

DEAKIN UNIVERSITY ANNUAL REPORT 2013

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DEAKIN
UNIVERSITY AUSTRALIA

Worldly

FURTHER INFORMATION

Geelong Waterfront Campus

1 Gheringhap Street
Geelong
Victoria 3220
Australia
+61 03 5227 1100

Geelong Waurn Ponds Campus

75 Pigdons Road
Waurn Ponds
Victoria 3216
Australia
+61 03 5227 1100

Melbourne Burwood Campus

221 Burwood Highway
Burwood
Victoria 3125
Australia
+61 03 9244 6100

Warrnambool Campus

Princes Highway
Warrnambool
Victoria 3280
Australia
+61 03 5563 3100

Geelong City Centre

+61 03 5227 8511
gcc@deakin.edu.au

Melbourne City Centre

+61 03 9918 9120
mcc@deakin.edu.au

Warrnambool City Centre

+61 03 5563 3550
wcc@deakin.edu.au

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Deakin University

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LETTER TO THE MINISTER

The Hon Peter Hall, MLC
Minister for Higher Education and Skills
Level 1, 2 Treasury Place
EAST MELBOURNE VIC 3002

13 March 2014

Dear Minister,


On behalf of the Deakin University Council and in accordance with the requirements of regulations under the *Financial Management Act 1994*, I am pleased to submit for your information and presentation to parliament the *Deakin University Annual Report* for the year ending 31 December 2013. The *Annual Report* was approved by the Deakin University Council at its meeting on 13 March 2014.

Yours sincerely,



Mr David Morgan
Chancellor

Date: 13 March 2014
Geelong



Professor Jane den Hollander
Vice-Chancellor

Date: 13 March 2014
Geelong

On behalf of the Deakin University Council.

A photograph of three students walking on a paved path outdoors. The image is overlaid with a semi-transparent red filter. The student on the left is a man wearing sunglasses and a dark t-shirt. The student in the middle is a woman with long blonde hair, wearing a light-colored jacket and dark pants, carrying books. The student on the right is a woman with glasses and a light-colored sweater, also carrying books. The background shows a building and trees.

REPORT OF OPERATIONS

DEAKIN IN 2013

INTRODUCTION AND OVERVIEW



Mr David Morgan
Chancellor



Professor Jane den Hollander
Vice-Chancellor and President

In a time of change in our sector, 2013 has been a year of progress for Deakin, consolidating implementation of our *LIVE the future* agenda. We enrolled 47,515 students across the University, achieved our research goals and recorded an operating result of \$78.2m

In implementing *LIVE the future: Agenda 2020*, a major program of curriculum reform has been underpinned by significant investment in IT infrastructure, video and Wi-Fi enablement. Deakin has taken full advantage of the opportunities of digital change as it aspires to drive the digital frontier in all that it does.

We made the decision to develop our own platform *DeakinConnect* and to use the opportunity to explore innovations in assessment and course delivery. Our first massive open online course (MOOC) was launched in July. With just over 2,311 enrolments it was not especially 'massive' but retention was strong and it attracted interest from people in 90 countries across the globe, featuring on the global list of 99 Best Resources on open courseware and MOOCs in its first month of operation.

Student enrolments across the three trimesters have been pleasing. Of particular note is the recovery of the international market and particularly in India where enrolments grew significantly to match the growth and expansion of the Deakin-TERI partnership in Delhi and the Reliance Life Sciences partnership in Mumbai.

Additionally in 2013 most courses either entered or completed a period of major structural change. Student satisfaction, a key performance measure for the Executive, has remained excellent and for the third consecutive year Deakin was rated first in Victoria for student learning satisfaction (Australian Graduate Survey).

Deakin's research reputation is growing nationally and internationally – reflected in the quality and number of its international partnerships, international recognition of its researchers and in its international rankings. Deakin has risen to join the ranks of the top two per cent of the world's universities with lifts in the three critical international ranking systems.

Deakin's research strategy has been one of collaboration with industry, government and institutional partners. Of particular note was the completion of the Australian Future Fibres Research and Innovation Centre (AFFRIC), which included the relocation of the CSIRO Materials Division to our Waurn Ponds Campus and, specifically for Deakin, the realisation of carbon fibre manufacture. The Carbon Nexus research facility is delivering a pilot-scale research plant capable of producing industrially relevant quantities of aerospace-quality carbon fibre, advancing research into the chemical, mechanical and nanoscale characteristics of carbon fibre.

Deakin research is increasingly focused on making a difference to the communities it serves, creating new business opportunities and generating optimism and wellbeing in our communities, particularly in Geelong and regional Victoria, communities that faced a particularly difficult year in 2013.

In response to continued growth in staff and student numbers, a number of major building projects came to fruition in 2013, including the Carbon fibre buildings comprising AFFRIC, Deakin's Regional Community Health Hub (REACH) and the National Rental Affordability Scheme projects in Warrnambool (102 beds) and Waurin Ponds (309 beds). Our campus learning environment also underwent a major program of refurbishment across all Deakin campuses and learning centres to create dynamic, media-rich spaces so that when students travel to a physical site their learning experience is interactive, personal and engaging.

The iconic \$126 million Burwood Highway frontage building is nearing completion, with staff moving into the building in April 2014. The eight-storey building features environmentally sustainable design elements and will house substantial parts of the Faculty of Health, Deakin Learning Futures, Advancement, Financial Services and a range of eating, meeting and social amenities.

Deakin has a strong commitment to reducing its environmental impact and integrates environmental principles into as many operations as possible; sustainability at Deakin incorporates economic and social, as well as environmental concepts. Taking full advantage of the opportunities of teleworking and Deakin's IT infrastructure, Deakin has reduced its fleet vehicle travel by almost two million kilometres since early 2012, equating to over a million dollars in annual savings. Deakin was the winner of the Green Gown Australasia award in Carbon Reduction in 2013.

To ensure financial sustainability Deakin implemented *Deakin Sharp Smart and Secure*, a strategy aimed to secure Deakin's future in an increasingly competitive market. It is enabling Deakin to safeguard its sustainability (*Deakin Sharp*); ensuring that opportunities to progress are not ignored (*Deakin Smart*); and helping us stay true to our values and goals (*Deakin Secure*).

Deakin's staff continue to be our greatest asset. The 2013 staff survey had an unprecedented 95 per cent response rate, with strongly positive support from staff for the direction, values and mission of the University. Deakin's Enterprise Agreement was concluded satisfactorily with staff receiving a well-earned increase in their remuneration.

Staff promotions were significant, with three Alfred Deakin professorships (the highest honour that Deakin can bestow upon its academic staff members), ten professors and sixteen associate professors. A total of 112 staff were successful in the 2013 promotion round.

Deakin has concluded 2013 in great shape and with growing confidence in the contribution we make to the communities we serve. We remain well governed, we are financially secure and, most importantly, we are prepared for the challenges of a dynamic and competitive world.



Jane den Hollander

'In a technology-enabled and connected world, it is not information but connections that matter ... universities must be more self-reflective and focus more strongly on their stakeholders.'

— Jane den Hollander (Royal Australian Chemical Institute Awards November 2013)

DEAKIN AT A GLANCE 2013



STUDENTS

Course enrolments	47,486
Student Load (Equivalent Full time)	32,883
Course completions (2012)	9,801



STAFF

Full-time equivalent	2013	2012
Full time / part time	3,098	2,964
Casual (estimate)	730	662
Total	3,828	3,626
By staff type		
Academic	1,787	1,661
General	2,041	1,965



COURSE DATA

Active award courses	440
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LIBRARY

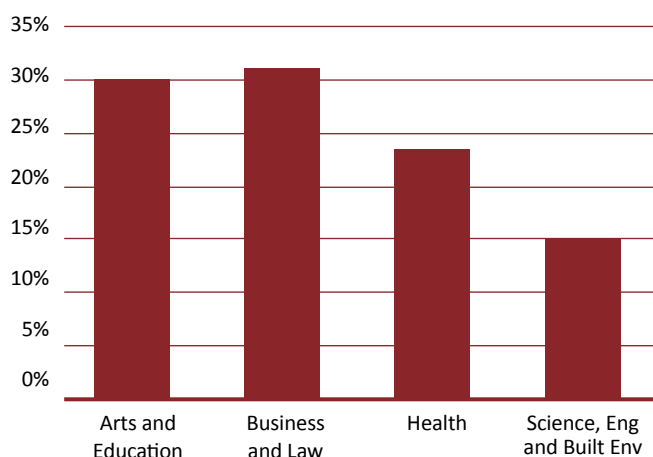
Books	
- Print	1.26 million
- Electronic	349,160
Journals	
- Print	6,715
- Electronic	95,420
Other	
- Online databases	421
- DVDs and videos	24,099
- Streamed videos	37,846
- Online images	3.4 million +
- Special collection items	85,132



CAMPUSES AND LAND AREA (HECTARES)

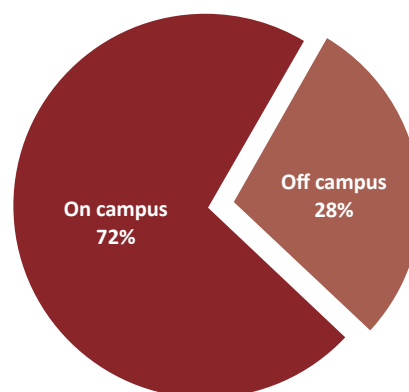
Melbourne Burwood	27
Geelong Waurn Ponds	325
Geelong Waterfront	4
Warrnambool	94
Total	450

STUDENT ENROLMENTS BY RESPONSIBLE FACULTY

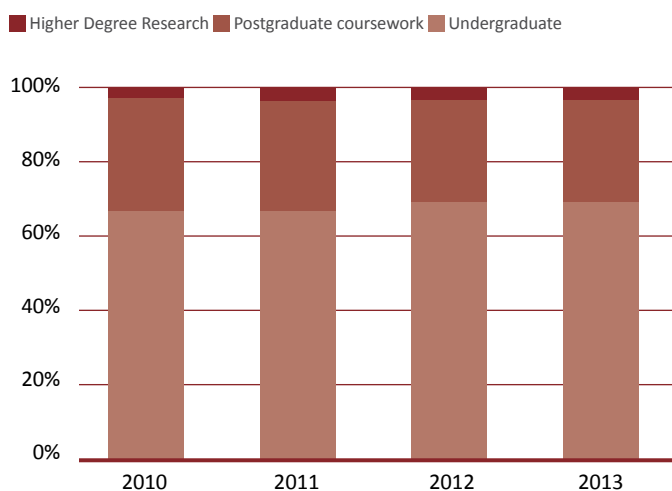


Note: Excludes data on cross institutional and non-award courses

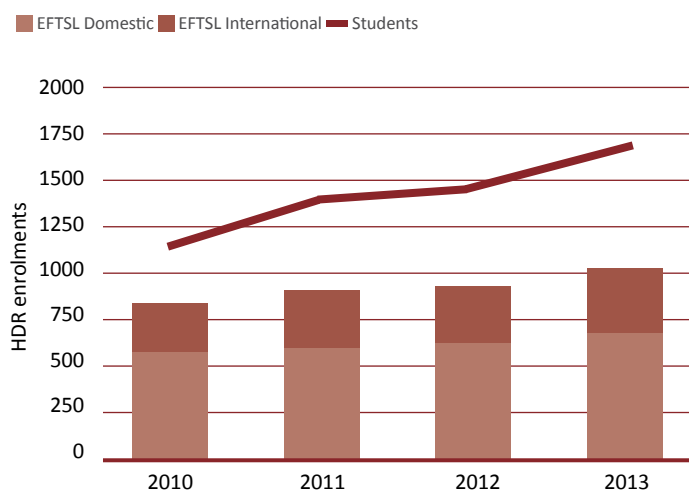
STUDENT ENROLMENTS BY ATTENDANCE MODE




STUDENT ENROLMENTS BY COURSE TYPE



HIGHER DEGREE RESEARCH ENROLMENTS



Note: Excludes data on cross institutional and non-award courses. 2010 to 2012 course enrolment and EFTSL data based on finalised end-of-year snapshots. 2013 data is interim only, current as at 08/01/2014

COURSE ENROLMENTS	2010	2011	2012	2013	COURSE COMPLETIONS	2010	2011	2012	2013
By commencement status					By course type				
Commencing	15,415	16,353	17,418	19,471	Undergraduate	5,579	5,958	6,242	*
Returning	24,191	25,282	26,577	28,015	Postgraduate coursework	3,383	3,691	3,392	*
Total	39,606	41,635	43,995	47,486	Higher Degree Research	140	119	167	*
By citizenship					GRADUATE OUTCOMES				
Domestic	31,099	33,039	36,007	39,602	Domestic bachelor graduates in full-time employment (of those available)	74%	72%	71%	67%
International	8,506	8,596	7,988	7,884	Domestic bachelor graduates in full-time further study	18%	20%	22%	21%
By responsible faculty					COURSE SATISFACTION				
Arts & Education	12,085	12,579	13,327	14,075	Bachelor degree graduates				
Business & Law	14,129	14,449	14,271	14,330	Generic skills	78%	80%	80%	80%
Health	7,972	8,740	9,845	11,240	Good teaching	65%	67%	69%	68%
Science, Eng & Built Env	5,067	5,493	6,094	6,961	Overall satisfaction	86%	87%	87%	87%
Cross Institutional	353	374	365	482	RESEARCH PERFORMANCE				
Non-award	-	-	93	405	Research income (\$ million)	32.6	35.6	46.4	*
By course type					Research publications				
Undergraduate	26,513	28,432	30,680	33,203		1,255	1,330	1,458	*
Postgraduate coursework	11,267	11,102	11,169	11,924	Research load				
Higher Degree Research	1,130	1,387	1,493	1,749	Equivalent Full-time Student Load (EFTSL)	835	922	983	1,089
Non-award	696	714	653	610	Percentage of total EFTSL	3.0%	3.1%	3.2%	3.3%
By campus					Higher Degree Research completions				
Melbourne Burwood	19,909	20,743	21,821	23,501	Doctorate	127	115	150	*
Geelong Waurin Ponds	4,787	5,203	5,824	5,585	Masters	13	4	17	*
Geelong Waterfront	2,320	2,512	2,610	3,946	Total	140	119	167	*
Warrnambool	1,253	1,248	1,258	1,166	Academic staff engaged in Research or 'Research & Teaching'				
Off Campus	11,023	11,712	12,335	13,188	Number (FTE)	1,068	1,188	1,290	1,345
Offshore	314	218	147	101	Percentage of total academic staff	75%	75%	76%	77%
STUDENT LOAD (equivalent full time, EFTSL)					Excellence in Research for Australia				
By commencement status					Per cent of two-digit Field of Research discipline areas performing at or above world standards				
Commencing	10,826	11,607	12,286	13,642		40%	-	74%	*
Returning	16,745	17,412	18,303	19,242	IF YOU TOOK 100 DOMESTIC STUDENTS, YOU WOULD HAVE...				
Total EFTSL	27,571	29,019	30,589	32,883	<ul style="list-style-type: none"> 2 Aboriginal or Torres Strait Islanders 6 with some level of disability 62 females 16 who were born overseas 2 from a non-English speaking background 13 from low socio-economic areas 78 who live in a major city 22 from a regional or remote home location 				
By citizenship									
Domestic	21,109	22,375	24,540	27,170					
International	6,462	6,644	6,050	5,713					
By responsible faculty									
Arts & Education	8,154	8,514	9,120	9,659					
Business & Law	9,334	9,668	9,413	9,423					
Health	6,023	6,477	7,284	8,402					
Science, Eng & Built Env	3,948	4,259	4,671	5,192					
Cross Institutional	112	99	90	128					
Non-award	-	-	12	80					
By course type									
Undergraduate	21,409	22,896	24,365	26,086					
Postgraduate coursework	5,136	5,034	5,103	5,538					
Higher Degree Research	835	922	983	1,089					
Non-award	191	166	139	170					

Note: Course enrolment and EFTSL data based on finalised end-of-year snapshots. Rounding adjustment may exist in this table. *Not all 2013 data available at time of printing.

