FINANCIAL POSITION						
	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
	2021 000s \$	2021 000s \$	2021 000s \$	2020 000s \$	2020 000s \$	2020 000s \$
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	62,045	(20,476)	41,569	34,051	(16,855)	17,196
Receivables	32,749	7,945	40,694	23,672	9,134	32,806
Contract assets	213	-	213	472	-	472
Other financial assets	68,632	(22,293)	46,339	78,092	(5,390)	72,702
Other non-financial assets	9,328	1,590	10,918	9,831	1,668	11,499
<b>Total Current Assets</b>	<b>172,967</b>	<b>(33,234)</b>	<b>139,733</b>	<b>146,118</b>	<b>(11,443)</b>	<b>134,675</b>
<b>Non-Current Assets</b>						
Receivables	150,149	3	150,152	161,612	3	161,615
Contract assets	841	-	841	711	-	711
Other financial assets	285,492	(45,020)	240,472	193,513	(55,370)	138,143
Property, plant and equipment	574,915	293,483	868,398	604,839	289,209	894,048
Intangible assets	58,189	18,035	76,224	50,541	19,956	70,497
<b>Total Non-Current Assets</b>	<b>1,069,586</b>	<b>266,501</b>	<b>1,336,087</b>	<b>1,011,216</b>	<b>253,798</b>	<b>1,265,014</b>
<b>Total Assets</b>	<b>1,242,553</b>	<b>233,267</b>	<b>1,475,820</b>	<b>1,157,334</b>	<b>242,355</b>	<b>1,399,689</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Trade and other payables	42,435	12,237	54,672	31,311	11,088	42,399
Borrowings	396	70	466	8	2	10
Provisions	58,314	14,619	72,933	53,685	13,891	67,576
Other liabilities	551	913	1,464	388	69	457
Contract liabilities	28,302	4,786	33,088	11,665	2,120	13,785
Lease liabilities	5,535	1,134	6,669	10,741	2,201	12,942
<b>Total Current Liabilities</b>	<b>135,533</b>	<b>33,759</b>	<b>169,292</b>	<b>107,798</b>	<b>29,371</b>	<b>137,169</b>
<b>Non-Current Liabilities</b>						
Trade and other payables	5,941	1,069	7,010	147	47	194
Borrowings	462	82	544	-	-	-
Provisions	154,697	2,050	156,747	166,233	1,659	167,892
Contract liabilities	41,839	539	42,378	44,130	365	44,495
Other liabilities	-	1,727	1,727	-	-	-
Lease liabilities	23,413	4,795	28,208	25,826	5,290	31,116
<b>Total Non-Current Liabilities</b>	<b>226,352</b>	<b>10,262</b>	<b>236,614</b>	<b>236,336</b>	<b>7,361</b>	<b>243,697</b>
<b>Total Liabilities</b>	<b>361,885</b>	<b>44,021</b>	<b>405,906</b>	<b>344,134</b>	<b>36,732</b>	<b>380,866</b>
<b>Net Assets</b>	<b>880,668</b>	<b>189,246</b>	<b>1,069,914</b>	<b>813,200</b>	<b>205,623</b>	<b>1,018,823</b>
<b>EQUITY</b>						
Reserves	450,082	154,661	604,743	450,853	160,328	611,181
Retained surplus	430,586	34,585	465,171	362,347	45,295	407,642
<b>Total Equity</b>	<b>880,668</b>	<b>189,246</b>	<b>1,069,914</b>	<b>813,200</b>	<b>205,623</b>	<b>1,018,823</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
2 DISAGGREGATED INFORMATION (CONTINUED)

(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 \$
<b>Balance at 1 January 2021</b>	<b>450,853</b>	<b>160,327</b>	<b>611,181</b>	<b>362,347</b>	<b>45,295</b>	<b>407,642</b>	<b>813,200</b>	<b>205,623</b>	<b>1,018,823</b>
Retrospective changes*	-	-	-	(332)	(142)	(474)	(332)	(142)	(474)
<b>Balance as restated</b>	<b>450,853</b>	<b>160,327</b>	<b>611,181</b>	<b>362,015</b>	<b>45,153</b>	<b>407,168</b>	<b>812,868</b>	<b>205,481</b>	<b>1,018,349</b>
Net result for the period	-	-	-	27,164	(26,671)	493	27,164	(26,671)	493
Gain/(loss) on revaluation of land and buildings	29,218	6,011	35,229	-	-	-	29,218	6,011	35,229
Gain on equity instruments designated at fair value through other comprehensive income	11,418	4,425	15,843	-	-	-	11,418	4,425	15,843
Transfer in	-	-	-	41,407	16,103	57,510	41,407	16,103	57,510
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	(41,407)	(16,103)	(57,510)	-	-	-	(41,407)	(16,103)	(57,510)
<b>Balance at 31 December 2021</b>	<b>450,082</b>	<b>154,661</b>	<b>604,743</b>	<b>430,586</b>	<b>34,585</b>	<b>465,171</b>	<b>880,668</b>	<b>189,246</b>	<b>1,069,914</b>
<b>Balance at 1 January 2020</b>	<b>442,976</b>	<b>157,204</b>	<b>600,181</b>	<b>342,777</b>	<b>58,649</b>	<b>401,426</b>	<b>785,752</b>	<b>215,855</b>	<b>1,001,607</b>
Net result for the period	-	-	-	19,154	(13,430)	5,724	19,154	(13,430)	5,724
Gain/(loss) on revaluation of land and buildings	(505)	(129)	(634)	-	-	-	(505)	(129)	(634)
Gain on equity instruments designated at fair value through other comprehensive income	8,382	3,252	11,634	-	-	-	8,382	3,252	11,634
Transfer in	-	-	-	418	74	492	418	74	492
<b>Balance at 31 December 2020</b>	<b>450,853</b>	<b>160,327</b>	<b>611,181</b>	<b>362,347</b>	<b>45,295</b>	<b>407,642</b>	<b>813,200</b>	<b>205,623</b>	<b>1,018,823</b>

\* The retrospective changes relate to initial application of the International Financial Reporting Standards Interpretations Committee (IFRS IC) in relation to the accounting for configuration and customisation costs incurred related to a Software-as-a Service (SaaS) arrangement. Refer Note 1(d) for further information.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
2 DISAGGREGATED INFORMATION (CONTINUED)

(B) INDUSTRY – PARENT ENTITY (CONTINUED)

STATEMENT OF CASH FLOWS							
	NOTE	HIGHER EDUCATION	VET	TOTAL UNIVERSITY	HIGHER EDUCATION	VET	TOTAL UNIVERSITY
		2021 000s \$	2021 000s \$	2021 000s \$	2020 000s \$	2020 000s \$	2020 000s \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Australian Government Grants		266,486	1,924	268,410	248,993	3,900	252,893
OS-HELP (net)		-	-	-	3,346	-	3,346
Superannuation Supplementation		9,641	-	9,641	6,211	-	6,211
State Government Grants		12,957	48,250	61,207	2,052	60,236	62,288
HECS-HELP - Student Payments		6,276	-	6,276	6,430	-	6,430
Receipts from student fees and other customers		119,526	23,776	143,302	130,912	15,368	146,280
Royalties received		2	-	2	1	-	1
Interest received		95	17	112	199	34	233
Payments to suppliers and employees (incl. of GST)		(330,302)	(76,732)	(407,034)	(340,651)	(84,828)	(425,479)
Interest and other costs of finance paid		(319)	(56)	(375)	(202)	(36)	(238)
GST recovered/paid		1,037	(738)	299	6,050	1,068	7,118
Dividends received		7,570	1,255	8,825	10,145	1,752	11,897
<b>Net cash provided by/(used in) operating activities</b>		<b>92,969</b>	<b>(2,304)</b>	<b>90,665</b>	<b>73,486</b>	<b>(2,506)</b>	<b>70,980</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Proceeds from sale of property, plant and equipment		75,006	16	75,022	5	34	39
Payments for property, plant and equipment		(43,287)	(8,297)	(51,584)	(20,214)	(7,994)	(28,208)
Payments for financial assets		(69,911)	10,383	(59,528)	(50,910)	33,903	(17,007)
Proceeds from sale of financial assets		3,787	1,473	5,260	-	-	-
Payments for intangibles		(19,935)	(2,849)	(22,784)	(13,547)	(2,682)	(16,229)
<b>Net cash provided by/(used in) investing activities</b>		<b>(54,340)</b>	<b>725</b>	<b>(53,615)</b>	<b>(84,666)</b>	<b>23,261</b>	<b>(61,405)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings		851	150	1,001	(99)	(18)	(117)
Repayment of lease liabilities		(11,486)	(2,192)	(13,678)	(11,374)	(2,093)	(13,467)
<b>Net cash provided by/(used in) financing activities</b>		<b>(10,636)</b>	<b>(2,042)</b>	<b>(12,677)</b>	<b>(11,473)</b>	<b>(2,111)</b>	<b>(13,584)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>27,993</b>	<b>(3,620)</b>	<b>24,373</b>	<b>(22,653)</b>	<b>18,644</b>	<b>(4,009)</b>
Cash and cash equivalents at the beginning of the financial year		34,051	(16,855)	17,196	56,704	(35,499)	21,205
<b>Cash and cash equivalents at the end of the financial year</b>		<b>62,045</b>	<b>(20,476)</b>	<b>41,569</b>	<b>34,051</b>	<b>(16,855)</b>	<b>17,196</b>
<b>Financing arrangements</b>	23	50,000	-	50,000	50,000	-	<b>50,000</b>

### 3 SUMMARY OF REVENUE AND INCOME FROM CONTINUING OPERATIONS

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Total Australian Government financial assistance including Australian Government loan programs (HELP)	4	265,169	253,283	265,169	253,283
Total State and local government financial assistance	5	60,343	62,409	60,343	62,409
Total HECS-HELP - Student payments		6,233	6,430	6,233	6,430
Total Fees and charges	6	92,398	117,145	92,398	117,118
Total Consultancy and contract fees	7	13,744	13,676	13,744	13,676
Total Other revenue and income	8	11,614	13,626	11,614	13,596
<b>Total</b>		<b>449,501</b>	<b>466,569</b>	<b>449,501</b>	<b>466,512</b>
Total Revenue from contracts with customers as per AASB 15		416,028	430,784	416,028	430,727
Total Income of not-for-profit as per AASB 1058		33,473	35,785	33,473	35,785
<b>Total Revenue and Income from continuing operations</b>		<b>449,501</b>	<b>466,569</b>	<b>449,501</b>	<b>466,512</b>

#### Key estimates and judgement

The Group applies the principles contained in AASB 15 Revenue from Contracts with Customers to determine whether there is a contract with a customer that creates enforceable rights and obligations and whether the contract includes 'sufficiently specific' performance obligations to transfer goods and services to the customer.

If an enforceable agreement exists and the promises are 'sufficiently specific', the Group applies the input method to measure progress towards completing the satisfaction of performance obligations under the contract.

AASB 1058 will apply 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 sufficiently specific performance obligations or there is no transfer of goods or services.

The table above provides a breakdown of revenue and income disclosed in notes 4 to 8 which contain the mandatory disclosures required by the Department of Education, Skills and Employment.

### 4 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Commonwealth Grants Scheme and Other Grants	41(a)	141,854	127,148	141,854	127,148
Higher Education Loan Programs	41(b)	103,489	108,887	103,489	108,887
VET Student Loan Program		2,184	3,306	2,184	3,306
Education Research	41(c)	14,689	11,398	14,689	11,398
Australian Research Council	41(e)	1,834	1,540	1,834	1,540
Other Australian Government financial assistance		1,119	1,004	1,119	1,004
<b>Total Australian Government financial assistance</b>		<b>265,169</b>	<b>253,283</b>	<b>265,169</b>	<b>253,283</b>

#### Key estimates and judgements

Significant judgement is applied to assess if a grant or contract is enforceable and contains sufficiently specific performance obligations. The table below outlines the circumstances must exist for consideration to be recognised as revenue from a contract with a customer.

### Accounting Policy

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer. Income is recognised immediately when the Group has the contractual right to receive the grant. Specific revenue and income recognition criteria are set out below.

REVENUE TYPE	PERFORMANCE OBLIGATION	TIMING OF SATISFACTION
Commonwealth Grant Scheme and Other Grants and Higher Education Loan Programs	Provision of education services	Over time, as the student receives and consumes the educational services
Scholarships	None	On receipt or right to receive payment in accordance with AASB 1058
Education Research	None	On receipt or right to receive payment in accordance with AASB 1058
Australian Research	None	On receipt or right to receive payment in accordance with AASB 1058.
Other Australian Government financial assistance ( includes National Health and Medical Research Council (NHMRC) and other Commonwealth grants)	None	On receipt or right to receive payment in accordance with AASB 1058

## 5 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Non-capital</b>				
TAFE - Recurrent funding	10,242	18,804	10,242	18,804
TAFE - Specific funded programs	4,046	3,984	4,046	3,984
TAFE - Fee for service	-	22	-	22
TAFE - Other	70	28	70	28
Higher Education - Other	11,124	1,198	11,124	1,198
TAFE Contestable Income	32,905	37,520	32,905	37,520
<b>Total Non-capital</b>	<b>58,387</b>	<b>61,556</b>	<b>58,387</b>	<b>61,556</b>
<b>Capital</b>				
Higher Education - Capital	1,833	853	1,833	853
TAFE - Capital	123	-	123	-
<b>Total capital</b>	<b>1,956</b>	<b>853</b>	<b>1,956</b>	<b>853</b>
<b>Total State and Local Government financial assistance</b>	<b>60,343</b>	<b>62,409</b>	<b>60,343</b>	<b>62,409</b>

### Accounting Policy

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer. Specific revenue recognition criteria are set out below.

**Non-Capital** - where the performance obligations are specified for the provision of educational services, revenue is recognised as the student receives and consumes the educational services or when the performance obligations are satisfied. Where there are no sufficiently specific performance obligations, income is recognised on receipt or right to receive

the payment. For key estimates and judgements, refer to Note 4.

**Capital** - income is recognised as the University satisfies its obligations under the contract (i.e. when the University has acquired, or as it constructs, the capital asset).

## 6 FEES AND CHARGES

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Course Fees and Charges</b>					
Fee-paying onshore overseas students		60,113	86,275	60,113	86,275
Fee-paying offshore overseas students		13,589	12,698	13,589	12,698
Fee-paying domestic postgraduate students		3,693	2,664	3,693	2,637
Fee-paying domestic undergraduate students		558	455	558	455
Fee-paying domestic non-award students		168	169	168	169
<b>Other domestic course fees and charges:</b>					
TAFE tuition fees and full fee Australian Award		4,531	4,356	4,531	4,356
Fee for service		4,097	5,036	4,097	5,036
<b>Total Course Fees and Charges</b>		<b>86,749</b>	<b>111,653</b>	<b>86,749</b>	<b>111,626</b>
<b>Other Non-Course Fees and Charges</b>					
Student Services and Amenities Fees from students	41(h)	2,814	2,823	2,814	2,823
Enrolment fees		24	46	24	46
Other		470	307	470	307
Student material fees		2,341	2,316	2,341	2,316
<b>Total Other Fees and Charges</b>		<b>5,649</b>	<b>5,492</b>	<b>5,649</b>	<b>5,492</b>
<b>Total Fees and Charges</b>		<b>92,398</b>	<b>117,145</b>	<b>92,398</b>	<b>117,118</b>

### Accounting Policy

Fees and charges are recorded at fair value and include amounts received or receivable in respect of course delivery and other non-course activities. Fees and charges relating to courses are recognised in line with teaching delivery.

Where teaching has not been conducted, those amounts are held as income in advance. Fees and charges for non-course activities are recognised when the service is provided.

In 2020 and 2021, fees and charges have been impacted as a result of the pandemic. Whilst fee-paying onshore overseas student revenue declined due to global travel restrictions, the Group continued course delivery through online mode where possible. Student support such as grants have been provided and debt collection activities were suspended in 2020 and resumed in 2021.

## 7 CONSULTANCY AND CONTRACT FEES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Consultancy	156	411	156	411
Contract research	-	15	-	15
Other contract revenue	13,588	13,250	13,588	13,250
<b>Total consultancy and contracts</b>	<b>13,744</b>	<b>13,676</b>	<b>13,744</b>	<b>13,676</b>

### Accounting Policy

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction. Refer to Note 4 (under key estimates and judgements) for revenue recognition criteria for research funding received from the Australian Government.

Research contracts entered into by the University have varying terms and conditions. Depending on the terms and conditions in the research contracts, research revenue from other sources of funding may be recognised at either:

- Over time as the relevant service is performed.
- At a point in time when the performance obligation outlined in the contract has been delivered.

## 8 OTHER REVENUE AND INCOME

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>OTHER REVENUE</b>				
Sale of goods	200	356	200	356
Commissions, subscriptions and sale of publications	575	542	575	542
Facilities and equipment hire	662	316	662	316
Seminar/conference income	388	215	388	215
Parking meter and fines	6	527	6	527
Childcare	2,053	2,081	2,053	2,081
Disbursements on charged/reimbursements	1,405	1,713	1,405	1,714
Library fees and fines	5	6	5	6
Health unit fees	147	88	147	88
Property leases	1,484	1,337	1,484	1,337
Foreign exchange gains	668	249	668	249
Miscellaneous	694	1,508	694	1,477
<b>Total other revenue</b>	<b>8,287</b>	<b>8,938</b>	<b>8,287</b>	<b>8,908</b>
<b>OTHER INCOME</b>				
Non-government grants	50	26	50	26
Donations and bequests	3,179	4,568	3,179	4,568
Scholarships and prizes	98	94	98	94
<b>Total other income</b>	<b>3,327</b>	<b>4,688</b>	<b>3,327</b>	<b>4,688</b>
<b>Total other revenue and income</b>	<b>11,614</b>	<b>13,626</b>	<b>11,614</b>	<b>13,596</b>

### Accounting Policy

Revenue from the provision of goods or services is recognised when the performance obligations are satisfied and when the goods or services are delivered or services have been rendered.

Other income such as 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.

## 9 INVESTMENT INCOME

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Interest Income:</b>				
Interest revenue	113	235	112	233
Dividends received	9,108	11,897	9,108	11,897
Net fair value gains/(losses) on financial assets designated at fair value through profit & loss	5,856	(4,348)	5,856	(4,348)
<b>Total investment revenue</b>	<b>15,077</b>	<b>7,784</b>	<b>15,076</b>	<b>7,782</b>
<b>Total investment income</b>	<b>15,077</b>	<b>7,784</b>	<b>15,076</b>	<b>7,782</b>

### Accounting Policy

Interest revenue is recognised as it is earned. Dividends revenue including franking credits are recognised when received.

Net fair value gains/(losses) on financial assets designated at fair value through profit or loss is comprised of changes in fair value of the Group's investments in managed funds (refer Note 16).

## 10 EMPLOYEE RELATED EXPENSES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Academic</b>				
Salaries	110,303	104,149	109,989	103,888
<b>Contributions to superannuation and pension schemes</b>				
Contributions to funded schemes	15,130	14,802	15,130	14,802
Contributions to unfunded schemes	122	148	122	148
Payroll tax	6,226	6,256	6,215	6,249
Worker's compensation	1,266	1,039	1,266	1,039
Long service leave expense	2,996	2,325	2,990	2,321
Annual leave	8,483	8,345	8,472	8,334
Other	1,614	3,342	1,614	3,330
<b>Total academic</b>	<b>146,140</b>	<b>140,406</b>	<b>145,798</b>	<b>140,111</b>
<b>Non-academic</b>				
Salaries	99,486	103,529	98,521	103,063
<b>Contributions to superannuation and pension schemes</b>				
Contributions to funded schemes	17,556	18,046	17,556	18,046
Contributions to unfunded schemes	78	126	78	126
Payroll tax	6,467	6,748	6,416	6,724
Worker's compensation	1,285	1,106	1,285	1,106
Long service leave expense	2,405	3,274	2,371	3,267
Annual leave	9,718	10,248	9,668	10,217
Other	2,251	7,929	2,251	7,910
<b>Total non-academic</b>	<b>139,245</b>	<b>151,006</b>	<b>138,146</b>	<b>150,459</b>
<b>Total employee related expenses</b>	<b>285,385</b>	<b>291,412</b>	<b>283,944</b>	<b>290,570</b>

### Accounting Policy

Employee benefits are expensed as the related service is provided.

The Group 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.

Other includes separation costs. 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.

## 11 BORROWING COSTS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Interest expense on lease liabilities	3,280	3,633	3,280	3,633
Other borrowing costs*	376	238	376	238
<b>Total borrowing costs expensed</b>	<b>3,656</b>	<b>3,871</b>	<b>3,656</b>	<b>3,871</b>

\*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 lease liabilities, are included in the definition of borrowing costs.



## 12 IMPAIRMENT OF ASSETS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Impairment of receivables and contract assets	1,190	2,235	1,190	2,235
<b>Total impairment of assets</b>	<b>1,190</b>	<b>2,235</b>	<b>1,190</b>	<b>2,235</b>

### 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 15 and Note 16.

## 13 OTHER EXPENSES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Advertising, marketing and promotional expenses	7,483	7,250	7,470	7,240
Consulting, legal and professional fees	25,818	17,410	19,796	14,292
Class materials and consumables	3,528	3,029	3,528	3,029
Donations	1	20	1	20
Fees and subscriptions	27,736	24,532	36,044	28,817
Non-capitalised equipment	2,425	1,931	2,424	1,924
Operating lease rental expenses	4,841	8,644	4,841	8,644
Printing and stationeries	4,137	4,567	4,137	4,567
Refund of income received in prior year	157	177	157	177
Postage and freight	490	481	490	481
Scholarships, grants and prizes	6,892	10,934	6,892	10,934
Security	3,867	4,506	3,867	4,506
Cleaning	3,546	2,819	3,546	2,819
Student placement and practicum expenses	5,407	6,095	5,407	6,095
Telecommunications	5,183	7,425	5,183	7,425
Travel, staff development and entertainment	755	1,203	748	1,200
Energy costs	4,628	5,475	4,628	5,475
Other operating expenses	4,280	4,188	4,262	4,177
<b>Total other expenses</b>	<b>111,174</b>	<b>110,686</b>	<b>113,421</b>	<b>111,822</b>

### Accounting Policy

Other expenses are recognised on an accrual basis.