A SNAPSHOT OF DEAKIN IN 2013

1st

Deakin was ranked first in Victoria and third in Australia for student satisfaction for the third year in a row (AGS, 2011, 2012, 2013).

6

One Office for Learning and Teaching award and five citations for outstanding contributions to student learning.

9th

Deakin has 47,515 students and is Australia's ninth largest university.

11%

Deakin exceeded its target for HDR enrolments and completions for 2013, a 11 per cent increase on 2012.

145

145 Deakin courses underwent course enhancement in 2013.

6%

Deakin is financially robust with an underlying surplus of 6 per cent.

66

Deakin is ranked 66 in the Times Higher Education World University Rankings of universities less than 50 years old.

84%

84 per cent of Deakin's staff participated in the 2013 staff survey iSay.

ORGANISATION AND GOVERNANCE

Deakin is established pursuant to the *Deakin University Act 2009 (Vic)* (the Act). The University is governed in accordance with the Act. The Hon Peter Hall MLC, Minister for Higher Education and Skills is the Minister responsible. The Act lists the University's objectives, including achieving excellence in teaching and research, equipping graduates for their futures and contributing to social justice, community service and to realising Aboriginal and Torres Strait Islander aspirations.

COUNCIL

Under the Act the Deakin University Council is constituted as the governing body of the University, responsible for the general direction and superintendence of the University.

THE PRIMARY RESPONSIBILITIES OF THE UNIVERSITY COUNCIL

- appointing and monitoring the performance of the Vice-Chancellor as chief executive officer of the University
- approving the mission and strategic direction of the University and its annual budget and business plan
- overseeing and reviewing the management of the University and its performance
- establishing policy and procedural principles for the operation of the University consistent with legal requirements and community expectations
- approving and monitoring systems of control and accountability of the University, including those required to maintain a general overview of any entity over which the University has control within the meaning of section 3 of the *Audit Act 1994*
- overseeing and monitoring the assessment and management of risk across the University, including university commercial activities
- overseeing and monitoring the academic activities of the University
- approving any significant commercial activities.

The University Council conducts its business in accordance with its *Charter* and *Operating Provisions*. Each of these documents is reviewed at least every two years. The Council's business schedule reflects its responsibilities under the Act and University statutes, regulations and policies.

2013 MEMBERSHIP

The University Council is chaired by the Chancellor, **Mr David Morgan**.

The three Deputy Chancellors in 2013 were:

Mrs Helene Bender OAM,
Ms Jennifer Lightowlers and
Mr Peter Meehan.

In 2013 the Council gratefully acknowledged the service of **Mr Andrew Tongue**, who retired on 3 May 2013.

The Council welcomed four new members in 2013. **Ms Glenys Phillpot, Ms Miranda Douglas-Crane, Mr Stuart Hamilton AO** and **Mr David Joyce**, each of whom was appointed for a term of office concluding on 31 December 2015.

Two members were reappointed in 2013. **Mrs Helene Bender OAM** was reappointed by the Minister for a term of office concluding on 31 December 2015. **Ms Kathy Grigg** was reappointed by Council for a further term of office from 1 January 2014 to 31 December 2016.

DEAKIN UNIVERSITY COUNCIL

Major activities in 2013 included:

- reviewing and approving the implementation and business plans for the University's strategic plan *LIVE the future*, including a consolidated set of performance indicators measured half-yearly
- completing implementation of the recommendations of the 2012 biennial review of the Council based on the Framework for Identifying Governing Body Effectiveness in Higher Education
- strengthening oversight over strategic risks, including increasing reporting on major information technology projects
- planning new strategies to position Deakin to drive the digital frontier and enable globally connected education for jobs
- enhancing governance oversight over academic activities through approval of an Academic Board policy encompassing academic policy, risk and strategy
- reviewing and approving an updated business case for the Centre for Advanced Design in Engineering Training following confirmation of infrastructure funding
- increasing governance oversight over investment activities by establishing the Investment Committee with a direct reporting line to the Council and commencing an annual program of presentations on the University's investment strategies.

The Council is cognisant of the need to maintain a clear distinction between governance and management responsibilities. Actions taken in 2013 to reinforce this distinction include:

- removal of matters from the Council committee terms of reference where they are more appropriately dealt with by management
- amendment of certain regulations and policies to ensure that responsibility for management decisions rests with the Vice-Chancellor and University Executive rather than the Council or its committees.

In 2013 the Council held one Planning Conference and six meetings.



REACH building Geelong Waurn Ponds Campus.

COUNCIL COMMITTEES

The Council reviews its committee system every two years. The Council balances:

- the benefits of using committees to give consideration to matters in greater detail than is possible for the Council as a whole
- the risk that an over-reliance on committees might preclude the Council from engaging fully with all of its responsibilities.

In 2012 and 2013 the Council reshaped three former subcommittees into full committees of Council to ensure that their roles are clear to University personnel and the community. The Honorary Degrees Committee, Investment Committee and Remuneration Committee now each report directly to the Council.

Each committee has an annual business schedule aligned to its terms of reference and reports annually on the fulfilment of its business schedule.

CHANCELLOR'S ADVISORY COMMITTEE

Chair: Chancellor, Mr David Morgan

The Chancellor's Advisory Committee advises the Council on governance matters, proposed appointments to the Council membership, the orderly review of the Council's operations and related matters.

In 2013 the Chancellor's Advisory Committee met five times.

HONORARY DEGREES COMMITTEE

Chair: Chancellor, Mr David Morgan

The Honorary Degrees Committee advises the Vice-Chancellor on recommendations to award honorary degrees on individuals for distinguished contributions to learning, the arts, public service or to the University. On the advice of the committee the Vice-Chancellor may invite the Council to award an honorary degree.

In 2013 the Honorary Degrees Committee met twice.

REMUNERATION COMMITTEE AND SUBCOMMITTEE

Chair: Chancellor, Mr David Morgan

The Remuneration Committee advises the Council on remuneration matters including salaries and conditions of employment of senior staff. The Remuneration Subcommittee advises the Council on the Vice-Chancellor's annual performance review.

In 2013 the Remuneration Committee met twice and the Remuneration Subcommittee met once.

AUDIT AND RISK COMMITTEE

Chair: Deputy Chancellor, Mr Peter Meehan

The Audit and Risk Committee advises the Council on the University's accounting, control and reporting practices, as well as the management of corporate assets and risks. The committee also considers external and internal audit reports and reviews internal audit policy. The committee reviewed and recommended the financial statements for approval by council.

In 2013 the Audit and Risk Committee met five times and held one planning day.

FINANCE AND BUSINESS AFFAIRS COMMITTEE

Chair: Ms Philippa Kelly

The Finance and Business Affairs Committee advises the Council on matters concerning the University's consolidated finances, fixed assets and proposed business ventures. The committee also reviews the financial performance of University companies and major commercial activities.

In 2013 the Committee met five times.

INVESTMENT COMMITTEE

Chair: Ms Kathy Grigg

The Investment Committee provides strategic advice on the University's investments, advises the Council on the University's investment policy and oversees investment performance.

In 2013 the Investment Committee met five times.

LEGISLATION COMMITTEE

Chair: Deputy Chancellor, Ms Jennifer Lightowlers

The Legislation Committee advises Council on matters pertaining to the *Deakin University Act*, the University's statutes and regulations and major governing legislative and statutory instruments.

In 2013 the Legislation Committee met four times.

COUNCIL MEMBERS IN OFFICE 2013

OFFICIAL MEMBERS

The Chancellor

Mr D Morgan *BCom Melbourne*

Current term of office: 1 January 2012 – 31 December 2014

Years on Council: 15

The Vice-Chancellor

Professor J den Hollander *BSc (Hons), MSc Wits., PhD Wales*

Current term of office: 19 July 2010–

Years on Council: 3.5

The Chair of the Academic Board

Professor R Rentschler *OAM BA (Hons) Melb, PhD Monash*

Current term of office: 28 February 2012 – 31 December 2014

Years on Council: 2

APPOINTED MEMBERS

Members appointed by the Governor in Council

Professor D Ashbridge *MB BS, MPH, Dpl Child Hlth, Dpl Trop Med, GAICD, Member RACGP*

Current term of office: 4 September 2012 – 31 December 2014

Years on Council: 1.3

Ms J Bonnington *BCom Auckland, MBA Monash, FCPA, FAICD*

Current term of office: 1 January 2013 – 31 December 2015

Years on Council: 4

Ms M Douglas-Crane *BCom, MBA, DipEd, FIM, FAICD*

Current term of office: 24 September 2013 – 31 December 2015

Years on Council: 0.3

Mr P Niblett *BCom Deakin, CA, FCPA, CISA, CISM*

Current term of office: 4 September 2012 – 31 December 2014

Years on Council: 5

Ms G Phillpot

Current term of office: 1 January 2013 – 31 December 2015

Years on Council: 1

Mr J Stanhope *BCom Deakin, FICD, FAIM, FCPA, FICA, FHRM, CMA*

Current term of office: 13 June 2012 – 31 December 2014

Years on Council: 1.5

Member appointed by the Minister

Mr A Tongue *B Bus, M Pub Pol ANU*

Resigned 3 May 2013

Mrs H Bender *OAM B Com Melbourne, Dip Travel & Tourism RMIT*

Current term of office: 24 September 2013 - 31 December 2015

Years on Council: 5.5

Members appointed by the Council

Ms H Buckingham *BA DipEd La Trobe, DipAICD NSW, GradDip Careers Deakin*

Current term of office: 1 July 2012 – 31 December 2014

Years on Council: 5

Ms K Grigg *BEC, DipEd Adelaide, FCPA, FAICD*

Current term of office: 1 July 2011 – 31 December 2013

Reappointed for a further term of office from 1 January 2014 –

31 December 2016

Years on Council: 4.3

Mr S Hamilton *AO BArts (Hons), BEC*

Current term of office: 24 September 2013 – 31 December 2015

Years on Council: 0.3

Mr D Joyce

Current term of office: 24 September 2013 – 31 December 2015

Years on Council: 0.3

Ms P Kelly *LLB W.Aust, FFin, GAICD*

Current term of office: 1 July 2012 – 31 December 2014

Years on Council: 4

Ms J Lightowlers *BA DipEd W.Aust., LLB(Hons), LLM Melbourne*

Current term of office: 1 January 2013 – 31 December 2015

Years on Council: 9.7

Mr P Meehan *B Bus RMIT, FCA, FCPA*

Current term of office: 1 January 2013 – 31 December 2015

Years on Council: 7.8



BACK ROW – Ms Miranda Douglas-Crane, Ms Philippa Kelly, Prof David Ashbridge, Mr Stuart Hamilton AO, Mr David Joyce, Mr John Stanhope, Ms Jay Bonnington, Ms Glenys Phillpot, Ms Kathy Grigg . FRONT ROW – Mr Peter Niblett, Prof Ruth Rentschler OAM, Ms Jennifer Lightowlers, Mr David Morgan (Chancellor), Prof Jane den Hollander, Mrs Helene Bender OAM, Ms Helen Buckingham. (Absent – Mr Peter Meehan).

THE UNIVERSITY COUNCIL AND COMMITTEE MEETINGS

The number of meetings of the Council and of each committee of Council held during the year ended 31 December 2013, with the number of meetings attended by each member as follows:

Does not include non-members of Council.

A – meetings eligible to attend as a member B – meetings attended as a member Number of meetings held during the year	Council		COMMITTEES OF THE COUNCIL														
	7, includes planning conference		Audit and Risk		Chancellor's Advisory		Finance and Business Affairs		Honorary Degrees		Investment		Legislation		Remuneration		
			A	B	A	B	A	B	A	B	A	B	A	B	A	B	
Professor D Ashbridge	7	5															
Deputy Chancellor Mrs H Bender	7	7			5	5			2	2			4	3	2	2	
Ms J Bonnington	7	5	5	4			5	2									
Ms H Buckingham	7	5					5	2					4	4			
Vice-Chancellor Professor J den Hollander	7	7			5	5	5	4	2	2			4	2	2	2	
Ms M Douglas-Crane	2	2															
Ms K Grigg	7	7					5	4			5	4				2	2
Mr S Hamilton	2	2															
Mr D Joyce	2	2											1	1			
Ms P Kelly	7	7					5	5								2	2
Deputy Chancellor Ms J Lightowlers	7	5			5	4			2	2			4	4	2	1	
Deputy Chancellor Mr P Meehan	7	4	5	5	5	5			2	2					2	1	
Chancellor Mr D Morgan	7	7			5	5			2	2					2	2	
Mr P Niblett	7	6	5	3			5	4									
Ms G Phillpot	7	7	3	3													
Professor R Rentschler	7	6			5	3			2	2							
Mr J Stanhope	7	7					5	5			5	5					
Mr A Tongue	3	2	1	0													

ACADEMIC GOVERNANCE

Under the Act the Council is responsible for 'overseeing and monitoring the academic activities of the University' and for 'establishing an academic board or its equivalent'.

University statute 2.2 states that the Academic Board is the principal academic authority within the University, and is responsible to the Council for maintaining the highest standards in teaching and research.

The Chair of the Academic Board, Professor Ruth Rentschler OAM, is an official member of the Council. She reports on outcomes from each meeting of the Academic Board to the next meeting of the Council using five categories: academic governance, academic strategy, academic policy, academic risk and academic quality and standards.

MEETINGS OF THE ACADEMIC BOARD

The Board draws its membership from across the University through the appointment of official members (15) and the election of members from Faculty academic staff, professoriate, general staff and students.