## 14 CASH AND CASH EQUIVALENTS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Cash at bank and on hand	42,299	18,046	41,569	17,196
<b>Total cash and cash equivalents</b>	<b>42,299</b>	<b>18,046</b>	<b>41,569</b>	<b>17,196</b>

### (A) CASH AT BANK AND ON HAND

Cash in operating accounts earns floating interest rates between 0.10% and 0.35% (2020: 0.10% and 0.35%).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 14 CASH AND CASH EQUIVALENTS (CONTINUED)

#### 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.

## 15 RECEIVABLES AND CONTRACT ASSETS

### RECEIVABLES

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Current</b>					
Other trade receivables		18,658	22,834	19,366	23,145
Student fees receivable		18,751	7,798	18,750	7,798
Less: allowance for expected credit losses		(5,245)	(5,035)	(5,245)	(5,035)
		<b>32,164</b>	<b>25,597</b>	<b>32,871</b>	<b>25,908</b>
Deferred government benefit for superannuation	40	7,823	6,898	7,823	6,898
<b>Total current receivables</b>		<b>39,987</b>	<b>32,495</b>	<b>40,694</b>	<b>32,806</b>
<b>Non-current</b>					
Sundry receivables		22	22	22	22
Deferred government benefit for superannuation	40	150,130	161,593	150,130	161,593
<b>Total non-current receivables</b>		<b>150,152</b>	<b>161,615</b>	<b>150,152</b>	<b>161,615</b>
<b>Total receivables</b>		<b>190,139</b>	<b>194,110</b>	<b>190,846</b>	<b>194,421</b>

The Group's trade receivables and contract assets are non-interest bearing and are generally on terms of 30 days.

### CONTRACT ASSETS

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Contract assets</b>					
Contract assets - current		213	472	213	472
<b>Total contract assets - current</b>		<b>213</b>	<b>472</b>	<b>213</b>	<b>472</b>
Contract assets - non-current		841	711	841	711
<b>Total contract assets - non-current</b>		<b>841</b>	<b>711</b>	<b>841</b>	<b>711</b>
<b>Total contract assets</b>		<b>1,054</b>	<b>1,183</b>	<b>1,054</b>	<b>1,183</b>

As at 31 December 2021, the Group has total contract assets of \$1.054m that is net of an allowance for expected credit loss of \$nil (2020: \$nil). The credit exposures are disclosed in Note 34(b) Financial Risk Management. 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 classification of contract assets as non-current was made on the basis that the amounts are expected to be recovered in more than twelve months after the reporting date.

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

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
At 1 January	5,036	2,865	5,065	2,894
Provision for expected credit losses	1,195	2,243	1,195	2,243
Write-off	(985)	(72)	(985)	(72)
<b>At 31 December</b>	<b>5,246</b>	<b>5,036</b>	<b>5,275</b>	<b>5,065</b>

## 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 prior to census date.

### Impairment

A simplified approach in calculating expected credit losses (“ECLs”) is applied to impairment of trade receivables. 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. The COVID-19 pandemic has had a minimal impact on the assessment of impairment of trade

receivables as its main debtor categories are government departments and other educational institutions. For impairment of student receivables, a provision matrix has been established based on its historical credit loss experience, adjusted for forward-looking factors in business, financial, economic and employment conditions due to the impact of the pandemic. Refer to Note 34(b).

## 16 OTHER FINANCIAL ASSETS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Current</b>				
Investments in equity instruments designated at fair value through other comprehensive income	740	52,179	740	52,179
Other financial assets at fair value through profit or loss*	45,599	20,523	45,599	20,523
<b>Total current other financial assets</b>	<b>46,339</b>	<b>72,702</b>	<b>46,339</b>	<b>72,702</b>
<b>Non-Current</b>				
Other financial assets at fair value through profit or loss*	168,862	128,554	168,862	128,554
Investments in equity instruments designated at fair value through other comprehensive income	71,620	9,599	71,620	9,599
Shares in controlled entities at cost	-	-	150	150
Less accumulated impairment losses	(160)	(160)	(160)	(160)
<b>Total non-current other financial assets</b>	<b>240,322</b>	<b>137,993</b>	<b>240,472</b>	<b>138,143</b>
<b>Total other financial assets</b>	<b>286,661</b>	<b>210,695</b>	<b>286,811</b>	<b>210,845</b>

\* All financial assets at fair value through profit or loss are managed funds.

### (A) RESTRICTED OTHER FINANCIAL ASSETS

As at 31 December 2021, Victoria University held financial assets subject to restrictions of \$6.0m (2020: \$5.4m) which relates to funds derived from donations and bequests received for the “VU Philanthropic Fund”, which are held for the purpose of funding scholarships, prizes, foundations and endowments.

#### Accounting Policy

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Management determines the classification of financial assets at initial recognition. The classification depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. The Group’s business model 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.

#### Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL consists of the Group’s investments in managed funds. These instruments are required to be

measured at FVTPL, due to their nature not being a basic lending arrangement given the returns are not solely principal and interest.

Purchases and sales of investments are recognised on trade date, the date on which the Group commits to purchase or sell the asset. Financial assets at FVTPL are carried in the Statement of Financial Position at fair value with net changes in fair value recognised in the Income Statement. Financial assets are derecognised when the right to receive cash flows expires or are transferred, and the Group transfers substantially all the risks and rewards of ownership. Upon derecognition the gain or loss is recognised in the Income Statement.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 16 OTHER FINANCIAL ASSETS (CONTINUED)

#### Financial assets designated at fair value through other comprehensive income (FVOCI)

Financial assets designated at FVOCI consists of the Group's investments in other companies. The interests are classified as equity and the Group irrevocably elected to measure these assets at FVOCI as they are not held for trading, this election has been applied to the University's investment in IDP Education Limited (IEL) which had a fair value of \$61.5m as at 31 December 2021 and to the University's investment in Education Australia Ltd

(EA). During the 2021 year, EA divested its investment in IDP and transferred the value of its IDP investment to its University shareholders via a cash dividend, and an 'in specie distribution' of ordinary IDP shares to transfer direct ownership. Both distributions received were fully franked dividends. Management's assessment is that the distributions received represent a recovery of the cost of the University's EA investment, as represented a 98% of the value of the investment in EA. The fair value of EA as at date of derecognition was \$57.5m, and the cumulative gain on

disposal of \$57.5m was transferred from OCI Revaluation Reserve to Retained Earnings, refer Note 27(c).

Financial assets designated at FVOCI are carried in the Statement of Financial Position at fair value with net changes in fair value recognised in other comprehensive income. Gains or losses on these financial assets are never recycled to the Income Statement. These financial assets are not subject to impairment testing. Dividends are recognised as investment revenue in the Income Statement when received.

### 17 OTHER NON-FINANCIAL ASSETS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Current</b>				
Prepayments	10,918	11,499	10,918	11,499
<b>Total other non-financial assets</b>	<b>10,918</b>	<b>11,499</b>	<b>10,918</b>	<b>11,499</b>

#### Accounting Policy

Prepayments are recognised when payment is made in advance of receiving goods or services.

### 18 VICTORIA UNIVERSITY AS A LESSOR

#### (A) FINANCE LEASES

There are no finance leases where the University is a lessor for 2021 (2020: Nil)

#### (B) OPERATING LEASES

Nature of operating leases as lessor

The University has ownership of a number of properties and some parts of these properties are leased out to third parties. The duration of the existing rental contracts are for fixed periods of 1 to 30 years.

#### MATURITY ANALYSIS OF UNDISCOUNTED LEASE PAYMENTS RECEIVABLE

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Less than one year	2,635	2,175	2,635	2,175
One to five years	9,241	7,767	9,241	7,767
More than 5 years	38,168	36,772	38,168	36,772
<b>Total undiscounted lease payments receivable</b>	<b>50,044</b>	<b>46,714</b>	<b>50,044</b>	<b>46,714</b>

#### Accounting Policy

Policy on assessment of whether a contract is, or contains, a lease is detailed in Note 19(b).

#### Victoria University as a lessor

When Victoria University acts as a lessor, it determines at inception whether each lease is a finance lease or an operating lease.

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

Victoria University reassesses the lease classification only if there is a lease modification. Changes in estimates (e.g. changes in estimates of the economic life or of the residual value of the underlying asset), or changes in circumstances (e.g. default by the lessee), do not give rise to a new classification of a lease for accounting purposes. Victoria University recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

## 19 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 \$
<b>UNIVERSITY</b>										
<b>At 1 January 2020</b>										
- Cost	-	-	49,769	-	-	-	21,798	71,568	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)
<b>Net book amount</b>	<b>227,780</b>	<b>490,935</b>	<b>49,769</b>	<b>33,059</b>	<b>34,493</b>	<b>957</b>	<b>12,378</b>	<b>849,372</b>	<b>53,888</b>	<b>903,259</b>
<b>Year ended 31 December 2020</b>										
Opening net book amount	227,780	490,935	49,769	33,059	34,493	957	12,378	849,372	53,888	903,259
Additions	953	9,934	5,340	2,955	6,323	655	2,048	28,208	226	28,434
Disposals/transfers (written down value)	-	(1,176)	-	-	(11)	-	(9)	(1,196)	-	(1,196)
Transfers between asset classes/adjustments	-	43,724	(47,634)	3,005	1,064	-	-	159	268	427
Impairment	-	271	-	-	-	-	-	271	-	271
Depreciation expense	-	(14,751)	-	(2,066)	(7,605)	-	(2,209)	(26,631)	(10,514)	(37,145)
<b>Closing net book amount</b>	<b>228,733</b>	<b>528,937</b>	<b>7,475</b>	<b>36,953</b>	<b>34,264</b>	<b>1,612</b>	<b>12,207</b>	<b>850,182</b>	<b>43,868</b>	<b>894,048</b>
<b>At 31 December 2020</b>										
- Cost	-	-	7,475	-	-	-	22,358	29,833	-	29,833
- Valuation	228,733	528,937	-	36,953	34,264	1,612	-	830,499	43,868	874,367
Accumulated depreciation and impairment	-	-	-	-	-	-	(10,151)	(10,151)	-	(10,151)
<b>Net book amount</b>	<b>228,733</b>	<b>528,937</b>	<b>7,475</b>	<b>36,953</b>	<b>34,264</b>	<b>1,612</b>	<b>12,207</b>	<b>850,181</b>	<b>43,868</b>	<b>894,048</b>
<b>Year ended 31 December 2021</b>										
Opening net book amount	228,733	528,937	7,475	36,953	34,264	1,612	12,207	850,181	43,868	894,048
Additions	-	8,773	19,734	12,054	8,445	-	2,579	51,585	890	52,475
Disposals	(75,000)	(866)	-	-	(32)	-	(22)	(75,920)	-	(75,920)
Transfers between asset classes/adjustments	-	1,544	(3,645)	225	1,951	-	-	75	7	82
Revaluation increments/(decrements)	35,818	(589)	-	-	-	-	-	35,229	-	35,229
Impairment	-	634	-	-	32	-	-	666	-	666
Depreciation expense	-	(16,062)	-	(2,420)	(7,480)	-	(2,235)	(28,197)	(9,984)	(38,181)
<b>Closing net book amount</b>	<b>189,551</b>	<b>522,371</b>	<b>23,564</b>	<b>46,812</b>	<b>37,180</b>	<b>1,612</b>	<b>12,528</b>	<b>833,617</b>	<b>34,781</b>	<b>868,398</b>
<b>At 31 December 2021</b>										
- Cost	-	-	23,564	-	-	-	23,017	46,581	-	46,581
- Valuation	189,551	522,371	-	46,812	37,180	1,612	-	797,526	34,781	832,307
Accumulated depreciation and impairment	-	-	-	-	-	-	(10,489)	(10,489)	-	(10,489)
<b>Net book amount</b>	<b>189,551</b>	<b>522,371</b>	<b>23,564</b>	<b>46,812</b>	<b>37,180</b>	<b>1,612</b>	<b>12,528</b>	<b>833,617</b>	<b>34,781</b>	<b>868,398</b>

\* Work in progress for 2021 consists of various projects such as costs associated with the development of the 5,000m<sup>2</sup> R & D space within the new Footscray Hospital, costs associated with transforming existing aged teaching space to contemporary learning and teaching spaces, and network infrastructure projects upgrading data storage, on-premise servers, services firewall and network connections.