In 2013 the Academic Board met six times.

The composition of the board by category of membership is as follows:

CATEGORY OF MEMBERSHIP	MODE OF APPOINTMENT	NUMBER OF MEMBERS IN CATEGORY
Chair of the Academic Board	Elected by the Board from the Professors of the University	1
Deputy Chair of the Academic Board	Elected by the Board from the Professors and Associate Professors of the University	1
The Vice-Chancellor	official	1
The Deputy Vice-Chancellors	official	3
The Pro Vice-Chancellors	official	6
The Director, Institute of Koorie Education	official	1
The University Librarian	official	1
Elected Academic Staff	Elected by academic staff	Thirty two, comprising eight from each Faculty of whom at least four must be professors
Elected Professors	Elected by and from the Professoriate	3
General staff	Elected by and from the general staff	2
Students	Elected by and from the relevant student constituencies	Three, being an undergraduate student, a postgraduate coursework student and a higher degree by research student
Co-opted members	Co-opted member	1

COMMITTEES OF THE ACADEMIC BOARD IN 2013

The Academic Board has established a number of committees to undertake the detailed work of the Board and to provide informed advice and recommendations on matters under their terms of reference. Each committee is chaired by a member of the Academic Board, but committees can include non-members of the Academic Board, who bring specialist knowledge and perspectives.

ACADEMIC BOARD STEERING COMMITTEE

Chair: Professor Ruth Rentschler

The Academic Board Steering Committee provides support to the Chair of the Academic Board regarding a range of Academic Board functions, including the strategic direction of the Board, individual Board agendas, academic policy matters and topics to be addressed by presentations at each meeting.

In 2013 the Academic Board Steering Committee met prior to each of the six meetings of the Board.

COURSE STANDARDS COMMITTEE

Chair: Professor Stuart Orr

The Course Standards Committee is responsible to the Academic Board for reviewing academic proposals for new courses or significant revisions to existing courses and providing advice and recommendations to the board on issues relevant to academic quality and standards of courses.

In 2013 the Course Standards Committee met six times.

RESEARCH AND RESEARCH TRAINING COMMITTEE

Chair: Professor Louise Johnson

The Research and Research Training Committee is responsible to the Academic Board for providing vision and leadership in relation to research and research training and for monitoring and advising on academic standards relevant to research, research training and higher degrees by research.

In 2013 the Research and Research Training Committee met six times.

THESIS EXAMINATION SUBCOMMITTEE

Chair: Professor Roger Horn

The Thesis Examination Subcommittee is a subcommittee of the Research and Research Training Committee and is responsible for the review of examiners' reports, coordination of recommendations emerging from the examination process, final assessment of higher degrees by research (HDR) theses and ensuring best practice in the thesis examination process.

In 2013 the Thesis Examination Subcommittee met eight times.

TEACHING AND LEARNING COMMITTEE

Chair: Professor Richard Reed

The Teaching and Learning Committee is responsible to the Academic Board for assuring the academic standard, coherence and relevance of all aspects of teaching and learning in relation to higher education awards.

In 2013 the Teaching and Learning Committee met eight times and convened two working party meetings.

UNIVERSITY APPEALS COMMITTEE

Chair: Professor Damien Kingsbury

The University Appeals Committee hears appeals by students against decisions of Faculty Committees and full Student Misconduct Committees regarding academic progress and student misconduct. Proceedings of the committee are confidential.

The University Appeals Committee reports to the Academic Board on the outcomes of all matters it hears and on trends and issues arising from appeal hearings.

SENIOR OFFICERS OF DEAKIN UNIVERSITY

Vice-Chancellor and President

Professor Jane den Hollander BSc (Hons), MSc Wits, PhD University of Wales

Chair of Academic Board

Professor Ruth Rentschler OAM BA (Hons) Melb, PhD Monash

Deputy Vice-Chancellor (Research)

Professor Lee Astheimer BSc (Hons) Lakehead, PhD UC Davis

Deputy Vice-Chancellor (Education)

Professor Beverley Oliver BA (Hons) UWA, Grad Dip Ed Murdoch, M Phil UWA, PhD UWA

Deputy Vice-Chancellor (Global Engagement)

Professor Gary Smith (commenced May 2013) BA (Hons) and PhD Monash.

Pro Vice-Chancellor (Planning and Integrity)

Professor Christopher Gray BA (Hons) Lancaster, MSc Leeds, PhD Bradford, FAIOH

Pro Vice-Chancellor Arts and Education

Professor Brenda Cherednichenko TPTC Toorak Teachers College, Dip Arts Prahan CAE, BEd Victoria College, MSc (Ed) U Rochester NY, PhD Melb

Pro Vice-Chancellor Business and Law

Professor Gael McDonald PhD LSE MBA UWA BBS Massey U

Pro Vice-Chancellor Health

Professor Brendan Crotty MBBS MD Melbourne, FRACP

Pro Vice-Chancellor Science, Engineering and Built Environment

Professor Trevor Day Dip Educ Flinders, BSc (Hons) Flinders, PhD (Med) Flinders

Vice-President (Enterprise)

Mr Kean Selway BBus (Mktg) Chisholm, GDip Mgt Victoria UT, FAICD

Vice-President (Advancement)

Mr Ron Fairchild, BHK (Hons), University of Windsor, CFRE.

Chief Financial Officer

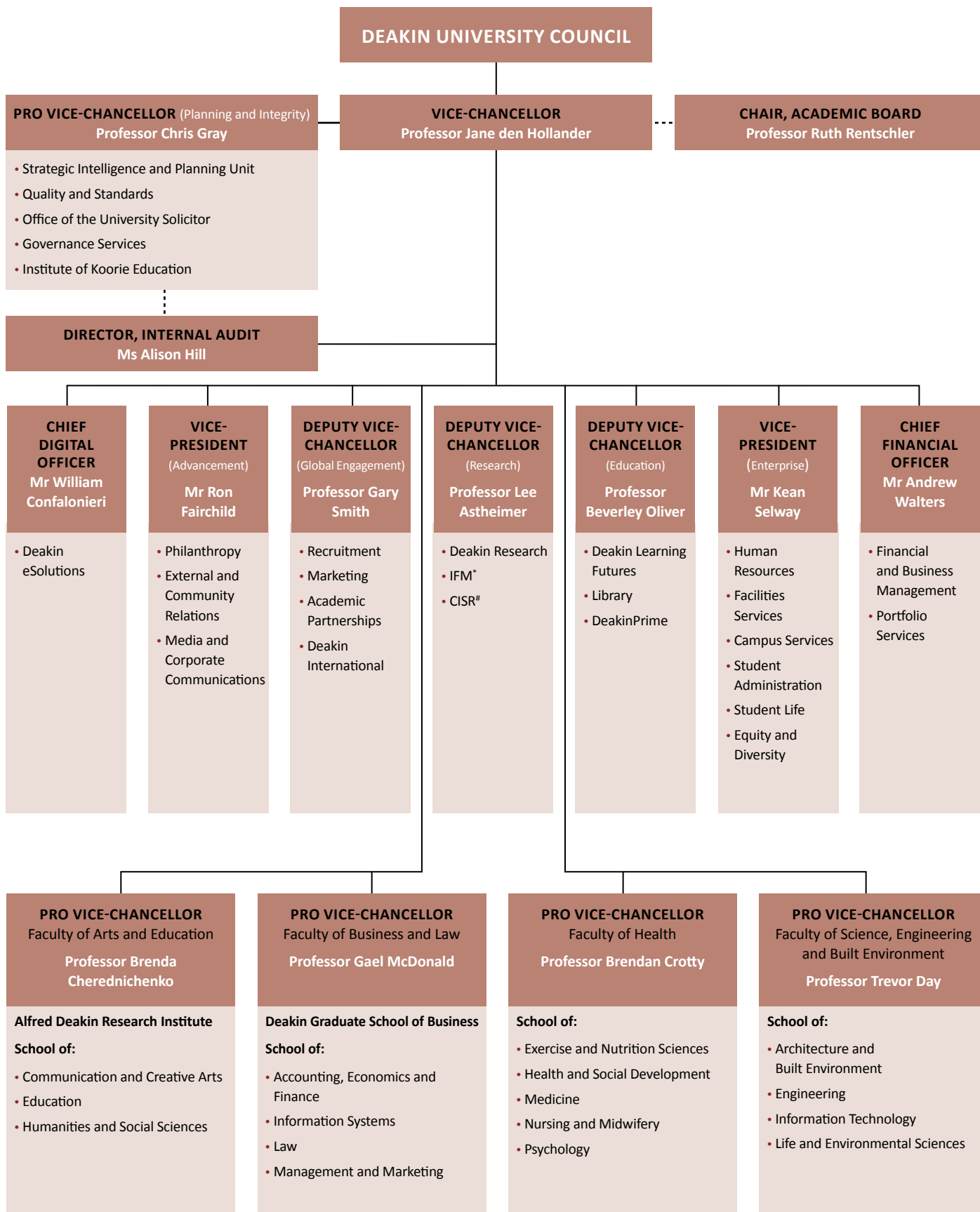
Mr Andrew Walters BCom Natal, Hons B.Compt UNISA, CA (Australia)

Chief Digital Officer

Mr William Confalonieri M Comp Sci Lujan, Dip Syst Eng M Econ Bus Adm Buenos Aires

MANAGEMENT AND ORGANISATIONAL STRUCTURE

The University's Chief Executive Officer is the Vice-Chancellor and President Professor Jane den Hollander. The University's Executive comprises the Vice-Chancellor, three Deputy Vice-Chancellors, four Faculty Pro Vice-Chancellors, the Pro-Vice-Chancellor Planning and Integrity and two Vice-Presidents, the Chief Financial Officer and the Chief Digital Officer.



IFM* – Institute for Frontier Materials CISR# – Centre for Intelligent Systems Research

PRINCIPAL ACTIVITIES

During the year the principal continuing activities of Deakin University consisted of providing academic and professional studies at undergraduate and postgraduate level in award and non-award courses to suitably qualified entrants; undertaking research; and providing academic and other expertise to industry, the professions and government through professional development and continuing education programs, teaching, research and consultancies.

During the 2013 reporting period no significant changes occurred in the nature of the principal activities of Deakin University.

REVIEW OF OPERATIONS

A review of operations for the year 2013, of which this report forms a part, is set out on pages 2–30.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No major changes or factors occurred during 2013, which have affected the University's operational objectives for the year. No events occurred subsequent to balance date, which may have a significant effect on Deakin's operations in subsequent years.

ENVIRONMENTAL REGULATION

Deakin University is subject to the following environmental legislation:

- Environment Protection and Biodiversity Conservation Act 1999 (Cth)
- National Greenhouse and Energy Reporting Act 2007 (Cth)
- Planning and Environment Act 1987 (Vic)
- Environment Protection Act 1970 (Vic)
- Water Act 1989 (Vic)
- Water Industry Act 1994 (Vic).

The University has a number of measures in place to ensure compliance with this legislation, including an Environmental Sustainability Enabling Policy and an Environmental Sustainability Strategy.

INSURANCE OF OFFICERS

The University maintains a comprehensive insurance program, which is renewed annually. The insurance program includes a suite of directors' and officers' liability insurances for members of Council and directors and officers of the University including all controlled entities of the University. For the 2013 year, the premium for this insurance was \$28,346 (excluding GST).

BALANCE SHEET

Total assets have increased by \$139.6m from 2012, reflecting in particular a decrease in the deferred government contribution for superannuation (Victorian State Superannuation Fund) of \$62.8. Cash and other financial assets were \$18.2m higher than in 2012. A combination of \$164.1m in capital expenditure, less depreciation and disposals totalling \$60.9m contributed to an increase of \$174.8m in property, plant and equipment.

Total liabilities decreased by \$26.6m from 2012, reflecting in particular a decrease in the deferred employee benefits for superannuation (Victorian State Superannuation Fund) of \$62.8m, an increase in creditors and accrued expenses of \$8.5m, an increase in provisions for employee benefits of \$10.7m and a decrease in unspent financial assistance of \$3.2m.

AUDITOR-GENERAL'S QUALIFICATION

The Victorian Auditor-General has again qualified the University's financial report on the grounds that unspent grants provided by the Federal and State governments received in advance as at 31 December 2013 have been recognised as income in advance and recognised as a liability in the Statement of Financial Position.

The University's treatment is in accordance with Australian Accounting Standard AASB 118 - Revenue. The University regards the receipt of these payments as a reciprocal transfer where the grants have outstanding performance or return conditions.

The Victorian Auditor-General has taken the view that these payments are non-reciprocal governments grants and should be accounted for in accordance with Australian Accounting Standard AASB 1004 - Contributions, whereby such payments are treated as income in the year of receipt.

SIGNIFICANT CHANGES IN FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2013

Income Statement

The University's reported consolidated operating surplus, after tax, was \$78.2m in 2013, compared to \$108.9m in 2012.

Total income from continuing operations for 2013 was \$836.5m, \$50.4m above 2012, attributable to:

- an increase of \$54.3m in Commonwealth Supported Places – Commonwealth Grant Scheme (CGS) and Higher Education Loan Programme scheme (HELP)
- a decrease of \$25.2m in Capital Grants
- a decrease of \$3.7m in investment income
- a decrease of \$1.4m in income across international fee paying, international offshore and fee paying-non-reportable
- an increase of \$13.0m in research grants.

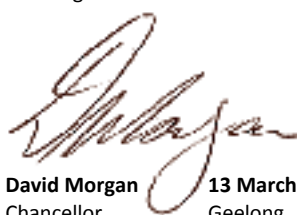
Total expenses from continuing operations for 2013 were \$757.4, \$79.8m above 2012, attributable to:

- an increase of \$38.5m in staff costs
- an increase of \$5.9m in depreciation and amortisation costs
- an increase of \$15.6m in repairs and maintenance (attributable to major renovations treated as an operating expense, not capitalised)
- an increase in scholarships, grants and prizes \$7.6m
- an increase of \$2.1m in student expenses
- an increase of \$3.8m in infrastructure payments.

When adjusted for major one-off items, the underlying surplus is \$50.4m, comparable to the figure of \$61.1m in 2012.

Underlying Surplus Reconciliation	2013	2012
	\$m's	\$m's
Operating result after income tax	78.2	108.9
Major one-off items:		
Capital grants	(24.1)	(49.3)
CGS facilitation grant	(3.7)	(3.3)
Revision of the capitalisation threshold on capital items	0	4.8
Underlying operating result after income tax	50.4	61.1

The Annual Report was approved by the Deakin University Council at its meeting on 13 March 2014.



David Morgan
Chancellor

13 March 2014
Geelong

The University does not agree with this interpretation of the nature of the income and has external advice to confirm its interpretation.