\*\* Right-of-use assets per each class is disclosed in Note 19(b).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

19 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 \$
<b>CONSOLIDATED</b>										
<b>At 1 January 2020</b>										
- 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)
<b>Net book amount</b>	<b>227,780</b>	<b>490,935</b>	<b>49,769</b>	<b>33,059</b>	<b>34,493</b>	<b>957</b>	<b>12,378</b>	<b>849,371</b>	<b>53,888</b>	<b>903,259</b>
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Opening net book amount	227,780	490,935	49,769	33,059	34,493	957	12,378	849,371	53,888	903,259
Additions	953	9,934	5,340	2,955	6,323	655	2,048	28,208	226	28,434
Disposals/transfers (written down value)	-	(1,176)	-	-	(11)	-	(9)	(1,196)	-	(1,196)
Transfers between asset classes/adjustments	-	43,724	(47,634)	3,005	1,064	-	-	159	268	427
Impairment	-	271	-	-	-	-	-	271	-	271
Depreciation expense	-	(14,751)	-	(2,066)	(7,605)	-	(2,209)	(26,631)	(10,514)	(37,145)
<b>Closing net book amount</b>	<b>228,733</b>	<b>528,937</b>	<b>7,475</b>	<b>36,953</b>	<b>34,264</b>	<b>1,612</b>	<b>12,207</b>	<b>850,181</b>	<b>43,868</b>	<b>894,048</b>
<b>At 31 December 2020</b>										
- Cost	-	-	7,475	-	-	-	22,358	29,833	-	29,833
- Valuation	228,733	528,937	-	36,953	34,264	1,612	-	830,499	43,868	874,367
Accumulated depreciation and impairment	-	-	-	-	-	-	(10,151)	(10,151)	-	(10,151)
<b>Net book amount</b>	<b>228,733</b>	<b>528,937</b>	<b>7,475</b>	<b>36,953</b>	<b>34,264</b>	<b>1,612</b>	<b>12,207</b>	<b>850,181</b>	<b>43,868</b>	<b>894,048</b>
<b>Year ended 31 December 2021</b>										
Opening net book amount	228,733	528,937	7,475	36,953	34,264	1,612	12,207	850,181	43,868	894,048
Additions	-	8,773	19,734	12,054	8,445	-	2,579	51,585	890	52,475
Disposals	(75,000)	(866)	-	-	(32)	-	(22)	(75,920)	-	(75,920)
Transfers between asset classes/adjustments	-	1,544	(3,645)	225	1,951	-	-	75	7	82
Revaluation increments/ (decrements)	35,818	(589)	-	-	-	-	-	35,229	-	35,229
Impairment	-	634	-	-	32	-	-	666	-	666
Depreciation expense	-	(16,062)	-	(2,420)	(7,480)	-	(2,235)	(28,197)	(9,984)	(38,181)
<b>Closing net book amount</b>	<b>189,551</b>	<b>522,371</b>	<b>23,564</b>	<b>46,812</b>	<b>37,180</b>	<b>1,612</b>	<b>12,528</b>	<b>833,617</b>	<b>34,781</b>	<b>868,398</b>
<b>At 31 December 2021</b>										
- Cost	-	-	23,564	-	-	-	23,017	46,581	-	46,581
- Valuation	189,551	522,371	-	46,812	37,180	1,612	-	797,526	34,781	832,307
Accumulated depreciation and impairment	-	-	-	-	-	-	(10,489)	(10,489)	-	(10,489)
<b>Net book amount</b>	<b>189,551</b>	<b>522,371</b>	<b>23,564</b>	<b>46,812</b>	<b>37,180</b>	<b>1,612</b>	<b>12,528</b>	<b>833,617</b>	<b>34,781</b>	<b>868,398</b>

\* Work in progress consists of various projects such as costs associated with the development of the 5,000m<sup>2</sup> R & D space within the new Footscray Hospital, costs associated with transforming existing aged teaching space to contemporary learning and teaching spaces, and network infrastructure projects upgrading data storage, on-premise servers, services firewall and network connections.

\*\* Right-of-use assets per each class is disclosed in Note 19(b).

(A) OPERATING RESULT FROM DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Proceeds from sale of property, plant and equipment	75,022	46	75,022	46
Written down value of assets sold and disposed of	(75,254)	(291)	(75,254)	(291)
Incidental cost of sale	-	(7)	-	(7)
Written down value of assets sold	(75,254)	(298)	(75,254)	(298)
<b>Net gain / (loss) on disposal of property, plant and equipment</b>	<b>(232)</b>	<b>(252)</b>	<b>(232)</b>	<b>(252)</b>

In 2021, the University sold its Maidstone site (former Student Village) 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**

**Depreciation and amortisation**

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

The University has assessed its property, plant and equipment for impairment taking into consideration the impact of COVID-19 and the lower utilisation of campus facilities during the pandemic. The impact is considered to be short term and has not changed the planned future use of property, plant and equipment and nor required a reassessment of their useful life estimates.

Land, construction in progress, works of art and library rare 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 2021. 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 (2020).

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 (VGV) in 2017. The fair value of land and buildings belonging to the University was assessed as at 31 December 2021 using the land indices and building indexation factors issued by the VGV. The net movements for buildings since the last formal valuation conducted in 2017 were less than 10% and no revaluation was required. A managerial revaluation was required for land values due to a material movement (greater than 10%) since last formal valuation in 2017. The fair value of land was revalued by applying the relevant compounded land indexation factors, and as a result, land values increased by \$19.7m to \$189.6m.

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. Last valuation was performed as at 31 December 2017. The movement of fair value is assessed annually by an independent

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 19 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

valuer and in 2021 no fair value adjustment was required.

#### 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.

#### Repairs and maintenance

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated. Other routine operating

maintenance, repair and minor renewal costs are also recognised as expenses as incurred.

#### (B) RIGHT-OF-USE ASSETS

The University has leased land, buildings, plant and equipment, including motor vehicles for the 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	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Right-of-use assets</b>				
Land				
At 1 January	11,801	12,213	11,801	12,213
Depreciation charges	(410)	(411)	(410)	(411)
<b>At 31 December</b>	<b>11,391</b>	<b>11,802</b>	<b>11,391</b>	<b>11,802</b>
<b>Right-of-use assets</b>				
Buildings				
At 1 January	29,929	37,281	29,929	37,281
Transfer between asset classes/adjustments	778	220	778	220
Additions of right-of-use assets	-	226	-	226
Depreciation charges	(7,548)	(7,847)	(7,548)	(7,847)
Variable lease payments adjustments	119	48	119	48
<b>At 31 December</b>	<b>23,278</b>	<b>29,928</b>	<b>23,278</b>	<b>29,928</b>
<b>Right-of-use assets</b>				
Plant and Equipment (including Motor Vehicles)				
At 1 January	2,138	4,393	2,138	4,393
Depreciation charge	(2,026)	(2,255)	(2,026)	(2,255)
<b>At 31 December</b>	<b>112</b>	<b>2,138</b>	<b>112</b>	<b>2,138</b>
<b>Total right-of-use assets</b>	<b>34,781</b>	<b>43,868</b>	<b>34,781</b>	<b>43,868</b>

#### Accounting Policy

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

The 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 has 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 a 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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
19 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### 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 cost. All other property, plant and equipment are measured as described in

the accounting policy for property, plant and equipment in Note 19.

### 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 paragraphs 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.

Victoria University entered into a concessionary lease for leased building space to provide for the Victoria University Sunshine Clinical School which is located as

part of the Sunshine Hospital Multideck Car Park 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 and 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.

## 20 INTANGIBLE ASSETS

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		COMPUTER SOFTWARE 000s \$	TOTAL 000s \$	COMPUTER SOFTWARE 000s \$	TOTAL 000s \$
<b>At 1 January 2020</b>					
Cost		141,522	141,522	141,522	141,522
Accumulated amortisation and impairment		(71,741)	(71,741)	(71,741)	(71,741)
<b>Net book amount</b>		<b>69,781</b>	<b>69,781</b>	<b>69,781</b>	<b>69,781</b>
<b>Year ended 31 December 2020</b>					
Opening net book amount		69,781	69,781	69,781	69,781
Additions (work in progress \$6,325)		16,229	16,229	16,229	16,229
Transfers		(159)	(159)	(159)	(159)
Amortisation		(15,354)	(15,354)	(15,354)	(15,354)
<b>Closing net book amount</b>		<b>70,497</b>	<b>70,497</b>	<b>70,497</b>	<b>70,497</b>
<b>At 31 December 2020</b>					
Cost		157,591	157,591	157,591	157,591
Accumulated amortisation and impairment		(87,094)	(87,094)	(87,094)	(87,094)
<b>Net book amount</b>		<b>70,497</b>	<b>70,497</b>	<b>70,497</b>	<b>70,497</b>
<b>Year ended 31 December 2021</b>					
Opening net book amount		70,497	70,497	70,497	70,497
Additions (work in progress \$13,829)		22,785	22,785	22,785	22,785
Transfers		(76)	(76)	(76)	(76)
SaaS adjustment	1(d)	(1,013)	(1,013)	(1,013)	(1,013)
Amortisation		(15,969)	(15,969)	(15,969)	(15,969)
<b>Closing net book amount</b>		<b>76,224</b>	<b>76,224</b>	<b>76,224</b>	<b>76,224</b>
<b>At 31 December 2021</b>					
Cost		178,824	178,824	178,824	178,824
Accumulated amortisation and impairment		(102,600)	(102,600)	(102,600)	(102,600)
<b>Net book amount</b>		<b>76,224</b>	<b>76,224</b>	<b>76,224</b>	<b>76,224</b>

## 20 INTANGIBLE ASSETS (CONTINUED)

**Accounting Policy**
**(i) 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 (2020: 4 years). Useful life of the software is assessed annually and adjusted where appropriate.

**(ii) Software-as-a-Service (SaaS) arrangements**

SaaS arrangements are arrangements in which the University does not control the underlying software used in the arrangement.

Where costs incurred to configure or customise SaaS arrangements result in the creation of a resource which is identifiable, and where the University has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits,

such costs are recognised as a separate intangible software asset and amortised over the useful life of the software on a straight-line basis. The amortisation period is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

Where costs incurred to configure or customise do not result in the recognition of an intangible software asset, then those costs that provide the University with a distinct service (in addition to the SaaS access) are recognised as expenses when the supplier provides the services. When such costs incurred do not provide a distinct service, the costs are capitalised as a prepayment and are recognised as expenses over the duration of the SaaS contract. Previously some costs had been capitalised and amortised over its useful life. In the process of applying the University's accounting policy on configuration and customisation of costs incurred in implementing SaaS arrangements, management has made

following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements.