The qualification in relation to the current year is as follows:

'Accordingly, for the year ended 31 December 2013, Deakin University's and the economic entity's grant income is overstated by \$3.78 million and trade and other payables is overstated by \$33.22 million. Consequently, the net operating result and the total comprehensive income are overstated by \$3.78 million and closing retained earnings is understated by \$33.22 million'.

The Australian Accounting Standards Board (AASB) is currently reviewing grant accounting for not-for-profit organisations. However, until this review is completed the current accounting standards apply.

PROGRESS AND ACHIEVEMENTS IN 2013

LEARNING AT DEAKIN – Offering a brilliant education where you are and where you want to go

Deakin is capitalising on new and emerging technologies to deliver personalised learning wherever students are geographically (at home, on campus, in the community, at the workplace in Australia or the world); wherever they are in their learning preparedness; and wherever they are in their career or life trajectories. Whether they study in the cloud, on campus or a combination of the two, all Deakin students have access to assessment and feedback related to clear learning outcomes, comprehensive cloud learning resources, interactions with teachers and peers, as well as academic support services.

The learning pillar strategy in *LIVE the future* is led by the Deputy Vice-Chancellor (Education), in partnership with Deakin's four faculties and supported by the Deputy Vice-Chancellor (Global Engagement), the Pro Vice-Chancellor (Planning and Integrity) and associated support services. Throughout 2013 Deakin has implemented a systematic process to enhance its courses for delivery in a digitally leveraged environment in the cloud, on campus, and through industry placements.

PROVIDE PREMIUM CLOUD AND ON-CAMPUS LEARNING

The curriculum reform agenda at Deakin encompasses five core project areas:

1. Communicating Deakin's underpinning curriculum framework and building communities of practice
2. Building the capacity of Deakin staff to teach and support learning in the cloud and on campus
3. Enhancing courses for graduate employability through personal, relevant and engaging experiences in the cloud and on campus
4. Ensuring Deakin's learning spaces – in the cloud, on campus – enable interactive learning
5. Refreshing Deakin's student evaluation of teaching and units

Project 1: Strong intra-faculty and University-wide learning networks have been critical to building communities of practice, with the Learning@Deakin portal providing staff with an important communication point for events, resources, professional development opportunities and good practice examples.

Project 2: Over 50 workshops in teaching and learning and 110 in educational technology were conducted across all campuses, with 1,276 staff participating. The capacity building program also included a suite of eight comprehensive, targeted online self-directed resources and facilitated course-based workshops.

Project 3: Deakin's course enhancement process ensures courses are refreshed to enable highly employable graduates to evidence their achievements in relation to Deakin's graduate learning outcomes. To date, 145 courses are deeply engaged in the process that requires strong partnerships between faculties and University-wide support services.

Project 4: Major enhancements to cloud learning spaces included the build and launch of *DeakinSync*, a personalised online hub where students have ready access to all the tools for success. *DeakinSync* is a new access point for *CloudDeakin*, Deakin's learning management system. The system has been extensively mapped, reviewed and refreshed to ensure students have easy access to learning outcomes, assessment and feedback; teaching staff and peers; and visually and intellectually engaging learning resources and experiences.

Major enhancements to campus learning spaces include extensive refurbishments of library spaces at the Waterfront and Burwood campuses. Deakin's 11 media-rich learning centres across Victoria include a new learning centre at Werribee, one of the fastest growing areas of Melbourne, which will provide access to three degree courses for up to 180 students and 15 TAFE courses for a further 200 students.

Project 5: All units and the teaching of those units are evaluated each time they are offered. In 2013 Deakin reviewed the Student Evaluation of Teaching and Units (SETU) instrument, system and reporting so that in 2014 Deakin will have a new agreed and implemented process for gathering and reporting valid, reliable and representative student feedback on the quality of teaching and learning.

Twelve Deakin staff received a Vice-Chancellor's Teaching Award in 2013 and five staff received a Citation for Outstanding Contributions to Student Learning from the Office of Learning and Teaching (OLT). Ms Helen Larkin, Senior Lecturer in the School of Health and Social Development, received a national OLT Award for Teaching Excellence. Deakin had considerable success in OLT funding grants, with four grants totalling almost \$1 million.

QUALITY-ASSURING DEAKIN COURSES

Deakin has continued to improve its quality assurance processes to ensure that areas of academic risk are monitored and actions are taken to improve our practices as required. Initiatives in 2013 include:

- Implementation of a new annual review process to ensure the quality of HDR activities overseen by the Research and Research Training Committee.
- Development of Faculty Practice Standards to ensure the maintenance of assessment quality and integrity in accordance with relevant policies and procedures.
- Development of a framework to ensure that the qualifications or equivalent experience of teaching staff is at the required level.
- Refinement of the course approval and review processes to ensure that course documentation provides clear evidence of alignment with external standards and sound pedagogical practice.
- Systematic analysis of student complaints to identify improvements to policies and practices.

Student satisfaction continues to be a core measure for Teaching and Learning, with Deakin ranked first in Victoria for the third consecutive year and fourth in Australia for student satisfaction in the Australian Graduate Survey (AGS).



Students from the Global Citizenship project helping to build a pre-school in Fiji.

DELIVER GLOBALLY CONNECTED EDUCATION

Deakin students come from 121 countries and international students currently represent 17 per cent of the student population. In line with the sector, Deakin experienced a reduction in international student numbers in 2013 (down 14.7 per cent in undergraduate students and 7.7 per cent in postgraduate (EFTSL).

Deakin has international offices in India, China and Indonesia and engages with a broad range of international academic institutions. Current partnerships and exchange agreements enable student mobility (exchange and study tours), credit for prior learning (advanced standing), articulation arrangements and the delivery of a small number of units offshore. Deakin has over 220 formal student exchange agreements with universities in 36 countries across the world.

Massive open online courses (MOOCs) present an opportunity to provide open access to university courses. Deakin's first MOOC, Humanitarian Responses to 21C Disasters, attracted 2,311 enrolments from 92 countries and is featured on the global list of 99 Best Resources on open courseware and MOOCs. The course was developed in partnership with Save the Children, Plan, Care, AusAid, Oxfam, World Vision and the Asian Disaster Reduction and Response Network. The MOOC is available at Deakin's new open learning space, *DeakinConnect*, a purpose-built platform that has enabled Deakin to test innovations in credentialing assessment, including the use of digital badging to warrant learning achievements.

Deakin's Global Citizenship Program (GCP) is now in its fourth year, with over 2,000 students registered and 144 awardees. The program was established to give Deakin students access to a wide range of international experiences and provide them with a way of articulating these experiences, and their value, to future employers. To complete the GCP, students must undertake at least 100 points of international activity, with each activity given a weighting based on duration and intensity. The activities range from semester-long exchange, short-term in-country programs, internships, language programs, and can even include international activities undertaken at home, such as involvement in international student buddy programs or a domestic internship with an international focus. Working with the Rotary Club of Geelong, Deakin's Global Citizenship program students helped build a new pre-school in South Taveuni, Fiji.

In July, Deakin was awarded eleven 2014 AsiaBound Grants through \$223,500 funding from the Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education (DIICSR), enabling 85 students to have a first-hand study experience of Asia through programs in health, architecture, sociology, civil engineering, business and art.

The Deakin University English Language Institute (DUELI) was highly commended for its work in English language training.

Deakin was also a finalist in the award for Excellence in International Education - Student Employability and Careers.



Students from the Global Citizenship project teaching in a pre-school in Fiji.

WELCOME, SUPPORT AND RETAIN COMMITTED AND CAPABLE LEARNERS

A commitment to equity

Deakin has a strong commitment to improving access and participation for under-represented groups, ensuring that those students who come to Deakin are supported to achieve their full potential. Deakin is focusing particularly on increasing participation of people from low socioeconomic backgrounds and people with disability as articulated in its Compact agreement (one of only two universities to include disability as an under-represented group). Deakin's access and equity programs complement its strong commitment to Indigenous students and to people from regional and remote areas of Australia.

Deakin's Institute of Koorie Education (IKE) pioneered a unique model of community-based cloud and campus learning, enabling students to study without compromising their community responsibilities. With the support of \$1 million in funding from the Harold Mitchell Foundation, Deakin extended its facilities for Aboriginal and Torres Strait Islander students to provide additional space for teaching, research and for community activities. The award-winning design reflects a uniquely Koorie vision of education and community and brings a strong and confident presence to the Deakin Waurn Ponds Campus. Students and staff moved into the building in early 2013.

Deakin's Disability Action Plan is in its second year of implementation. Mental health and wellbeing is a key priority under the plan and a University-wide framework was developed in 2013. Consultation with the Deakin community included an Equity and Diversity Consultative Forum on mental health and wellbeing, as well as targeted discussions with Deakin's Executive and Faculty Management teams.

Deakin enrolled the second highest number of commencing students with disability of any Australian university and the highest number in Victoria (DIISRT 2012). The Disability Resource Centre (DRC) continues to support a growing number of students, with 1,300 students registered in 2013. The growth reflects the growing awareness of the service, the increasing incidence of mental health issues and Deakin's strong reputation in supporting students with disability. Work has commenced on the development of an employment strategy to improve the recruitment and retention of staff with disability.

Deakin's commitment to enabling access, participation and success for students from low socioeconomic backgrounds was greatly facilitated by Australian Government Higher Education Participation and Partnerships Program (HEPPP) funding. In 2013 thirty-one initiatives spanned the three strategic priorities of aspiration, access and achievement. These included school and community partnerships, scholarships and information access, together with programs that promote academic success by focusing on inclusive pedagogy, academic literacy and digital literacy. In 2013 the program engaged with approximately 13,000 prospective and current Deakin students and 200 academic staff. A comprehensive evaluation project will measure the impact of initiatives and formatively guide future program development.

More than 220 delegates representing 51 organisations attended the *Stepping out, breaking through: choices and challenges in education* youth conference held at Geelong's Simonds Stadium in August 2013. A number of presentations were from secondary and tertiary students, providing a valuable youth perspective on widening participation.

Optimising student retention, and ensuring students receive the support they require to maintain academic progress and achieve timely graduation has been a major focus in 2013. The student success and retention project introduced a number of new initiatives together with enhancement of existing programs and improved communication to ensure that students are aware of the available services. The project complements the optimising student services and support project led by the Vice-President (Enterprise).

A number of areas of the University are collaborating to ensure that Deakin's cloud environment is accessible and that cloud learning at Deakin enhances social inclusion. Deakin's 2013 laptop scheme (laptop, software, IT support and internet access) assists in removing barriers for students from low SES and regional backgrounds.



Developing seamless pathways from TAFE to Deakin

Deakin and its Technical and Further Education (TAFE) partners collaborate to offer pathways via Certificate IV, diploma, advanced diploma and associate degree qualifications. TAFE pathways provide students with Credit for Prior Learning into specific Deakin degrees when admission requirements are met.

Deakin also has 11 learning centres across metropolitan Melbourne and regional Victoria, including the Hume Global Learning Centres in Broadmeadows and Craigieburn through a partnership with the Hume Council. By providing education where students are located, Deakin facilitates access for students who might otherwise not be able to attend university because of distance, financial disadvantage or other factors. From 2014 the new Werribee Learning Centre will offer certificates, diplomas and bachelor's degrees in commerce (finance and accounting) and early childhood education, as well as an associate degree in arts, business and science and a suite of construction-related courses.

Melbourne Institute of Business and Technology (MIBT) provides a pathway to Deakin for students who need to bridge the gap between previous study and university.

EMPOWER LEARNERS FOR THE JOBS AND SKILLS OF THE FUTURE

Deakin's Agenda 2020 Curriculum Framework articulates four essential elements to ensure highly employable graduates.

1. **Expectations** – Learning outcomes and standards clearly signal expectations aligned with the Australian Qualifications Framework (AQF).
2. **Evidence** – Assessment tasks are opportunities to create and curate compelling evidence of achievement of outcomes and standards.
3. **Experience** – Inspiring educators offer personal and engaging learning experiences both in the cloud and on campus.
4. **Enhancement** – through systematic and systemic evidence-based enhancement of courses.

Deakin's graduate learning outcomes describe the discipline-specific knowledge and generic capabilities graduates can demonstrate at the completion of their course. Deakin's course enhancement process ensures these outcomes are comprehensively embedded and assessed. The Beyond Graduation Survey (for graduates of three years standing) indicates that 95 per cent of Deakin graduates were in full-time employment three years after graduation, above the national and Victorian averages (both 92 per cent). A six-week international symposium, Assuring Graduate Capabilities, brought the world's leading educationalists to Deakin to share insights on how to ensure graduate capabilities meet expectations for the jobs and skills of the future.

Strengthening industry links

Work Integrated Learning (WIL) helps prepare students for graduate employment by giving them an opportunity to apply and consolidate knowledge gained in their course, develop professional work practices, experience work place culture, explore career options relevant to their discipline and develop professional networks.

The forthcoming Centre for Advanced design in Engineering Training (CADET) is a partnership between Deakin University and the Australian Government, providing future-focused engineering and design facilities where students can gain experience in computer controlled manufacturing systems and processes. Deakin's educational partners are the Gordon (Institute of TAFE), local secondary colleges and the Victorian BioScience Education Centre. CADET will use desktop manufacture and computer modelling, virtual reality environments, 3D printing and world-leading rapid prototyping capabilities. Through CADET students will work in small interactive groups to solve real-world engineering problems as they would in industry as part of an engineering team.

DEAKIN IN 2013 LEARNING HIGHLIGHTS

- Deakin number 1 in Victoria for student satisfaction for the third consecutive year.
- 145 courses engaged in systematic course enhancement.
- 1,276 staff participated in workshops for enhancing cloud and on-campus teaching.
- Deakin's first MOOC, testing digital badging to credential learning, attracted 2,311 enrolments and is featured in the 99 Best Resources on open courseware and MOOCs website.
- A 21st century approach to engineering training through the Centre for Advanced Design in Engineering Training (CADET).
- National recognition with five staff awarded Office for Learning and Teaching citations for outstanding contributions to student learning. Ms Helen Larkin, Senior Lecturer in the School of Health and Social Development, received an OLT Award for Teaching Excellence.



Deakin's Dandenong Learning Hub in central Dandenong.

IDEAS AT DEAKIN – Making a difference through world-class innovation and research.

The ideas pillar in *LIVE the future* focuses on research that makes a difference to the communities we serve and is the responsibility of the Deputy Vice-Chancellor (Research) in partnership with Deakin's four faculties and the Institute for Frontier Materials. The research agenda is underpinned by four overarching principles:

- excellence of our research efforts
- relevance of our research to our communities
- alignment of our research with our teaching and learning
- the success with which we communicate our research results and innovations.