- Determining whether cloud computing arrangements contain a software licence intangible asset.
- Capitalisation of configuration and customisation costs in SaaS arrangements

Where the University incurs costs to configure or customise SaaS arrangements and such costs are considered to enhance current on-premise software or provide code that can be used by the University in other arrangements, the University applies judgement to assess whether such costs result in the creation of an intangible asset that meets the definition and recognition criteria in AASB138. For the year ended 31 December 2021, \$21.1m (2020: \$11.9m) of costs incurred in implementing SaaS arrangements were recognised as intangible assets

**21 TRADE AND OTHER PAYABLES**

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Current</b>				
OS-HELP Liability to Australian Government	5,434	5,434	5,434	5,434
Trade creditors	18,981	12,255	18,902	12,147
Sundry creditors and other accruals	27,272	22,949	28,763	23,025
Separation costs accrual	1,573	1,793	1,573	1,793
<b>Total current trade and other payables</b>	<b>53,260</b>	<b>42,431</b>	<b>54,672</b>	<b>42,399</b>
<b>Non-current</b>				
Sundry creditors and other accruals*	7,010	194	7,010	194
<b>Total non-current trade and other payables</b>	<b>7,010</b>	<b>194</b>	<b>7,010</b>	<b>194</b>
<b>Total trade and other payables</b>	<b>60,270</b>	<b>42,625</b>	<b>61,682</b>	<b>42,593</b>

\*The non-current sundry creditors and other accruals includes payroll tax deferral of \$6.7m (2020: Nil) provided by the Victorian Government to assist with short-term cash flow relief and job retention as a result of COVID-19.

**Accounting Policy**

Trade and other payables represent liabilities for goods and services provided to the Group prior to the reporting date, which are unpaid. The amounts are

unsecured and are usually paid within 45 days (2020: 45 days) of recognition.

Other accruals represent expenses incurred but not yet invoiced.

The carrying amount of the Group's trade and other payables are denominated in Australian dollars. For an analysis of the sensitivity of trade and other payables to foreign currency risk, refer to Note 34.

## 22 CONTRACT LIABILITIES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Contract liabilities - Australian Government unspent financial assistance	13,888	3,639	13,888	3,639
Other contract liabilities	19,200	10,146	19,200	10,146
<b>Contract liabilities - current</b>	<b>33,088</b>	<b>13,785</b>	<b>33,088</b>	<b>13,785</b>
<b>Contract liabilities - non-current</b>	<b>42,378</b>	<b>44,495</b>	<b>42,378</b>	<b>44,495</b>

### Key estimates, judgements and accounting policy

#### Australian Government unspent financial assistance

Australian Government unspent financial assistance are amounts billed in accordance with contracts with the Australian Government, but where the Group has not yet provided the service; and also includes Higher Education Loan Program (HELP) funds. The liability represents the Group's obligation to provide educational services to students or to refund cash to the Australian Government.

#### Contract liabilities

Contract liabilities arise from contracts with customers and represent amounts billed in accordance with customer contracts, but where the Group has not yet provided a good or service. The classification of contract liabilities as current was made on the basis that the Group expects to satisfy the performance obligations (and therefore settle the debt) within 12 months of the end of the reporting period. Non-current liabilities such as rental income in advance is classified in accordance with contract terms when the Group expects to satisfy the performance obligations over the contract period.

Contract liabilities are recognised as revenue when the Group provides the customer with the goods or services under the contract.

#### (A) UNSATISFIED PERFORMANCE OBLIGATIONS

Unsatisfied performance obligations represent services the Group has promised to provide to customers which are not yet satisfied. The Group determines transaction price allocated to the remaining performance obligations in the Group's contracts with customers, based on a standard operating cycle (i.e. calendar year), the contract terms, facts and circumstances, reporting milestones and nature of both higher education and research services. The Group has assessed that it would expect to satisfy its existing performance obligation(s) within the following operating cycle, thereby creating contract liabilities and contract receivables.

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 \$
<b>CONSOLIDATED AND UNIVERSITY</b>				
Research	1,690	4	-	1,694
Course fees and charges	29,218	-	-	29,218
Commercial	1,995	7,930	34,444	44,369
Other grants and donations	185	-	-	185

## 23 BORROWINGS

### (A) FINANCING ARRANGEMENTS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Bank loan facility</b>				
Total facilities	50,000	50,000	50,000	50,000
<b>Unused at balance date</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Current borrowings</b>				
Borrowings	466	10	466	10
<b>Total current borrowings</b>	<b>466</b>	<b>10</b>	<b>466</b>	<b>10</b>
<b>Non-current borrowings</b>				
Borrowings	544	-	544	-
<b>Total non-current borrowings</b>	<b>544</b>	<b>-</b>	<b>544</b>	<b>-</b>
<b>Total borrowings</b>	<b>1,010</b>	<b>10</b>	<b>1,010</b>	<b>10</b>

### (B) DETAILS OF BORROWINGS

#### Bank loan facility

Unrestricted access was available at reporting date to the following line of credit.

At 31 December 2021, the University has a loan facility of \$50 million (2020: \$50 million).

#### Borrowings

The University has entered into an interest-free financing arrangement for 3 years for the purchase of IT equipment and software licenses.

#### 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

### (A) LEASING ARRANGEMENTS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Current lease liabilities</b>				
Lease Liabilities	6,669	12,942	6,669	12,942
<b>Total</b>	<b>6,669</b>	<b>12,942</b>	<b>6,669</b>	<b>12,942</b>
<b>Non-current lease liabilities</b>				
Lease Liabilities	28,208	31,116	28,208	31,116
<b>Total</b>	<b>28,208</b>	<b>31,116</b>	<b>28,208</b>	<b>31,116</b>

### (B) VICTORIA UNIVERSITY AS A LESSEE

Amounts recognised in the income statement.

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Interest on lease liabilities	3,249	3,591	3,249	3,591
Expenses relating to short-term leases	795	479	795	479
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	1,375	1,382	1,375	1,382
	<b>5,420</b>	<b>5,452</b>	<b>5,420</b>	<b>5,452</b>

**(C) MATURITY ANALYSIS – UNDISCOUNTED CONTRACTUAL CASH FLOWS**

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Less than one year	9,643	13,292	9,643	13,292
One to five years	11,208	17,392	11,208	17,392
More than 5 years	96,528	99,138	96,528	99,138
<b>Total undiscounted cash flows</b>	<b>117,379</b>	<b>129,822</b>	<b>117,379</b>	<b>129,822</b>
Lease liabilities recognised in the statement of financial position	34,876	44,058	34,876	44,058
<b>Current</b>	<b>6,669</b>	<b>12,942</b>	<b>6,669</b>	<b>12,942</b>
<b>Non-current</b>	<b>28,208</b>	<b>31,116</b>	<b>28,208</b>	<b>31,116</b>

The University has recognised a portfolio of 26 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 2022 upon completion of refurbishment and development works.

**Amounts recognised in statement of cash flows**

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Total cash outflow for leases</b>	<b>15,509</b>	<b>15,329</b>	<b>15,509</b>	<b>15,329</b>

**Accounting policy****Lease liabilities - Victoria University as a lessee**

For accounting policy on assessment of whether a contract is, or contains, a lease is detailed in note 19(b) 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;
- 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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 24 LEASE LIABILITIES (CONTINUED)

note, in Note 19(b) 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

#### (D) 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 19(b) for accounting policy related to concessionary leases.

Victoria University has made an election not to assess whether COVID-19 related rent concession from a lessor is a lease modification, and this practical expedient has been applied to all rent concessions that meet the conditions for the practical expedient.

### 25 PROVISIONS

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Current provisions expected to be settled wholly within 12 months</b>				
<b>Employee benefits</b>				
Annual leave	14,611	12,541	14,444	12,455
Defined benefit obligation	7,823	6,898	7,823	6,898
<b>Short-term provisions</b>				
Leasehold make good provisions	603	532	603	532
Occupancy Guarantee	4,356	5,098	4,356	5,098
	<b>27,393</b>	<b>25,069</b>	<b>27,226</b>	<b>24,983</b>
<b>Current provisions expected to be settled wholly after more than 12 months</b>				
<b>Employee benefits</b>				
Annual leave	12,260	10,593	12,260	10,593
Long service leave	33,447	32,000	33,447	32,000
	<b>45,707</b>	<b>42,593</b>	<b>45,707</b>	<b>42,593</b>
<b>Total current provisions</b>	<b>73,100</b>	<b>67,662</b>	<b>72,933</b>	<b>67,576</b>
<b>Non-current provisions</b>				
<b>Employee benefits</b>				
Defined benefit obligation	150,130	161,593	150,130	161,593
Long service leave	6,677	5,739	6,605	5,707
<b>Long-term provisions</b>				
Leasehold make good provisions	12	592	12	592
<b>Total non-current provisions</b>	<b>156,819</b>	<b>167,924</b>	<b>156,747</b>	<b>167,892</b>
<b>Total provisions</b>	<b>229,919</b>	<b>235,586</b>	<b>229,680</b>	<b>235,468</b>

#### 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 1.69% (2020: 1.01%) and wage inflation rate

of 3.63% (2020: 2.88%) 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 40.

##### Leasehold Make Good Provision

Leasehold make good provisions are taken up for leased properties where the Group has legal obligation to make improvements to these leased properties. As part of the

implementation of AASB 16 from 1 January 2019, the leasehold make good have been recognised as part of the cost of the right-of-use.

#### Occupancy Guarantee

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 2021, low occupancy due to COVID-19 resulted in a payment of \$5m being made by the University pursuant to the guarantee. The occupancy levels forecast in the 2022 year also indicate that it is probable that the occupancy levels will not be sufficient and will result in a payment of \$4.3m by the University pursuant to the guarantee.

## 26 OTHER LIABILITIES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Current</b>				
Refund liabilities	1,195	457	1,195	457
Capital Grant Liability	269	-	269	-
<b>Total current other liabilities</b>	<b>1,464</b>	<b>457</b>	<b>1,464</b>	<b>457</b>
<b>Non-current</b>				
Refund liabilities	1,727	-	1,727	-
<b>Total non-current contract and other liabilities</b>	<b>1,727</b>	<b>-</b>	<b>1,727</b>	<b>-</b>
<b>Total other liabilities</b>	<b>3,191</b>	<b>457</b>	<b>3,191</b>	<b>457</b>

## 27 RESERVES AND RETAINED EARNINGS

### (A) COMPOSITION

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Equity at the end of the year comprises:</b>					
Accumulated funds	27(b)	466,217	407,881	465,171	407,642
Reserves					
Asset revaluation reserve	27(b)	586,510	551,281	586,510	551,281
Equity instruments reserve	27(b)	18,233	59,900	18,233	59,900
<b>Total reserves</b>	<b>27(b)</b>	<b>604,743</b>	<b>611,181</b>	<b>604,743</b>	<b>611,181</b>
<b>Total equity</b>		<b>1,070,960</b>	<b>1,019,062</b>	<b>1,069,914</b>	<b>1,018,823</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
27 RESERVES AND RETAINED EARNINGS (CONTINUED)

(B) MOVEMENTS

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>ASSET REVALUATION RESERVES</b>					
<b>Land</b>					
Balance 1 January		400,150	400,150	400,150	400,150
Net movements due to revaluation		35,818	-	35,818	-
<b>Balance 31 December</b>	<b>27(a)</b>	<b>435,968</b>	<b>400,150</b>	<b>435,968</b>	<b>400,150</b>
<b>Buildings</b>					
Balance 1 January		150,411	151,045	150,411	151,045
Impairment		-	(634)	-	(634)
Net movements due to revaluation		(589)	-	(589)	-
<b>Balance 31 December</b>	<b>27(a)</b>	<b>149,822</b>	<b>150,411</b>	<b>149,822</b>	<b>150,411</b>
<b>Artwork</b>					
Balance 1 January		599	599	599	599
<b>Balance 31 December</b>	<b>27(a)</b>	<b>599</b>	<b>599</b>	<b>599</b>	<b>599</b>
<b>Library Collections</b>					
Balance 1 January		121	121	121	121
Net movements due to revaluation		-	-	-	-
<b>Balance 31 December</b>	<b>27(a)</b>	<b>121</b>	<b>121</b>	<b>121</b>	<b>121</b>
<b>EQUITY INSTRUMENTS RESERVE</b>					
Balance 1 January		59,900	48,266	59,900	48,266
Net movements in investments in equity instruments designated at fair value through other comprehensive income		15,843	11,634	15,843	11,634
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings		(57,510)	-	(57,510)	-
<b>Balance 31 December</b>	<b>27(a)</b>	<b>18,233</b>	<b>59,900</b>	<b>18,233</b>	<b>59,900</b>
<b>Total reserves</b>		<b>604,743</b>	<b>611,181</b>	<b>604,743</b>	<b>611,181</b>

Movements in retained earnings were as follows:

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Opening balance	407,881	401,312	407,642	401,426
Net result for the period	1,300	6,077	493	5,724
Transfers in	57,036	492	57,036	492
<b>Balance 31 December</b>	<b>466,217</b>	<b>407,881</b>	<b>465,171</b>	<b>407,642</b>

(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.