GROW RESEARCH CAPACITY, DEPTH AND QUALITY

Deakin's research community has undergone substantial growth over the last three years, with a large increase in the number of research intensive staff (116) and in teaching/research academic positions (177 FTE).

With over 47,000 students, Deakin is amongst Australia's fastest growing research institutions, with rapid growth coupled with high aspirations significantly lifting its research activity and quality, affirming Deakin's strategy to actively build research productivity. Deakin has invested \$109 million in research since 2008. Building on existing strengths, Deakin is growing its research capacity by attracting high performing researchers as well as by developing programs that nurture and support early career researchers. Critical to Deakin's strategy are programs to nurture the future research careers of Deakin's Higher Degree by Research (HDR) students. Deakin's HDR cohort in 2013 was 1,091 up from 983 in 2012. Deakin exceeded its target for HDR enrolments and completions for 2013, a 11 per cent increase on 2012.

Deakin received a total of twenty 2014 Endeavour Awards: 14 enabling international students to study at Deakin and six for Deakin staff and students to undertake study, research and professional development abroad.

The primary organisational units for research at Deakin are its institutes, strategic research centres and faculty research groups.

Research Institutes and Centres

- Institute for Frontier Materials
- Alfred Deakin Research Institute
- Centre for Intelligent Systems Research

Strategic Research Centres

Faculty of Science, Engineering and Built Environment (SEBE)

- Centre for Chemistry and Biotechnology
- Centre for Integrative Ecology
- Pattern Recognition and Data Analysis

Faculty of Health

- Deakin Population Health
- IMPACT - Innovation in Mental and Physical Health and Clinical Treatment
- Centre for Quality and Patient Safety Research
- Centre for Mental Health and Wellbeing Research
- Centre for Physical Activity and Nutrition Research

Faculty of Arts and Education

- Centre for Citizenship and Globalisation
- Centre for Research in Educational Futures and Innovation
- Centre for Memory, Imagination and Invention

Faculty of Business and Law

- Centre for Sustainable and Responsible Organisations

Faculty of Health and Faculty of Science, Engineering and Built Environment

- Centre for Molecular and Medical Research

Under the National Health and Medical Research Council (NHMRC) funding for 2014, Deakin staff were awarded two Senior Research fellowships and three Early Career Fellowships from the National Health and Medical Research Council (NHMRC) for 2014 funding. Professor Michael Berk, the Director of the IMPACT Strategic Research Centre, won a Senior Principal Research Fellowship from the National Medical Health and Research Centre – the first time that Deakin has been awarded a Senior Principal Research Fellowship, which was one of only 14 awarded nationwide. In addition, Deakin was one of several institutions that collaborated to win a NHMRC Centre of Research Excellence in Cerebral Palsy under the leadership of the Murdoch Children's Research Institute. Deakin will also provide Chief Investigators to partner in 12 other NHMRC projects and one NHMRC Partnership Project from 2014.

The University was awarded four Australian Research Council (ARC) Future Fellowships, four Discovery Early Career Researcher Awards, nine Discovery grants and three Linkage Infrastructure, Equipment and Facilities (LIEF) awards. Dr Kylie Hesketh received both a Future Fellowship and an ARC Discovery award and Professor Matthew Barnett led two successful bids, one Discovery project and a LIEF bid.

Deakin's total research income in 2013 was \$43.5 million.

Affirming Deakin's growing research reputation, Dr Euan Ritchie from the School of Life and Environmental Sciences was part of a collaborative research team that won the 2013 NSW Office of Environment and Heritage Eureka prize for the project *The dingo: from sinner to saviour*, showing how the dingo helps sustain biodiversity in Australian ecosystems.

Alfred Deakin Professor Maria Forsyth was awarded one of Australia's most prestigious research prizes, the Australian Corrosion Association's Corrosion Medal which is bestowed for outstanding scientific or technological work in the field of corrosion in Australasia.

As an innovative way of financing small-scale research projects while at the same time fostering community understanding of research, Deakin ran eight funding campaigns through the crowd funding site Pozible in May 2013. All eight projects successfully reached their target, attracting up to 300 supporters each. The campaigns helped generate more than 200 stories in traditional and online media, accompanied by a high level of local community engagement. The scheme resulted in Deakin's Professor Deb Verhoeven being nominated as one of the five top innovators by the *Campus Review* in August 2013. The crowd funding concept fits well with Deakin's aspiration under *LIVE the future* both in terms of its use of social media applications and accompanying technology and its commitment to community.



Dr Euan Ritchie was honoured in the 2013 Eureka Awards.

DEVELOP TARGETED COMMERCIAL RESEARCH PARTNERSHIPS

In a fast-changing and knowledge-dependent economy, the relationship between government, universities and industry has never been more important. Deakin's knowledge and skill base, industry-focused approach and streamlined delivery processes make Deakin a preferred university for commercial research. Deakin Research Commercial was set up to develop successful long-term partnerships with industry, business and government. It underwent a restructure in 2013 to ensure optimal connection with industry and to enable Deakin to target larger and more substantive projects internationally, as well as locally.

Driving business growth in the region

Deakin is creating a new centre for innovation in Geelong in regional Victoria, leveraging its research and development capability to directly benefit local businesses and the Geelong economy. The Australian Future Fibres Research and Innovation Centre (AFFRIC) is a collaborative venture between Deakin, CSIRO Fibre Materials in Geelong and the Victorian Centre for Advanced Materials Manufacturing (VCAMM).

AFFRIC has been supported by two major government grants:

- \$37m through the Commonwealth Education Investment Fund (EIF)
- \$10m from the Victorian Government's Science Agenda Strategic Project Fund.

With additional partner contributions from Deakin, CSIRO and VCAMM the total project budget is almost \$103 million. The project included construction of two new buildings, the Fibre Processing Building and the Carbon Nexus building and the relocation of CSIRO Belmont staff to Deakin. The construction program was completed on time and within budget.

AFFRIC is an ambitious project that brings together some of Australia's foremost fibre and manufacturing scientists. It is already generating a range of innovative materials, including nanomaterials, smart fibrous materials and green natural fibres, building research platforms in each of these areas to assist in the revitalisation of Australia's Textile, Clothing and Footwear industry. The combined innovative capacity generated by AFFRIC (with a projected 385 researchers, including 165 new positions) has the potential to have a transformational impact on Australia's manufacturing and fibre-related industries and directly benefit the local Geelong community.

AFFRIC's The Carbon Nexus research facility represents a globally significant, university-based carbon fibre research capability, which is unique in the world. Through Carbon Nexus, Deakin is delivering a pilot scale research plant capable of producing industrially relevant quantities of aerospace quality carbon fibre, as well as furthering research into the chemical, mechanical and nanoscale characteristics of carbon fibre. Carbon Nexus incorporates a 20 ton per annum carbon fibre pilot line as well as a single tow research line from despatch industries, in addition to a range of state-of-the-art, fully equipped research laboratories. On November 14, Carbon Nexus 20 ton pilot line produced its first carbon fibre from white fibre precursor provided by an industry partner.

Exceptionally strong and light carbon fibre is a defining material for 21st century manufacturing. Carbon Revolution is a Victorian company that, with support from Deakin, has produced and commercialised the world's first one piece carbon fibre wheel. The world's first technology will offer significant weight savings and therefore efficiency and performance benefits to the global automotive industry

Deakin is one of few universities in Australia to have developed a research focus on manufacturing and Deakin has taken a calculated and managed risk to look at the potential for carbon fibre as an industry for the jobs of the future.

VCAMM's Steve Atkiss working with carbon fibre by Carbon Nexus.



Governor-General, Her Excellency the Honourable Quentin Bryce touring the Carbon Nexus facility with Vice-Chancellor Professor Jane den Hollander.

Deakin's Centre for Intelligent Systems Research (CISR) investigates and develops algorithms and methodologies. CISR partners with industry to provide practical solutions to real-world problems in defence, security and performance. Major industry and government research partners for CISR include Boeing, General Motors, Ford, AutoCRC, CAST CRC, Vestas, YTek, Air Radiators, BHP Billiton, Mitsubishi Alliance (BMA), the Department of Defence, the Department of Transport, the Victorian Police, the Defence Science and Technology Organisation (DSTO) and the Department of Infrastructure and Regional Development.

Deakin's Centre for Regional and Rural Futures (CeRRF) formally began operations in August 2013, with the aim of enhancing regional competitiveness and increasing the efficiency and sustainability of the food production sector. CeRRF's focus on the following research areas of importance to regional Australia, as well as enhancing Deakin's collaboration with the Deakin-TERI (The Energy and Resources Institute of India) biotechnology centre in New Delhi:

- food and food security
- smart agriculture
- sustainable industrial biotechnology.

The work of CeRRF aligns directly with the Australian Government's National Food Plan and has the potential to play a key role to play in future-proofing Geelong and regional Australia.

In December Deakin welcomed a \$3 million Federal Government investment into the Geelong Centre for Emerging Infectious Diseases (GCEID). GCEID aims to create a strong defensive capability to protect and safeguard food manufacturing, food supply and Australia as a region through the proper control of emerging infectious diseases. It is a unique collaboration between Deakin, Barwon Health and the CSIRO Australian Animal Health Laboratory, with bipartisan support from all levels of government.

Building a health precinct in regional Victoria

In medical research, with the development of the Epworth Health Care/ medical training and research facilities and the Deakin Regional Community Health Hub (REACH), Deakin is well on the way to building a world-class health precinct at its Geelong Waurn Ponds Campus, opening up health and economic benefits for regional Victoria. When complete, the Epworth Geelong Hospital development will provide 780 direct jobs, stimulate 4,500 additional indirect jobs and contribute \$88 million a year to the Victorian economy.

The \$7 million in funding Deakin received from the State Government's Regional Growth Fund was critical in enabling Deakin to develop REACH, with the three-storey building providing much needed facilities and enhanced opportunities for health students and health practitioners in rural and regional areas. It will be linked to adjoining medical research and teaching infrastructure and includes a 200-seat lecture theatre, tutorial and problem-based learning rooms, simulation centre, laboratories, offices and student facilities, all fully equipped with AV and ICT equipment.

Deakin's Faculty of Health has a strong and growing research profile within its six strategic research centres. It has been designated an official World Health Organization Collaborating Centre for Obesity Prevention and Related Research and Training and hosts the Australian Centre for Behavioural Research in Diabetes, the Centre for Health through Action on Social Exclusion and Deakin's Metabolic Research Unit.

Deakin's Centre for Physical Activity and Nutrition Research (C-PAN) is a large, very successful, internationally recognised research centre. Research in C-PAN spans basic metabolism and physiology through clinical and behavioural studies to community and population-based research.

Deakin now hosts the Australian National Development Index (ANDI), a new measure of Australian wellbeing and progress, which will inform federal policy development. ANDI was officially launched by Australian scientist Sir Gustav Nossal AC in September through the release of a new report from the Australian Council of Learned Academies (ACOLA) and VicHealth. Entitled *Australia's Progress in the 21st Century*, the report for the first time provides a scientific foundation for developing an indicator of progress that goes beyond gross domestic product (GDP).

Disability@Deakin is a new whole-of-university initiative, which aims to bring together Deakin's disability-related research and teaching within a single structure. The initiative affirms Deakin's long tradition of research and education in the field of disability. The introduction of the National Disability Insurance Scheme and the announcement that Geelong was chosen as the site of one of the Disability Care Australia sites make this focus particularly relevant.



REACH uses state-of-the-art teaching technology to connect health students and practitioners in rural and regional Victoria

DEVELOP A STRATEGIC INTERNATIONAL RESEARCH FOOTPRINT

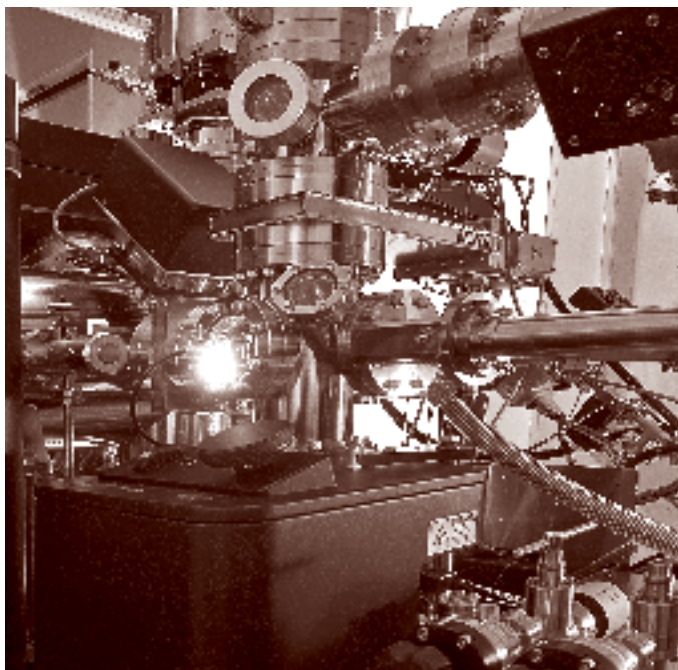
Deakin is improving its global ranking and in 2013, was ranked at 66 (up from 78 in 2012) by the Times Higher Education World University Rankings of universities less than 50 years old and ranked 380 in the 2013 QS World University Rankings (up from 401-450 in 2012). Deakin was awarded a QS-5 Star Rating for Excellence in 2013, affirming its reputation as 'world-class across a broad range of areas, with cutting edge facilities and internationally renowned research and teaching' (QS 2013).

Deakin's international reputation is also clearly reflected in its number of international collaborations, particularly in India, China and Indonesia.

Notable in 2013 is Deakin's partnership with DowAksa to establish an Australian Carbon Fibre Production Line to produce up to 5000 tonnes per annum for domestic and export markets with potential for future expansion. The demand for carbon fibre composites in Australia is increasing rapidly, especially in industrial markets such as automotive, pipelines and infrastructure.

Deakin continues to develop its research partnerships with India through the Deakin India Research Initiative (DIRI), which operates out of Deakin's New Delhi office. Deakin has formed research partnerships with some of India's leading companies, research institutes and universities with a key feature being a focus on bridging the gap between academia and industry.

Deakin received an Excellence in International Education (Research Engagement) award for The Therapy Outcomes by You (TOBY) Playpad, an interactive iPad application developed by Alfred Deakin Professor Svetha Venkatesh and her research colleagues in Pattern Recognition and Data Analytics (PRADA). Deakin launched the TOBY Playpad Laboratory in three schools in India mid-2013. Professor Venkatesh was named 2013 Geelong Researcher of the Year.



The Cameca LEAP atomic probe.

International recognition for Deakin researchers

A number of Deakin's researchers have achieved international recognition. Professor Peter Hodgson, an inaugural ARC Research Fellow and Director of Deakin's Institute for Frontier Materials was recognised by the Confederation of Indian Industry for his outstanding contribution to India and industry at the 4th Global Higher Education Summit in New Delhi. Professor Hodgson was admitted to the Hubei Province 100 talents program in 2012.

Deakin's Alfred Deakin Professor Marita McCabe and Professor David Mellor, both of the School of Psychology and the Centre for Mental Health and Wellbeing Research, were awarded honorary professorships by one of China's leading universities, Shanghai Jiao Tong University. This honour coincided with Professors McCabe and Mellor signing a memorandum of understanding with Shanghai Jiao Tong University to establish a partnership between Deakin and the Shanghai Mental Health Centre (SMHC) affiliated with Shanghai Jiao Tong University. The research team from Deakin has collaborated with SMHC in the areas of schizophrenia, mental health problems amongst adolescents and depression and dementia amongst older people.

Alison Bennett, a doctoral research student in photography, attracted international attention for her path-breaking exhibition 'Shifting Skin' at the Deakin University Art Gallery. Working with scanners, stereoscopic data, and photographic images, the exhibition enriched the notion of a digital photographic surface with an overlay of augmented reality projecting out of the physical print into virtual space.

Late in 2012, Deakin's Associate Professor Felice Jacka initiated the International Society for Nutritional Psychiatry Research. The Society now has 120 members globally and held its first AGM in June 2013 at its inaugural conference at the National Institute of Health and Nutrition in Tokyo. Associate Professor Jacka has been a pioneer in researching the link between nutrition and depression, supported by a \$253,000 funding agreement with Meat and Livestock Australia.

In March 2013, Professor Fethi Mansouri was appointed UNESCO Chair in Comparative Research on Cultural Diversity and Social Justice. Professor Mansouri is the Director of the University's Centre for Citizenship and Globalisation. The UNESCO Chair aims to improve the capacity of institutions to work globally and form partnerships transcending political and geographic borders.

DEAKIN IN 2013 IDEAS HIGHLIGHTS

- The Carbon Nexus research facility in AFFRIC represents a globally significant, university-based carbon fibre research capability, a world first.
- REACH is opening up health and economic benefits for regional Victoria.
- Dr Euan Ritchie honoured in the 2013 Eureka Awards.
- Deakin launched the TOBY Playpad (Therapy Outcomes by You) laboratory in New Delhi, assisting children with autism in India.
- Deakin exceeded its target for HDR enrolments and completions for 2013, a 11% increase on 2012.

VALUE AT DEAKIN – Enhance our enterprise, strengthen our communities and enable our partners.

The VALUE pillar of *LIVE the future* is a shared responsibility of the Deputy Vice-Chancellor (Education), the Chief Financial Officer, the Chief Digital Officer and the Vice-President (Enterprise) in partnership with Deakin's four faculties.

Deakin continues to add value to the communities it serves, investing in physical infrastructure to ensure the University continues to meet the needs of its increasing student and staff populations and to strengthen its relationships with its partners.

Deakin's aspiration is to take full advantage of the opportunities of digital change, to drive the digital frontier in learning, research and in Deakin's engagement with its communities. Ensuring Deakin has the infrastructure in place to achieve quality and innovative solutions to achieve teaching, learning and research excellence is a core element of Deakin's 'value' pillar of *LIVE the future*.



CREATE INNOVATIVE ENVIRONMENTS BOTH LOCATED AND IN THE CLOUD

Deakin undertook a number of ICT-enabling projects in 2013, ensuring staff and students have the IT infrastructure necessary to support innovative cloud environments in teaching and research.

Deakin's video conferencing network was upgraded in 2013. With over 230 video conference units, the University has made a significant investment in enabling face to face communications. Deakin is acknowledged nationally as an advanced user of video conferencing technology.

The *Connected Deakin* project was completed, with over 2,600 Wi-Fi access points providing good coverage on all campuses, particularly high-density student areas, teaching spaces and public transport waiting areas, increasing coverage from 38 per cent to well over 90 per cent. The completion of the VicRail Fibre strategy between Warrnambool and Geelong represented a 100-fold network performance increase and brings Warrnambool in line with Deakin's other campuses.

The Deakin web project continues, ensuring Deakin's digital presence meets the expectations of internal and external stakeholders and improves the responsiveness, quality and accuracy of content management and web publishing through a consistent, mobile-friendly 'look and feel'. Deakin was ranked first in the sector for the availability of its public servers during 2012-2013, well above the average for Australia's universities (Roysys IT Measuring and Monitoring).

In 2013 Deakin developed a roadmap for an integrated research management system environment to support the development of its research capacity and research outcomes, consolidating and integrating systems, avoiding duplication and maintaining flexibility and capacity for future growth.

Deakin Anywhere is Deakin's integrated productivity and collaboration platform, of Microsoft Office 365 tools, including Lync, enabling staff and students to collaborate anywhere, any time on any device. In late 2013 Deakin began implementing *DeakinSync*, a personalised hub giving students single sign-on access to all the information and tools they require for success at Deakin. Students can access their CloudDeakin learning connections and resources, mail, calendar, contacts and Microsoft tools such as Lync and SkyDrive. Both projects have received national recognition for their innovation: *DeakinSync* was selected as the best IT project in Australia for 2013, and Microsoft have selected Deakin Anywhere as an exemplar of best practice implementation of Microsoft Platforms. Deakin's Chief Information Officer Mr William Confalonieri was awarded CIO of the year at the IT benchmark Awards 2013.

Through eNexus Deakin provides a communication channel for staff to share new ideas in technology, systems, social media and other digital channels.

BUILD EMPLOYEE CAPACITY, CAPABILITY AND PRODUCTIVITY

Deakin's Enterprise Agreement 2013 was approved by the Fair Work Commission for approval in November 2013. Deakin's Human Resources Division works to build employee capacity, capability and productivity, offering a range of professional development programs for skills development, career progression and personal growth. Tailored training for management groups titled 'Management Effectiveness' began to be rolled out in 2013 and will continue throughout 2014.

Improvements in 2013 include enhancements to the Deakin Careers page, the introduction of face-to-face induction and enhanced online induction. The Working at Deakin Expo was held at three campuses and showcased the benefits and services available to all Deakin staff.

In 2013 Deakin became the first university to join the Healthy Together workplace program, a Victorian government initiative. The five priority benchmarks are in the areas of smoking, physical activity, mental health and wellbeing, healthy eating and alcohol. Deakin is leading a group of Victorian universities in a project to ban smoking on campus and reduce smoking rates among Deakin staff and students.

The Human Resources Division with the Division of Student Life and the Equity and Diversity Unit developed and implemented a framework to address mental health issues for staff and students. The program included a new OHS website on stress and mental health, as well as training to assist managers in dealing with mental health issues.

In August 2013 Deakin ran its staff survey iSay in partnership with Voice Project, benchmarking with 41 other universities. The response rate was sector leading at 84 per cent. On the key measure of satisfaction with progress Deakin performed strongly at 70 per cent. Areas of strength included: teamwork and a strong belief in Deakin's mission, values and overall purpose. Deakin was well above the sector benchmark in technology, facilities and confidence in the leadership of the University's Executive. Human Resources Division client partners met with managers in October to develop strategies to address the areas for improvement identified in the survey. Staff were involved in the action planning and were kept informed of progress.

Creating a
HEALTHY DEAKIN

**SMOKE FREE
FROM 2014**

What's your idea of a healthy campus?
The best idea wins @ [deakin.edu.au/campus-life/
services-and-facilities/health-and-wellbeing/smoke-free](http://deakin.edu.au/campus-life/services-and-facilities/health-and-wellbeing/smoke-free).

 **HEALTHY
AIR**

DEAKIN
UNIVERSITY AUSTRALIA
Worldly

Deakin is leading a group of Victorian universities to ban smoking on all Victorian campuses.

PROGRESS A SUSTAINABLE AND COMPETITIVE ENTERPRISE

Financial sustainability

Deakin Sharp, Smart and Secure is Deakin's short to medium term strategy to secure its future in an increasingly complex, competitive and unequivocally global market. The aims of the program are to:

- ensure Deakin efficiently and effectively absorbs the Australian Government's funding cuts to secure Deakin's future sustainability (sharp)
- take advantage of opportunities to move forward (smart)
- achieve the goals of its *LIVE the future* agenda (secure).

The Deakin Portfolio Office (DPO) is responsible for the oversight and governance of projects at Deakin. Projects are assessed, delivered, monitored and controlled within a framework and structure that is identifiably scalable. The scalability of the process ensures the appropriate amount of rigor is applied at the right time to all projects. The DPO process comprises all capital expenditure and operational expenditure with defined commencement and end dates. Policies and procedures governing proposals are also administered by the DPO. These policies and procedures encompass the entire lifecycle of a proposal, from idea through to the realisation of all benefits.

A number of Deakin's major infrastructure projects reached completion in 2013.

Melbourne Burwood Campus

The \$126 million Burwood Highway frontage building will reach its final stages by early 2014, with staff moving in to the building in April. The eight-storey building features environmentally sustainable design elements, including a high performance facade, under-floor air distribution, active mass cooling, low energy usage, high water efficiency, cyclist facilities, solar hot water heating and sustainable materials.

Geelong Waterfront Campus

The Geelong Accommodation Relocation Strategy (GARS) provided Deakin with an opportunity to consolidate and reshape its operation in Geelong. The Faculty of Business and Law relocated to the Waterfront campus in Trimester 1 2013 and all four floors of the John Hay building have been revitalised as part of the project. Staff spaces were refurbished to provide a variety of workspaces, meeting rooms, kitchen facilities and breakout areas. Level 2 of the building houses an open plan student services precinct.

Geelong Waurm Ponds Campus

The \$103 million Australian Future Fibres Research and Innovation Centre (AFFRIC) is a collaborative project between Deakin, CSIRO and the Victorian Centre for Advanced Materials Manufacturing (VCAMM). Supported by the Federal and Victorian Governments, it incorporates the development of the Australian Carbon Fibre Research Facility, extensive renovation of the Geelong Technology Precinct and relocation of CSIRO from its Belmont premises to Deakin.

The Deakin Regional Community Health Hub (REACH) was opened by The Hon Gordon Rich Philips, Assistant Treasurer and Minister for Technology and Minister for Aviation in February 2013. REACH uses state-of-the-art teaching technology to connect health students and practitioners in rural and regional Victoria. It connects multiple sites by videoconference, as well as linking with health services. The building provides a professional development hub for health practitioners and further strengthens the Faculty of Health's partnerships with industry.

Supported by the Australian Government's National Rental Affordability Scheme (NRAS), new student accommodation has been constructed at Deakin's campuses in Waurm Ponds (309 apartments) and Warrnambool (102 apartments). The accommodation will assist participation of students from regional areas by providing affordable on-campus housing. The accommodation will be ready for occupation in Trimester 1 2014.

Warrnambool Campus

Deakin made a significant investment in marine research infrastructure at Warrnambool in 2013, including a new research vessel, Yolla, equipped for oceanographic research, such as a multi-beam sonar system, animal tracking and other remote sensing equipment and will contribute significantly to Deakin's marine and aquaculture research. The Warrnambool Aquaculture Research facility has been upgraded to include seawater and temperature control capacity.



Burwood Highway frontage building.

Environmental sustainability

As part of Deakin's commitment to progressing sustainability and reducing Deakin's carbon foot-print, a number of significant improvements have been achieved on campus, as well as through intercampus transport between the Geelong Waterfront and Geelong Wauron Ponds campuses, with the free 24-seat Wi-Fi equipped shuttle bus now running every 30 minutes.

Deakin's Park and Ride initiative provides convenient staff and student free parking between the two campuses. Deakin also collaborates closely with public transport, local and state authorities, to ensure its campuses are well-served by public transport offerings, supplementing these with Deakin-run shuttle services or other investments to promote sustainable transport practices.

Through its Bike Friendly project, Deakin has provided bike hubs and bike rack upgrades at its campuses in Wauron Ponds, Waterfront and Burwood campuses, and designated shared roadways have been introduced at the Wauron Ponds campus.

Telework at Deakin is defined as 'working from an approved location other than the primary work location'. Deakin actively supports telework with most areas providing bookable hot desks and work spaces. During Telework Week (November 18-22), access to fleet vehicles was limited to essential travel resulting in a 50 per cent reduction in fleet car usage. Since commencing its sustainable transport 'Blue Moon' strategy, Deakin has reduced its fleet travel by approximately 1.8 million kilometres (and \$1.1 million). Deakin reduced its transport carbon footprint by 1,346 tonnes CO2 eq in 2013 and was the winner of the 2013 Green Gown Australasia award for Carbon Reduction.

DEAKIN IN 2013 VALUE HIGHLIGHTS

- Completion of a number of major infrastructure projects on all campuses.
- Development of innovative environments for staff and students in the cloud – DeakinSync and Deakin Anywhere.
- Winner of the 2013 Green Gown Australasia award for Carbon Reduction. DeakinSync Blue Moon strategy has reduced car fleet travel by 1.8 million kilometres since 2012.



Deakin's marine research vessel utilises multi-beam sonar for habitat mapping.



Bike Hub located at Geelong Wauron Ponds Campus.

EXPERIENCE AT DEAKIN – Delight our students, our staff, our alumni and our friends.

The ‘experience’ pillar of *LIVE the future* is the specific responsibility of the Vice-President (Enterprise) and the Vice-President (Advancement) in partnership with Deakin’s four faculties however each member of the Executive plays a role in the implementation of strategy.

Integral to Deakin’s *LIVE the future* agenda is an engaged and satisfied learning community – a vibrant and inclusive community that crosses discipline and organisational boundaries. The Deakin experience encompasses staff and student experiences in the cloud, on each of Deakin’s campuses, as well as at learning centres and industry settings such as hospitals, schools and construction sites.

DELIVER SUPPORT SERVICES TO ENABLE SUCCESS AND ENRICH THE LEARNING, LIVING AND SOCIAL EXPERIENCE FOR STUDENTS

Deakin Central, located at each of Deakin’s four campuses, assists students with all aspects of student administration and support. Transitioning to digitally enabled admission, management and information systems has been a priority in 2013.

On-campus child care is available at Deakin’s Burwood Campus, Waurm Ponds Campus and Warrnambool campuses. All three centres have achieved the highest standard in National Childcare Accreditation. In 2013 Deakin commenced development of a formal agreement with Goodstart Early Learning to develop a new child care centre at Waurm Ponds. The new centre will more than double the number of places on campus and include an integrated kindergarten.

Deakin’s campus-based sport and recreation strategy brings together a number of University-wide initiatives, which benefit the university community, as well as strengthening community links. Deakin’s partnership with the Royal Geelong Yacht Club included the inaugural twilight yacht races in March 2013. Over 100 Deakin students signed up for introductory sailing, including 20 international students. Student participation in sport and recreation activities increased at Waurm Ponds and Burwood in 2013 with the introduction of on-campus competitions and new sporting opportunities such as the Waterfront Sports Program for Geelong-based students.