**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.

The transfer from equity instruments reserve of \$57.5m is a result from the restructuring of the Group's investment in Education Australia Limited (EAL). The Group initially elected to classify irrevocably its investment in EAL as an investment designated at fair value through other comprehensive income (OCI). Dividends are recognised as other income in the Statement of Comprehensive Income 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 (refer to Note 16). The fair value of EAL investment at the date of restructuring was treated as a recovery of the cost of the financial asset due to its capital distribution nature and no further economic benefits expected from the investment.



## 28 RECONCILIATION OF NET RESULT AFTER INCOME TAX TO NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES

	NOTE	CONSOLIDATED		VICTORIA UNIVERSITY	
		2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Operating result after income tax for the period		1,300	6,077	493	5,724
<b>Add non-cash items</b>					
Depreciation and amortisation		54,151	52,498	54,151	52,498
Net loss on sale of non-current assets	19(a)	232	252	232	252
Impairment/reversal of impairment	12	1,190	2,235	1,190	2,235
Fair value gains/losses on other financial assets at fair value through profit or loss		(5,856)	4,348	(5,856)	4,348
Interest expense on lease liabilities		3,280	3,633	3,280	3,633
Operating lease adjustment due to reconciliation of lease liability		-	(212)	-	(212)
Other non-cash items		172	-	172	-
<b>Change in operating assets and liabilities</b>					
Increase/(decrease) in Provision for employee benefits		(4,418)	8,941	(4,539)	8,888
Increase/(decrease) in Trade and Other Payables		17,185	(1,089)	18,628	(1,063)
Increase/(decrease) in Other Liabilities		14,784	(219)	14,784	(219)
(Increase) in Receivables		(11,183)	(5,242)	(11,579)	(5,160)
(Increase) in Other Non-financial Assets		19,709	58	19,709	58
<b>Net cash provided by / (used in) operating activities</b>		<b>90,545</b>	<b>71,278</b>	<b>90,665</b>	<b>70,980</b>

## 29 CONTINGENCIES

### (A) GUARANTEES

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Guarantees	8,768	697	8,768	697
<b>Total Guarantees</b>	<b>8,768</b>	<b>697</b>	<b>8,768</b>	<b>697</b>

The guarantees cover leases of office premises between 5-10 years, a lease of land for 5 years and a performance bond in relation to a contractual agreement.

### (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 that are foreseen as materially affecting the financial statements.

### (C) CONTINGENT LIABILITIES

There are no material contingent liabilities at balance date (2020: Nil).

### (D) CONTINGENT ASSETS

There are no material contingent assets at balance date (2020: Nil).

## 30 COMMITMENTS

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

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>BUILDING AND IT INFRASTRUCTURE MAJOR WORKS</b>				
Within one year	27,953	16,375	27,953	16,375
Between one year and five years	30,396	4,180	30,396	4,180
<b>Total property, plant and equipment commitments</b>	<b>58,349</b>	<b>20,555</b>	<b>58,349</b>	<b>20,555</b>

Commitments are disclosed exclusive of GST.

### 31 EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Since the reporting period ending 31 December 2021, the share price of the University’s investment in IDP valued at \$61.5m has subsequently declined from \$34.65 per share due to market volatility.

As the market volatility occurred after 31 December 2021, 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 2021.

### 32 SUBSIDIARIES

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Victoria University (“parent entity”) as at 31 December 2021 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.

- 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, and
- have any assets transferred to these entities for their use.

### 34 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.

NAME OF ENTITY	PRINCIPAL PLACE OF BUSINESS	CLASS OF SHARES	EQUITY HOLDING 2021 %	EQUITY HOLDING 2020 %
Victoria University Enterprises Pty Ltd (ACN 007 382 818)	Australia	Ordinary	100	100
VU Online Pty Ltd (ACN 623 496 186)	Australia	Ordinary	100	100

### 33 INTERESTS IN JOINT OPERATIONS AND UNCONSOLIDATED STRUCTURED ENTITIES

#### (A) JOINT OPERATIONS

As at 31 December 2021, the University has the following joint operation.

NAME OF JOINT OPERATION	NATURE OF RELATIONSHIP	PRINCIPAL PLACE OF BUSINESS	OWNERSHIP INTEREST/ VOTING RIGHTS HELD	
			2021	2020
Game Insight Group	Partnership agreement	Melbourne - Australia	50%	50%

The University’s share of assets in the above jointly controlled operations is \$0.72m (2020: \$0.71m). 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 2021, 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 2021. In all of the above instances, the University does not:

#### (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 2021	CARRYING AMOUNT 000s \$	INTEREST RATE RISK				FOREIGN EXCHANGE RISK				OTHER PRICE RISK			
		-0.5%		+0.5%		-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 \$
<b>Financial assets</b>													
Cash and cash equivalents - at bank	42,299	(211)	(211)	211	211	-	-	-	-	-	-	-	-
Receivables - Debtors	29,294	-	-	-	-	(462)	(462)	462	462	-	-	-	-
Other financial assets at fair value through profit or loss - managed funds	214,461	-	-	-	-	-	-	-	-	(2,145)	(2,145)	2,145	2,145
Investments in equity instruments designated at fair value through other comprehensive income	72,360	-	-	-	-	-	-	-	-	-	-	-	-
<b>Financial liabilities</b>													
Creditors and payables	53,210	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	1,010	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total increase/(decrease)</b>		<b>(211)</b>	<b>(211)</b>	<b>211</b>	<b>211</b>	<b>(462)</b>	<b>(462)</b>	<b>462</b>	<b>462</b>	<b>(2,145)</b>	<b>(2,145)</b>	<b>2,145</b>	<b>2,145</b>

31 DECEMBER 2020	CARRYING AMOUNT 000s \$	INTEREST RATE RISK				FOREIGN EXCHANGE RISK				OTHER PRICE RISK			
		-0.5%		+0.5%		-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 \$
<b>Financial assets</b>													
Cash and cash equivalents - at bank	18,046	(90)	(90)	90	90	-	-	-	-	-	-	-	-
Receivables - Debtors	24,168	-	-	-	-	(498)	(498)	498	498	-	-	-	-
Other financial assets at fair value through profit or loss - managed funds	149,077	-	-	-	-	-	-	-	-	(1,491)	(1,491)	1,491	1,491
Investments in equity instruments designated at fair value through other comprehensive income	61,777	-	-	-	-	-	-	-	-	-	-	-	-
<b>Financial liabilities</b>													
Creditors and payables	42,406	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	10	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total increase/(decrease)</b>		<b>(90)</b>	<b>(90)</b>	<b>90</b>	<b>90</b>	<b>(498)</b>	<b>(498)</b>	<b>498</b>	<b>498</b>	<b>(1,491)</b>	<b>(1,491)</b>	<b>1,491</b>	<b>1,491</b>

## 34 FINANCIAL RISK MANAGEMENT (CONTINUED)

**(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 35(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 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 and geographic region).

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 2021	TRADE RECEIVABLES							TOTAL
	CONTRACT ASSETS	CURRENT	DAYS PAST DUE				000s \$	
	%	%	<30 DAYS %	30-60 DAYS %	61-90 DAYS %	>91 DAYS %		
Expected credit loss rate - trade receivables and contract assets %	0	0.05	2	4	5	16	-	
Estimated credit loss rate - student fees receivables %	-	8	13	33	34	34-100	-	
Estimated total gross carrying amount at default \$'000	1,054	15,455	342	1,275	565	6,631	25,322	
Expected credit loss \$'000	-	329	17	110	189	4,599	5,244	

31 DECEMBER 2020	TRADE RECEIVABLES							TOTAL
	CONTRACT ASSETS	CURRENT	DAYS PAST DUE				000s \$	
	%	%	<30 DAYS %	30-60 DAYS %	61-90 DAYS %	>91 DAYS %		
Expected credit loss rate - trade receivables %	-	0.05	2	4	6	13	-	
Estimated credit loss rate - student fees receivables %	-	8	13	33	34	34-100	-	
Estimated total gross carrying amount at default \$'000	1,183	11,647	2,099	1,736	1,252	10,133	28,050	
Expected credit loss \$'000	-	77	32	216	146	4,564	5,035	

**(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. This risk is also

mitigated through the bank loan facility of \$50m (full balance unused at 31 December 2021 and 31 December 2020). 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	
	2021 %	2020 %	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Financial assets:</b>												
Cash and cash equivalents at bank	0.21	0.13	42,299	18,046	-	-	-	-	-	-	42,299	18,046
Receivables - Debtors	-	-	-	-	-	-	-	-	29,294	24,168	29,294	24,168
Other financial assets at fair value through profit or loss - managed funds	-	-	-	-	-	-	-	-	214,461	149,077	214,461	149,077
Investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	72,360	61,777	72,360	61,777
<b>Total financial assets</b>	-	-	<b>42,299</b>	<b>18,046</b>	-	-	-	-	<b>316,115</b>	<b>235,022</b>	<b>358,414</b>	<b>253,068</b>
<b>Financial liabilities:</b>												
Payables	-	-	-	-	-	-	-	-	53,210	42,406	53,210	42,406
Borrowings	-	-	-	-	-	-	-	-	1,010	10	1,010	10
<b>Total financial liabilities</b>	-	-	-	-	-	-	-	-	<b>54,220</b>	<b>42,416</b>	<b>54,220</b>	<b>42,416</b>

**35 FAIR VALUE MEASUREMENTS****(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	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>Financial assets</b>				
Cash and cash equivalents at bank	42,299	18,046	42,299	18,046
Receivables - Debtors	29,294	24,168	29,294	24,168
Other Financial Assets at fair value through profit and loss - managed funds	214,461	149,077	214,461	149,077
Investments in equity instruments designated at fair value through other comprehensive income	72,360	61,777	72,360	61,777
<b>Total financial assets</b>	<b>358,414</b>	<b>253,068</b>	<b>358,414</b>	<b>253,068</b>
<b>Financial Liabilities</b>				
Payables	53,210	42,406	53,210	42,406
Borrowings	1,010	10	1,010	10
Lease liabilities - Right-of-use assets	34,877	44,058	34,877	44,058
<b>Total financial liabilities</b>	<b>89,097</b>	<b>86,474</b>	<b>89,097</b>	<b>86,474</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
35 FAIR VALUE MEASUREMENTS (CONTINUED)

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 2021. Accordingly, it is considered that their carrying amount reflect their fair value.