The Deakin University Students Association (DUSA) hosts a number of sporting and recreation clubs at all Deakin campuses and supports participation in university championships. Over 300 students participated in the Southern University Games and 200 students participated in the Deakin Bupa Games. Seven students were selected to participate in the World University Games in Russia, with two winning bronze medals.

Deakin was a major supporter of the Australian Masters Games held in Geelong in October. With over 8,000 competitors, volunteers and officials it was Australia’s largest multi-sport event. Over 200 Deakin students, staff and alumni competed.

A cross-University Threat Assessment and Management Team (TAMT) was established as an initiative to enhance safety and overall wellbeing, both for individuals at risk and the community.



PHD student, Hussein Medhat Haggag and Vice-Chancellor, Professor Jane den Hollander – medal winners at the 2013 Masters Games.



Waterfront Kitchen at the Geelong Waterfront campus.

DELIVER SERVICES, RESOURCES AND FACILITIES TO ENABLE AN ENGAGED, INCLUSIVE, PRODUCTIVE AND SATISFIED UNIVERSITY COMMUNITY

The development of vibrant and contemporary campus spaces to enhance student and staff engagement is a key element of *LIVE the future*. Food is an important part of the student and staff experience and in 2013

Deakin undertook a major upgrade of its food venues across its campuses. Importantly, the spaces are also open to Deakin's broader communities.

Deakin celebrates the diversity of its staff and student cohort, seeing cultural diversity as both a strength and asset. Significant cultural events in 2013 included Deakin's Iftar dinner to mark the breaking of the fast during Ramadan. The dinner was held in partnership with the Australian Intercultural Society (AIS) and the Deakin University Student Islamic Society and brought together 80 staff, students and external guests. In November Diwali celebrations were held at the Waurn Ponds Campus for the Hindu festival of lights and with well over 500 people attending it has become a major highlight on Deakin's event calendar.



Staff and guests at Deakin's Iftar dinner.

Deakin nurtures diversity through its multi-faith spiritual centres, which feature designated male and female prayer rooms with associated ablution areas and a multi-faith meeting room. Deakin's student representatives played a core role in establishing the centres.

Deakin is committed to taking every opportunity to broaden its staff and student profile to be more representative of the diversity of the Australian community. A 2013 survey of Deakin staff found that 30 per cent were born overseas and 51 per cent had one or both parents born overseas. Deakin's staff profile represents 80 countries and its student population comes from 121 countries, reflecting Australia's multi-cultural community.

Deakin has traditionally had strong representation of women in senior positions, including the Executive, and has responded proactively to the establishment of the Workplace Gender Equality Agency and new underpinning legislative framework. As an Employer of Choice for Women, Deakin contributed to the development of a new national reporting framework from the perspective of the higher education sector. The new legislation and Deakin's revised planning framework has reshaped the University's gender equity strategy, with key targets and actions being included in the Workforce Management Plan.

Deakin promotes a safe, welcoming and inclusive University community through a range of awareness-raising events, including cross-campus celebrations of International Women's Day on 8 March.

The Deakin Ally Network aims to promote greater visibility and awareness of gay, lesbian, bi-sexual, transgender, intersex, queer or questioning their sexuality (LGBTIQ) staff and students and their issues. Central to the Ally project is the training and development of a network of allies – staff and students who are prepared to align themselves with, and advocate on behalf of, LGBTIQ staff and students.

STRENGTHEN CONNECTIONS WITH, AND ADD VALUE TO, GOVERNMENTS, INDUSTRY, ALUMNI AND THE COMMUNITIES THAT DEAKIN SERVES

Deakin Advancement is responsible for the University’s development, donor relations and alumni activities, community engagement, media and corporate communications, corporate and commercial events, University sponsorship and the management of Deakin’s Art Collection and Galleries.

The Geelong Waterfront Campus facilities have played an important part in revitalising the city’s waterfront precinct, with the inaugural Town and Gown procession held in 2013 symbolic of Geelong’s evolution as a ‘university town’.

Deakin has developed city centres at its campuses at Warrnambool, Geelong Waterfront and in the Melbourne CBD. The Burwood Centre will open in April 2014. These Centres are also available to Deakin’s community partners and have provided a strong link to Deakin’s communities.



Inaugural Town and Gown procession in Geelong April 2013.

Strengthening Deakin’s Alumni community

With over 160,000 graduates in 108 countries Deakin continues to find innovative ways to connect with its alumni both locally and nationally. Deakin has used the opportunities of new and emerging technologies to develop a vibrant online alumni community. A number of initiatives were introduced in 2013, including the first edition of *dKin*, a new and contemporary publication showcasing the outstanding accomplishments of Deakin alumni and a series of podcasts and webinars.

Over 250 prominent alumni attended the inaugural Alumni Awards dinner at Zinc in Federation Square in October.

Young Alumni of the Year Ms Hannah Macdougall and Mr Ahmad Wamiq Ghowsi were recognised for their outstanding contributions to their communities and professions. Ms Janet Dore (CEO of the Transport Accident Commission) was awarded Alumni of the Year 2013 and the Lifetime Achievement Award was bestowed on Mr Lindsay Maxsted (Chairman, Westpac Banking Corporation).



(L to R) Vice-Chancellor Professor Jane den Hollander, Ms Hannah McDougall, Mr Ahmad Wamiq Ghowsi, Ms Janet Dore, Mr Lindsay Maxsted and Chancellor Mr David Morgan.

The alumni dinner included a performance by students from the School of Communication and Creative Arts in the Faculty of Arts and Education.

An increasing proportion of Deakin graduates are registering as alumni (83 per cent). Over 65 alumni events were held in 2013, with over 4,000 Deakin alumni attending. The alumni engagement program reaches out to many more alumni who give back to the university in a range of ways, including serving on committees or mentoring current Deakin students. Deakin also has an expanding community of international alumni, with over 108 countries represented. In China alone there are 1,500 (registered) members and 50 alumni events were scheduled in international locations in 2013.

University fundraising

During 2013 Deakin established a Donor Relationships Unit and worked with the four faculties to identify key philanthropic areas. Key initiatives for 2013 were the development of a Stewardship Program to support donors and the Change 100 Lives campaign to support disadvantaged students.



CHRISTINA AIMON – First in family grant

‘Money isn’t just money. To somebody who doesn’t have anything and doesn’t have someone who believes in them, a scholarship can actually be the difference between working at the local supermarket for the rest of their life, and breaking the chain of adversity from generation to generation, and making a go of it.’

DEAKIN IN 2013 EXPERIENCE HIGHLIGHTS

- The inaugural Town and Gown procession held at Deakin’s Geelong Waterfront Campus.
- The *Change 100 Lives* campaign to support disadvantaged students.
- A major upgrade of student learning spaces – including catering on all campuses, library spaces at Burwood and Geelong and the new student services precinct in Geelong.

The Report of Operations is prepared in accordance with Financial Reporting Directions.



STATUTORY REPORTING

OCCUPATIONAL HEALTH AND SAFETY

Deakin University's goal is to have a workplace culture that fosters and supports excellence in teaching, research and the services supporting those activities through recruiting and retaining a workforce of the highest calibre who are engaged with, and united by, Deakin's mission, core commitments and values.

Deakin is committed to providing a safe and healthy working environment for all staff, students, contractors and visitors. To achieve this Deakin encourages and values safe work practices and behaviours through leadership at all levels and consultation with workers on safety matters.

In 2013 Deakin has undertaken a range of activities to strengthen its OHS program, including audits and inspections, training programs, risk assessments, reviews of new and refurbished buildings, upgrading of access and facilities and asbestos abatement.

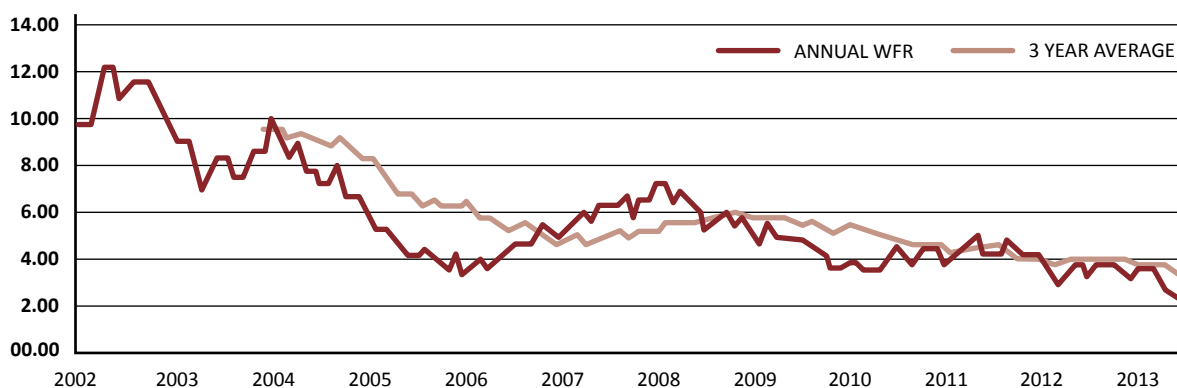
The health and safety training program specifically for all managers and supervisors continued: 340 staff have attended. Deakin has also undertaken a number of projects to improve workplace health and wellbeing, including the introduction of new resources to support managers dealing with mental health issues in the workplace.

OHS performance indicators (2008–2013)

	2008	2009	2010	2011	2012	2013
Lost time injury (LTI) frequency rate	3.7	2.1	3.7	1.8	1.9	1.0
WorkCover frequency rate	5.7	3.7	4.4	4.4	3.3	2.3
Average lost time rate (days/LTI)	57	78	60	93	59	82
Days lost per 100 full-time equivalence	35	26	36	28	19	14
WorkCover costs per full-time equivalence	\$111	\$87	\$113	\$111	\$74	\$59
Premium costs per full-time equivalence	\$320	\$351	\$316	\$493	\$389	\$388
WorkCover premium rate (% of remuneration)	0.36%	0.39%	0.34%	0.44%	0.35%	0.34%

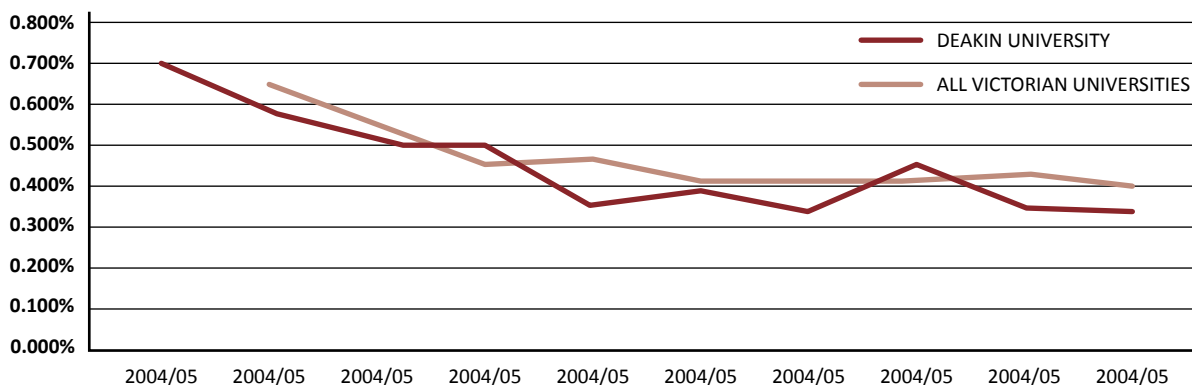
Note: 2013 figures are the 12 months from 1 August 2012 to 31 July 2013.

Deakin University – WorkCover Frequency Rate (2002–2013)



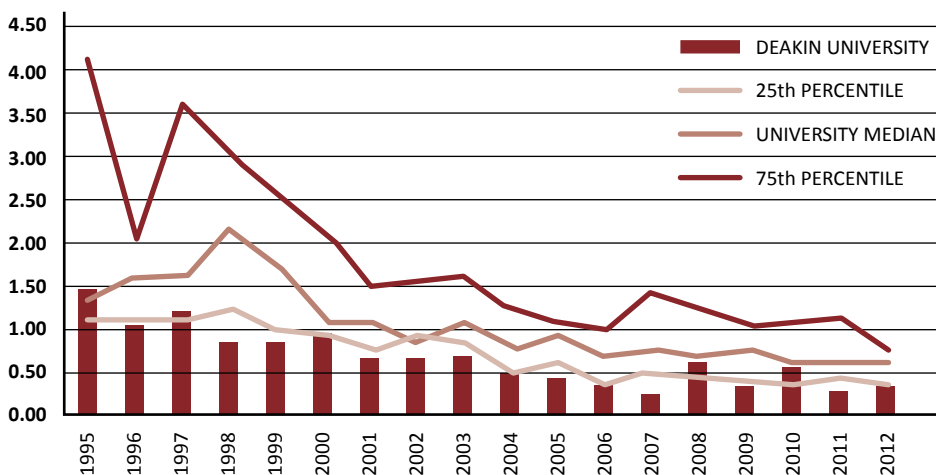
Notes: WFR = Number of WorkCover claims per million work hours (as per AS1885.1)
3-yr average = Average WFR over the last three years (used to remove variation)

OHS performance indicators (2008–2013)



Notes: Premium Rate = Premium / Total Remuneration

Lost Time Incidence Rate: 34 Australian universities (1995–2012)



Notes: Lost Time Incidence Rate = Number of lost time injuries per 100 full-time equivalent staff.

RISK MANAGEMENT

Deakin is committed to a robust and transparent risk management program that is effective and enables the University to make well-informed decisions that meet strategic objectives. The Audit and Risk Committee of Council has the responsibility for overseeing the University's risk management framework, its implementation and evaluation.

The Pro Vice-Chancellor (Planning and Integrity) is operationally responsible for the University's risk management program.

Key activities of the risk management program are contained in the risk policy suite and include:

- a comprehensive assessment of all risks across the University
- integration of risk considerations into the budgetary process
- business continuity management

Deakin University maintains two levels of risk registers: the Executive is responsible for the strategic University-wide risk register: and faculties, institutes and operational areas are each individually responsible for an operational risk register.

Each risk register documents key risks to strategic and operational objectives, assesses impact and consequences, and specifies risk ratings, controls and actions plans. High risks in particular are addressed through an action plan, and progress in implementation of action plans is centrally monitored and regularly reported to Council through the Audit and Risk Committee. Risks registers are regularly reviewed and updated, taking into account all relevant information, including any relevant findings and recommendations of internal and external audits.

The risk registers inform the annual Internal Audit Plan and the annual insurable risk profile that forms the basis of the placement of the University's insurance program.