**Financial assets at fair value through profit and loss - managed funds** - These are units held in managed funds and have

been valued as at 31 December 2021. 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 3 years, thus it is considered the carrying amount reflects its fair value.

**Lease liabilities** - right-of-use assets is measured using the University's 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 2021.

THE GROUP'S FAIR VALUE MEASUREMENTS AT 31 DECEMBER 2021 CONSOLIDATED	NOTE	2021 000s \$	LEVEL 1 000s \$	LEVEL 2 000s \$	LEVEL 3 000s \$
<b>RECURRING FAIR VALUE MEASUREMENTS</b>					
<b>Financial assets</b>					
Investments in equity instruments designated at fair value through other comprehensive income	16	72,360	100	61,546	10,714
Other financial assets at fair value through profit or loss - managed funds	16	214,461	214,461	-	-
<b>Total financial assets</b>		<b>286,821</b>	<b>214,561</b>	<b>61,546</b>	<b>10,714</b>
<b>Non-financial assets</b>					
Property, plant and equipment	19				
Land		189,551	-	37,673	151,878
Building		522,371	-	-	522,371
Leasehold improvement		46,812	-	-	46,812
Plant and equipment - general equipment		37,180	-	-	37,180
Other plant and equipment - artwork		1,612	-	1,612	-
Library collections		12,528	-	219	12,309
<b>Total non-financial assets</b>		<b>810,054</b>	<b>-</b>	<b>39,504</b>	<b>770,550</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
35 FAIR VALUE MEASUREMENTS (CONTINUED)

THE GROUP'S FAIR VALUE MEASUREMENTS AT 31 DECEMBER 2020 CONSOLIDATED	NOTE	2020 000s \$	LEVEL 1 000s \$	LEVEL 2 000s \$	LEVEL 3 000s \$
<b>RECURRING FAIR VALUE MEASUREMENTS</b>					
<b>Financial assets</b>					
Investments in equity instruments designated at fair value through other comprehensive income	16	61,778	60	-	61,718
Other financial assets at fair value through profit or loss - managed funds	16	149,077	149,077	-	-
<b>Total financial assets</b>		<b>210,855</b>	<b>149,137</b>	<b>-</b>	<b>61,718</b>
<b>Non-financial assets</b>					
Property, plant and equipment	19				
Land		228,733	-	36,051	192,682
Building		528,937	-	-	528,937
Leasehold improvement		36,953	-	-	36,953
Plant and equipment - general equipment		34,264	-	-	34,264
Other plant and equipment - artwork		1,612	655	957	-
Library collections		12,207	-	218	11,989
<b>Total non-financial assets</b>		<b>842,706</b>	<b>655</b>	<b>37,226</b>	<b>804,825</b>

The 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 16 were determined by reference to published price quotations in an active market (Level 1).

The fair value for Level 2 (IDP shares) includes inputs such as discounts due to the lack of marketability that are observable.

The fair value of equity instruments was determined by independent valuer ShineWing Australia Pty Ltd and Lonergan

Edwards 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 five 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 five 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 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

35 FAIR VALUE MEASUREMENTS (CONTINUED)

LEVEL 3 FAIR VALUE MEASUREMENT 2021	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	192,682	528,937	36,953	34,264	11,988	61,718	866,542
Acquisitions	-	8,773	12,054	8,445	2,578	-	31,850
Disposals	(58,882)	(866)	-	(32)	(22)	-	(59,802)
Depreciation	-	(16,062)	(2,420)	(7,480)	(2,235)	-	(28,197)
Impairment	-	634	-	32	-	-	666
Transfers from/to other asset class	-	1,544	225	1,951	-	-	3,720
Transfer out of Level 3	-	-	-	-	-	(51,439)	(51,439)
Gain/(loss) on revaluation of land and buildings	18,078	(589)	-	-	-	-	17,489
Gains recognised in other comprehensive income	-	-	-	-	-	435	435
<b>Closing balance</b>	<b>151,878</b>	<b>522,371</b>	<b>46,812</b>	<b>37,180</b>	<b>12,309</b>	<b>10,714</b>	<b>781,264</b>

LEVEL 3 FAIR VALUE MEASUREMENT 2020	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	192,682	490,935	33,059	34,493	12,159	50,101	813,429
Acquisitions	-	9,934	2,955	6,323	2,048	-	21,260
Disposals	-	(1,176)	-	(11)	(9)	-	(1,196)
Depreciation and impairment	-	(14,480)	(2,066)	(7,605)	(2,209)	-	(26,360)
Transfers from/to other asset class	-	43,724	3,005	1,064	-	-	47,793
Gains recognised in other comprehensive income	-	-	-	-	-	11,617	11,617
<b>Closing balance</b>	<b>192,682</b>	<b>528,937</b>	<b>36,953</b>	<b>34,264</b>	<b>11,989</b>	<b>61,718</b>	<b>866,543</b>

(i) Transfers between Levels 3 and 2 and changes in valuation techniques

In 2020, Victoria University held shares in Education Australia (EA). EA shares are held by the 38 Universities and are not traded in an open market.

In 2021, Victoria University held IDP shares (EA transferred its IDP shares directly to the 38 Universities). IDP shares are traded in an open share market, being Australian Stock Exchange (ASX) where there is a daily market price on the ASX for IDP shares. A discount is applied to the market price due to escrow restrictions, making it a level 2 input and not a level 1.

(ii) Valuation inputs and relationships to fair value

The following table summarises the Group's quantitative information about the significant unobservable inputs used in Level 3 fair value measurements and applies to both financial year 2020 and financial year 2021. See above for the valuation techniques adopted.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
35 FAIR VALUE MEASUREMENTS (CONTINUED)

DESCRIPTION	FAIR VALUE AT 31 DECEMBER 2021 000s \$	VALUATION TECHNIQUE*	RANGE OF INPUTS (PROBABILITY WEIGHTED AVERAGE)	SIGNIFICANT UNOBSERVABLE INPUTS	ESTIMATED SENSITIVITY OF FAIR VALUE MEASUREMENT TO CHANGES IN UNOBSERVABLE INPUTS
Land	151,878	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	522,371	Current 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	46,812	Current replacement cost	1-43 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	37,180	Current replacement cost	3-25 years	Useful life	A change in the useful life would result in a lower (higher) fair value
Library collections	12,309	Current replacement cost	4-10 years	Respective useful life	A change in the useful life would result in a lower (higher) fair value
Equity instruments designated at fair value through other comprehensive income	10,714	Market approach		Valuation techniques	A change in discount factor may increase or decrease the 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 designated at fair value through other comprehensive income 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.

### 36 KEY MANAGEMENT PERSONNEL

#### (A) RESPONSIBLE PERSONS AND EXECUTIVE OFFICERS

Key management personnel are made up of responsible persons and executive officers. The University defines responsible persons as members of Council and executive officers as members of University Executive.

##### (i) Names of Council Members

The Hon Steve Bracks AC  
Gaye Hamilton  
Wayne Kayler-Thomson (until 30 June 2021)  
Associate Professor Tom Clark  
Elizabeth Beattie  
Tony Brain  
Peter George  
Dr Jennifer Gray  
Rhonda Hawkins  
Susan Schlesinger  
Virginia Simmons (until 19 July 2021)  
Mark Toohey  
Kate Roffey (from 1 July 2021)  
Stuart Martin  
Catherine Abourizk

##### (ii) Names of Executive Officers

Professor Peter Dawkins (until 19 January 2021)  
Professor Adam Shoemaker  
Professor Corinne Reid (until 1 September 2021)  
Professor Greg Baxter (from 1 September to 31 December 2021)  
Professor John Germov (from 6 December 2021)  
Steve Berridge (until 23 December 2021)  
Wade Noonan (from 6 December 2021)  
Grant Dreher (until 28 January 2021)  
Dianne Semmens (from 29 January 2021)  
Ian Ford (until 30 November 2021)  
Lucy Franzmann (from 13 December 2021)  
Professor Ian Solomonides (until 31 March 2021)  
Naomi Dempsey (from 1 April to 31 December 2021)  
Shaun Eltham (until 28 May 2021)  
Kym Bakaric (from 29 May to 31 December 2021)  
Professor Richard Constantine

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 36 KEY MANAGEMENT PERSONNEL (CONTINUED)

#### (B) REMUNERATION OF RESPONSIBLE PERSONS

##### (i) Remuneration of Council Members

Income paid or payable, or otherwise made available to Members of the University Council is outlined in the table below.

	CONSOLIDATED AND VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$
Short term benefits	388	342
Post-employment benefits	39	32
<b>Total remuneration of council members</b>	<b>427</b>	<b>374</b>

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. 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	
	2021 NUMBER	2020 NUMBER
Nil to \$9,999	2	2
\$10,000 to \$19,999	2	1
\$30,000 to \$39,999	10	8
\$40,000 to \$49,999	-	2
\$60,000 to \$69,999	1	-
<b>Total number</b>	<b>15</b>	<b>13</b>

##### (ii) Remuneration of Executive Officers

Total remuneration received by, or otherwise made available to Executives of the Group are outlined below.

	CONSOLIDATED AND VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$
Short-term employee benefits	3,248	3,244
Post-employment benefits	532	632
Separation benefits	1,154	670
Other long-term benefits	35	58
<b>Total remuneration of executive officers</b>	<b>4,969</b>	<b>4,604</b>

Refer to Note 37(d) for donations received from responsible officers and executive officers.

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	
	2021 NUMBER	2020 NUMBER
\$0 to \$99,999	5	1
\$140,000 to \$149,999	1	-
\$150,000 to \$159,999	1	-
\$250,000 to \$259,999	-	1
\$260,000 to \$269,999	1	-
\$270,000 to \$279,999	-	1
\$280,000 to \$289,999	1	-
\$310,000 to \$319,999	-	2
\$330,000 to \$339,999	-	1
\$340,000 to \$349,999	1	-
\$350,000 to \$359,999	-	2
\$360,000 to \$369,999	-	1
\$370,000 to \$379,999	1	1
\$500,000 to \$509,999	1	-
\$560,000 to \$569,999	1	-
\$580,000 to \$589,999	1	-
\$640,000 to \$649,999	1	-
\$760,000 to \$769,999	-	1
\$810,000 to \$819,999	1	-
\$840,000 to \$849,999	-	1
<b>Total number of executives</b>	<b>16</b>	<b>12</b>
<b>Total annualised employee equivalent</b>	<b>8</b>	<b>10</b>

As part of the new Strategic Plan, the Vice-Chancellor undertook a review of the top-level structure of the University. Council approved the new executive structure and recruitment of the six new roles was concluded by the end of the year.

As a result, six executives departed the University throughout the reporting period and three executives were appointed at the end of the reporting period. Another three executives will commence in 2022.

#### (C) 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.

#### (D) LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans made to any members of Council or Executive officers in 2021 (2020: Nil).

#### (E) OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Other related transactions requiring disclosure have been considered, refer to Note 37(d).

#### (F) 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 2021 (2020: Nil).

## 37 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 32.

#### (C) KEY MANAGEMENT PERSONNEL

Disclosures relating to responsible officers and specified executives are disclosed in Note 36.

#### (D) TRANSACTIONS WITH RELATED PARTIES

The following transactions occurred with related parties:

	VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$
Consulting/room hire income	4	250
Network and upgrade service fees - VERNET Pty Ltd	639	668
Student clinical placement fees - Monash Health	69	-
Donations received from key management personnel	-	670
Audit fees paid/payable on behalf of Victoria University Enterprises Pty Ltd	6	5
Fees paid to VU Online Pty Ltd	8,313	4,273
Salary and non-salary cost recovery received from VU Online Pty Ltd	1,559	788

## (E) OUTSTANDING BALANCES

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$
Amounts receivable from VU Online Pty Ltd	968	297
Amounts payable to VU Online Pty Ltd	1,756	-

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.

## 38 EX-GRATIA PAYMENT

There were no ex-gratia payments made by the University in 2021 (2020: \$0.56m). The payments are disclosed in the Employee Related Expenses Note 10.

## 39 REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditors of the Group.

	CONSOLIDATED		VICTORIA UNIVERSITY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
<b>AUDIT OF THE FINANCIAL STATEMENTS</b>				
Fees paid or payable to the Victorian Auditor-General's Office	139	134	133	129
<b>Total remuneration for audit services</b>	<b>139</b>	<b>134</b>	<b>133</b>	<b>129</b>
<b>OTHER AUDIT AND ASSURANCE SERVICES</b>				
Fees paid or payable to Pricewaterhouse	253	230	253	230
Fees paid to other providers	105	44	105	44
<b>Total remuneration for other audit and assurance services</b>	<b>358</b>	<b>274</b>	<b>358</b>	<b>274</b>

It is the Group's policy to seek competitive tenders for all major consulting projects.

## 40 SUPERANNUATION FUNDS

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 (I) (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% (10% from 1 July 2021) of their annual salary contributed by the University to Accumulation Super (I) prescribed under the *Superannuation Guarantee Charge Act 1992*.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 40 SUPERANNUATION FUNDS (CONTINUED)

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).

#### Financial Position

As at 30 June 2021, the assets of the DBD in aggregate were estimated to be \$5,070 million (30 June 2020: \$3,267 million in excess) above vested benefits, after allowing for various reserves. The Vested Benefit Index based on funding assumptions was 121.3%. 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 2021, the assets of the DBD in aggregate were estimated to be \$7,339 million (30 June 2020: \$5,267 million in excess) above accrued benefits, after allowing for various reserves. The Accrued Benefit Index based assumptions was 134.2%. The accrued benefits have been calculated as the present value of expected future benefit payments to members and index 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 2021: \$157.95 million (31 December 2020: \$168.50 million).

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:

	2021 000s \$	2020 000s \$
UniSuper	27,463	30,120
State Superannuation Schemes	7,494	8,811
Others	5,587	3,119
<b>Total</b>	<b>40,544</b>	<b>42,050</b>

#### (A) ACTUARIAL ASSUMPTIONS AND SENSITIVITY

The sensitivity of the defined benefit obligation of the State Superannuation Schemes to changes in the significant assumptions are:

	2021	2020	CHANGE IN ASSUM- PTION
Discount rate	1.89%	1.09%	73.39%
Salary growth rate	2.25%	2.50%	nil
Pension indexation	2.20%	1.20%	83.33%
Demographic assumptions	no change	no change	nil

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

## 41 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

### (A) EDUCATION - CGS AND OTHER EDUCATION GRANTS

PARENT ENTITY (UNIVERSITY) ONLY	COMMONWEALTH GRANTS SCHEME #1		INDIGENOUS STUDENT SUCCESS PROGRAM #4		INDIGENOUS REGIONAL AND LOW-SES ATTAINMENT FUND #2		HIGHER EDUCATION DISABILITY SUPPORT PROGRAM #3	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	142,735	122,182	548	459	4,346	4,566	64	86
Net accrual adjustments	(10,632)	(134)	-	-	18	(11)	-	-
Revenue for the period	132,103	122,048	548	459	4,364	4,555	64	86
Surplus/(deficit) from the previous year	-	-	120	24	-	-	-	-
Total revenue including accrued revenue	132,103	122,048	668	483	4,364	4,555	64	86
Less expenses including accrued expenses	(132,103)	(122,048)	(568)	(363)	(4,364)	(4,555)	(64)	(86)
<b>Surplus/(deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
41 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

PARENT ENTITY (UNIVERSITY) ONLY	PROMO OF EXC IN LEARNING AND TEACHING		NATIONAL PRIORITIES AND INDUSTRY LINKAGE FUND		OTHER		TOTAL	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	-	-	4,750	-	205	-	152,648	127,293
Net accrual adjustments	-	-	-	-	(180)	-	(10,794)	(145)
Revenue for the period	-	-	4,750	-	25	-	141,854	127,148
Surplus/(deficit) from the previous year	15	16	-	-	-	-	134	39
Total revenue including accrued revenue	15	16	4,750	-	25	-	141,989	127,187
Less expenses including accrued expenses	-	(1)	(4,750)	-	(25)	-	(141,874)	(127,052)
<b>Surplus/(deficit) for reporting period</b>	15	15	-	-	-	-	115	134

#1 Includes the basic CGS grant amount, Transition Fund loading, Allocated Places and Non Designated Courses.

#2 Includes the Higher Education Participation and Partnering Program and enabling loading.

#3 Higher Education Disability Support Program includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education and Training

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

**(B) HIGHER EDUCATION LOAN PROGRAMS (EXCLUDING OS-HELP) #5**

PARENT ENTITY (UNIVERSITY) ONLY	HECS-HELP (AUSTRALIAN GOVERNMENT PAYMENTS ONLY)		FEE-HELP #5	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Cash Payable/(Receivable) at the beginning of the year	2,268	2,398	(2,509)	(1,185)
Financial assistance received in cash during the reporting period	81,880	93,396	11,299	11,017
Cash available for the period	84,148	95,794	8,790	9,832
Revenue earned	85,674	93,526	14,876	12,341
<b>Cash Payable/(Receivable) at end of year</b>	(1,526)	2,268	(6,086)	(2,509)

PARENT ENTITY (UNIVERSITY) ONLY	VET FEE-HELP		SA-HELP		TOTAL	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Cash Payable/(Receivable) at the beginning of the year	(591)	(573)	708	383	(124)	1,023
Financial assistance received in cash during the reporting period	-	(17)	3,016	3,344	96,195	107,740
Cash available for the period	(591)	(590)	3,724	3,727	96,071	108,763
Revenue earned	-	1	2,939	3,019	103,489	108,887
<b>Cash Payable/(Receivable) at end of year</b>	(591)	(591)	785	708	(7,418)	(124)

#5 VET Student Loan Program is not required to be acquitted here.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
41 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(C) DEPARTMENT OF EDUCATION AND RESEARCH

PARENT ENTITY (UNIVERSITY) ONLY	RESEARCH TRAINING PROGRAM		RESEARCH SUPPORT PROGRAM		TOTAL	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	7,385	7,497	7,304	3,901	14,689	11,398
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	7,385	7,497	7,304	3,901	14,689	11,398
Surplus/(deficit) from the previous year	-	-	-	-	-	-
Total revenue including accrued revenue	7,385	7,497	7,304	3,901	14,689	11,398
Less expenses including accrued expenses	(7,385)	(7,497)	(7,304)	(3,901)	(14,689)	(11,398)
<b>Surplus/ (deficit) for reporting period</b>	-	-	-	-	-	-

(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	(5,148)	(311)
Research Training Program Stipends	(1,548)	(85)
Research Training Program Allowances	(264)	(29)
<b>Total for all types of support #6</b>	(6,960)	(425)

#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 41(c) in respect to the 2021 year.

(E) AUSTRALIAN RESEARCH COUNCIL GRANTS

(I) DISCOVERY PARENT ENTITY (UNIVERSITY) ONLY	PROJECTS		TOTAL DISCOVERY	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	1,413	1,173	1,413	1,173
Net accrual adjustments	10	32	10	32
Revenue for the period	1,423	1,205	1,423	1,205
Surplus/ (deficit) from the previous year	59	-	59	-
Total revenue including accrued revenue	1,482	1,205	1,482	1,205
Less expenses including accrued expenses	(1,062)	(1,146)	(1,062)	(1,146)
<b>Surplus/(deficit) for reporting period</b>	420	59	420	59

(II) LINKAGES PARENT ENTITY (UNIVERSITY) ONLY	PROJECTS		TOTAL LINKAGES	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	71	139	71	139
Net accrual adjustments	157	151	157	151
Revenue for the period	228	290	228	290
Surplus/(deficit) from the previous year	134	205	134	205
Total revenue including accrued revenue	362	495	362	495
Less expenses including accrued expenses	(362)	(361)	(362)	(361)
<b>Surplus/(deficit) for reporting period</b>	-	134	-	134

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
41 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

(III) SPECIAL RESEARCH INITIATIVES PARENT ENTITY (UNIVERSITY) ONLY	SPECIAL RESEARCH INITIATIVES		TOTAL	
	2021 000s \$	2020 000s \$	2021 000s \$	2020 000s \$
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	183	45	183	45
Revenue for the period	183	45	183	45
Surplus/ (deficit) from the previous year	45	-	45	-
Total revenue including accrued revenue	228	45	228	45
Less expenses including accrued expenses	(41)	-	(41)	-
<b>Surplus/(deficit) for reporting period</b>	<b>187</b>	<b>45</b>	<b>187</b>	<b>45</b>

(F) OS-HELP

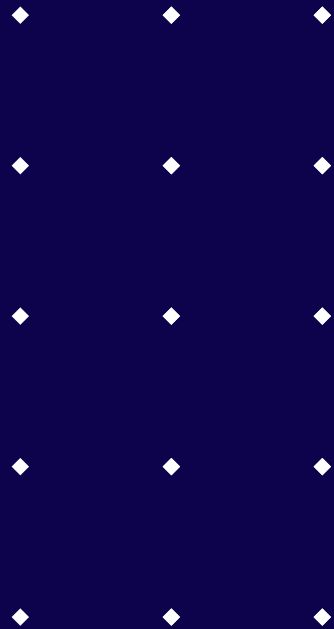
PARENT ENTITY (UNIVERSITY) ONLY	NOTE	2021 000s \$	2020 000s \$
Cash received during the reporting period		-	3,383
Cash spent during the reporting period		-	(37)
Net cash received		-	3,346
Cash surplus/(deficit) from the previous period		5,434	2,088
<b>Cash surplus/(deficit) for reporting period</b>	<b>21</b>	<b>5,434</b>	<b>5,434</b>

(G) SUPERANNUATION SUPPLEMENTATION

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	2021 000s \$	2020 000s \$
Cash received during the reporting period		9,641	6,211
Cash available		9,641	6,211
Cash surplus/(deficit) from the previous period		(9,971)	(7,371)
Cash available for current period		(330)	(1,160)
Contributions to specified defined benefit funds	40	(7,497)	(8,811)
<b>Cash surplus/(deficit) this period</b>		<b>(7,827)</b>	<b>(9,971)</b>

(H) STUDENT SERVICES AND AMENITIES FEE

PARENT ENTITY (UNIVERSITY) ONLY	NOTE	2021 000s \$	2020 000s \$
Unspent/(overspent) revenue from previous period		60	-
SA-HELP revenue earned		2,939	3,019
Student Services and Amenities Fees direct from students	6	2,814	2,823
Total revenue expendable in period		5,813	5,842
Student services expenses during period		(5,813)	(5,782)
<b>Unspent/(overspent) student services revenue</b>		<b>-</b>	<b>60</b>



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# FOR MORE INFORMATION

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