Information about the University's risk management is available at: www.deakin.edu.au/divisions/cgrcs/risk

ATTESTATION ON COMPLIANCE WITH THE INTERNATIONAL RISK MANAGEMENT STANDARD

I, Professor Christopher Gray the Pro Vice-Chancellor, (Planning and Integrity) certify that Deakin University has risk management processes in place consistent with the International Risk Management Standard (ISO 31000:2009) and an internal control system that enables the Executive to understand, manage and satisfactorily control risk exposures. The Audit and Risk Committee verifies this assurance and confirms that the risk profile of Deakin University has been critically reviewed within the last 12 months.

Professor Christopher Gray
Pro Vice-Chancellor
Deakin University

Date: 13 March 2014
Geelong

REGISTER OF COMMERCIAL ACTIVITIES

The Commercial Activity Guidelines mandated by the terms of the *Deakin University Act 2009* and approved by the Victorian Government require the University to maintain a Register of Commercial Activities.

The University Solicitor is responsible for maintaining the register. The Chief Financial Officer is responsible for submitting proposals to the Finance and Business Affairs Committee of Council regarding University participation in a company or commercial activity in accordance with the Commercial Activities and Entities Policy and Procedure approved by Council.

The Council has determined that significant commercial activities are those where the annual expenditure budget for the activity exceeds \$1.5 million or, where in the opinion of the Vice-Chancellor, the activity exposes the University to any undue financial or other risk. Significant commercial activities require the approval of the Council.

A. UNIVERSITY WHOLLY-OWNED CONTROLLED ENTITIES

The Audit and Risk Committee has made the assessments of the level of risk associated with the University's wholly-owned controlled entities.

University Controlled Entities: A controlled entity is one that satisfies the test of control in section 50AA of the Corporations Act 2001. This includes Deakin's wholly-owned subsidiaries and entities which Deakin holds an interest in and has control of.

Entity	Principal objects	Level of financial risk	Level of reputational risk
Unilink Limited*	Provision of staffing services to Deakin.	Low	Very Low
Deakin Digital Pty Ltd	Not operational at the date of this report.	Low	Very Low
Deakin Residential Services Pty Ltd	Provision of student housing.	Low	Low
Callista Software Services Pty Ltd	Development, maintenance and support of the 'Callista' student administration and management system to Australian universities and TAFEs. The activities of Callista Software Services are included in the University's register of Commercial Activities.	Low	Low

* Company limited by guarantee

B. UNIVERSITY 'ASSOCIATED ENTITIES' – PART OWNERSHIPS, PARTNERSHIPS OR JOINT VENTURES

University Associated Entities: An associated entity is defined by University Australia's Voluntary Code of Best Practice for the Governance of Australian Universities and the AASB Accounting Standards as any ownership in an entity, including a partnership, joint venture or associated company whereby Deakin is able to 'significantly influence' that entity.

Entity	Principal Objects	Level of financial risk	Level of reputational risk
CAVAL Limited	Provision of shared services to the information and library sectors throughout Australasia, to enhance the effectiveness of educational and research activities of member institutions.	Low	Low
Education Australia	Investment in IDP Education Ltd, which focuses on recruitment of overseas students for Australian universities.	Very Low	Very Low
Victorian Centre for Advanced Materials Manufacturing (V-CAMM) Limited	Enhancement of the relevance and competitiveness of the Australian Manufacturing Industry by helping it to be more inventive, innovative, entrepreneurial and responsive.	Medium	Medium
Victorian Education Research Network (VERNet) Pty Ltd	Design, deployment and management of an advanced optic fibre network to meet the bandwidth needs of the Victorian research and education sectors.	Low	Very Low
Victorian Partnership of Advanced Facilitation of Computing (VPAC)	Facilitation of access to high performance computing facilities provided by national and state funding through a consortium of Victorian universities.	Very Low	Very Low

C. COMPLIANCE

Callista Software Services Pty Ltd undertakes development, maintenance and support of the Callista student administration and management system to Australian universities and TAFEs.

STATUTORY COMPLIANCE

1. Compliance with the Building Act 1993

Deakin University is subject to the *Building Act 1993*. To ensure compliance with the Act:

- all relevant works are subject to certification by an independent building surveyor, including the provision of a Certificate of Occupancy or Certificate of Final Inspection on completion;
- checks are conducted to ensure that all building practitioners are registered under the Act as required for the duration of the services. No reports of building practitioners becoming deregistered during services have been received
- all projects are monitored by Deakin project managers or external consultants acting in that capacity on behalf of the University to ensure that all projects comply with the Act
- works undertaken by Deakin directly are covered by policies of insurance for public liability and professional indemnity taken out by the University.

2. National competition policy and competitive neutrality

Deakin applies the principles of competitive neutrality to relevant business activities, in particular to its commercial arm DeakinPrime in relation to pricing of tenders and bids, and also to other services offered to the public at large by the University and its wholly owned subsidiaries.

All Deakin staff are required to undertake periodic on-line training in competition and consumer law principles. Face to face training is available when requested or required and advice and support is also available to staff through the University Solicitor's Office. Information is available to staff on the Solicitor's Office website.

3. Education Services for Overseas Students Act 2000 (ESOS Act)

Deakin (CRICOS Provider Code 00113B) conformed to the requirements of the *Education Services for Overseas Students (ESOS) Act 2000* and the *National Code 2007* during 2013

Compliance with the *ESOS Act* and the *National Code 2007* are addressed through the following measures.

The University's obligations under the *ESOS Act* and the *National Code* are included in the University's compliance program that informs the University's internal audit activities.

A staff manual, *International Student Compliance at Deakin University: Staff Guide* is available online to assist both academic and general staff in their understanding and application of the regulatory requirements.

An ESOS Consultative Group, comprised of staff from all faculties and key divisions meets quarterly and serves as a cross-University vehicle for continuous improvement with regard to compliance with the *ESOS Act* and the *National Code 2007*.

Deakin International's Quality and Compliance team runs annual *ESOS/National Code* workshops on all campuses to ensure University-wide compliance.

Deakin's CRICOS-registered courses comply with the provisions of Parts C and D of the *National Code*:

- all courses meet the requirements of the appropriate quality and accreditation frameworks
- the registered duration of any course does not exceed the time required for completing the course on the basis of the normal amount of full-time study
- work-based training is included in the course duration only where it is part of the course and must be undertaken to gain the qualification and only where appropriate arrangements for supervision and assessment are in place
- courses do not contain more than 25% of distance/online learning

- international students are not permitted to enrol exclusively in distance or on-line learning units in any compulsory study period
- where there is an arrangement with another provider for delivery of a course, signed agreements are in place with relevant institutions and appropriate government approval has been granted.

Deakin has documented and implemented policies and procedures in accordance with the standards in Part D of the *National Code 2007* where required.

- Deakin monitors numbers on the Provider Registration and International Student Management System (PRISMS) regularly to ensure Deakin remains within maximum capacity.

Part D of the *National Code* requires self-accrediting providers registered on CRICOS to undertake an independent external audit every five years. The audit findings were submitted to the TEQSA in July 2012.

4. Statutes and regulations

Deakin administers statutes and regulations of the University in accordance with the provisions of the *Deakin University Act 2009*.

The following statute was remade by Council and approved by the Minister in 2013:

- Statute 8.1 – The Seal of the University

All University statutes and regulations made or amended by the Council during 2013 have been promulgated on the University's Official Notice board and are accessible on the Guide: www.theguide.deakin.edu.au

5. Whistleblowers Protection Act 2001 and Protected Disclosure Act 2012

Prior to 10 February 2013, the making of 'protected disclosures' in Victoria was governed by the *Whistleblower's Protection Act 2001*. Between 1 January 2013 and 10 February 2013 no disclosures under the Act were received by the University.

The *Protected Disclosure Act 2012* came into operation on 10 February 2013. Deakin is no longer a disclosure receiving entity under the new Act. The University has in place appropriate procedures to ensure that persons who have made protected disclosures under the new Act are protected from detrimental action. The Procedure for the Protection of Persons from Detrimental Action is accessible on the Guide: www.theguide.deakin.edu.au.

6. Grievance procedures

Deakin aims to ensure that all student and staff complaints are handled in a fair, confidential, timely manner and that the process for doing so is based on the principles of natural justice.

The University maintains the following internal grievance procedures:

- Student Complaints Resolution procedure,
- Staff Complaints, Disputes and Grievances procedure,
- Discrimination or Sexual Harassment Complaints by Staff Members and Associates procedure
- Bullying in the Workplace procedure.

Since late 2012 Deakin has maintained a centralised complaint handling system to receive and manage all types of student complaints, including all those relating to both academic and administrative decisions, allegations of discrimination and bullying complaints. The Student Complaints Manager advises on the application of the relevant procedure and oversees the complaint handling processes.

The Audit and Risk Committee receives an annual report in relation to complaints received and managed, any systemic issues identified and remedial actions taken. The University also educates its staff in all issues pertaining to equal opportunity and diversity through the provision of relevant and up-to-date online information and ongoing compulsory face-to-face training.

The *Ombudsman Act 1973* (Vic) provides that the Victorian Ombudsman may conduct an investigation as a consequence of a complaint made about the administrative action of a public statutory body, which includes a university.

In 2013, there were no formal investigations undertaken by the Victorian Ombudsman's Office into complaints from Deakin students.

In 2013 Deakin had no judgement or adverse findings made against it by a court or other tribunal relating to discrimination or sexual harassment.

7. Freedom of information

Deakin is subject to the *Freedom of Information Act 1982* (Vic). In 2013 the University received 12 requests for access to documents under the Act. All of the requests were received from individuals. Eleven requests were for documents relating to the requesting party and one request was for documents not relating to the requesting party. Of the decisions provided by the University, 11 decisions were final decisions and one decision was submitted for review by the Freedom of Information Commissioner on application by the applicant under section 49A of the *Freedom of Information Act 1982*.

Making a request

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in s17 of the *Freedom of Information Act 1982*. In summary, the requirements for making a request:

- it should be in writing
- it should identify as clearly as possible which document is being requested
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of Deakin University should be addressed to:

Freedom of Information Officer

Locked Bag 20001
Geelong 3220

8. Compulsory non-academic fees, subscriptions and charges

In 2013 Deakin levied an amenities and services fee, in accordance with the *Higher Education Support (Student Services and Amenities) Act 2010* (Cth). The fee (per trimester) was \$91 for full-time students, \$57 per part-time students and \$44 for off-campus students.

9. Environmental Performance

Deakin University is committed to reducing its environmental impact and has developed an Environmental Sustainability strategy to actively integrate environmental sustainability principles into all operations, strategies, plans, policies, activities and curriculum.

Major initiatives have been:

- Introduction of 'Papercut and managed print service' late 2013 saw office based paper use reduce by 30% in the first quarter of operation.
- establishment of the Office of Sustainability
- Travel Smart, including investment in IT infrastructure to reduce inter-campus travel (Deakin's Blue moon Strategy reduced kilometers travelled by 1.8 million kilometers from Jan 2012-December 2013)
- Rollout of the Office recycle program across all campuses
- application of sustainable built environment principles into University master planning, design standards and all major construction projects. New buildings constructed with a 5 star rating.
- energy audits
- investment in purchase of green power
- water and waste minimisation and storm water management audits were conducted on waste production on all campuses to assist with development of actions to reduce our impacts.
- establishing biodiversity targets and initiatives
- membership participation and support of environmental groups both within and outside of the higher education sector
- education and awareness campaigns.

Deakin is subject to the National Greenhouse and Energy Reporting Act 2007 (Cth).

10. Further information

The following information is available on request:

- declarations of pecuniary interests pertaining to relevant officers
- details of shares held beneficially by senior officers as nominees of a statutory authority or subsidiary
- details of publications produced by Deakin
- details of changes in prices, fees, charges, rates and levies charged by Deakin
- details of major external reviews of Deakin
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- details of any major research and development activities undertaken by Deakin
- details of the major promotional, public relations and marketing activities undertaken by Deakin
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- lists of major committees sponsored by Deakin.
- details of all consultancies and contracts including:
 - consultants/contractors engaged
 - services provided; and
 - expenditure committed for each engagement
- The University's greenhouse gas emissions and energy use

The new *Deakin University Enterprise Agreement 2013* was supported by an overwhelming majority of staff at a ballot conducted in late October 2013. It has since been submitted to the Fair Work Commission for approval and will commence operation seven days after approval by the Commission.

There were no external industrial relations judgements or decisions in 2013 with adverse findings about Deakin.

Enquiries may be addressed to:

The Vice-Chancellor
Geelong Waterfront Campus
Locked Bag 20001
Geelong Victoria 3220

Telephone: +61 3 52227 8503
Facsimile: +61 3 5227 8500
Email: vcoffice@deakin.edu.au
www.deakin.edu.au

Deakin University Annual Reports can be accessed at:
deakin.edu.au/annual-report/

UNIVERSITY DISCLOSURE INDEX 2013

Item No	Source reference	SUMMARY OF REPORTING REQUIREMENT	Page
STANDING DIRECTIONS OF THE MINISTER FOR FINANCE			
1	SD 4.2(g)	Report of Operations contains general information about the entity and its activities, highlights for reporting period and future initiatives and is prepared on a basis consistent with financial statements pursuant to the Financial Management Act 1994.	2-30
2	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions.	30
3	SD 4.2(j)	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved.	15
4	SD 4.2(a)	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> • Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements; • Financial Reporting Directions; and • Business Rules. 	44, 82
5	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> • Balance Sheet and income statement; • Statement of Recognised Income and Expense; • Cash Flows Statement; and • Notes to the financial statements. 	40-81
6	SD 4.2(c)	Signed and dated statement by Accountable Officer stating that financial statements: <ul style="list-style-type: none"> • Present fairly the financial transactions during reporting period and the financial position at end of the period; • Were prepared in accordance with Standing Direction 4.2(c) and applicable Financial Reporting Directions; and • Comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements. 	44, 82
7	SD 4.2(d)	Financial Statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than: <ul style="list-style-type: none"> • \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and • \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000. 	46
8	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission.	9
9	SD 4.5.5	Attestation on compliance with the Australian/New Zealand Risk Management Standard.	33
FINANCIAL REPORTING DIRECTIONS			
10	FRD 03A	Accounting for Dividends	n/a
11	FRD 07A	Early Adoption of Authoritative Accounting Pronouncements	47
12	FRD 9A	Administered assets and liabilities	n/a
13	FRD 10	Disclosure Index	37-38
14	FRD 11	Disclosure of Ex-gratia Payments	68
15	FRD 15B	Executive Officer Disclosures	66-68
16	FRD 17A	Long Service Leave Wage Inflation and Discount Rates	61
17	FRD 19	Private Provision of Public Infrastructure	n/a
18	FRD 21B	Responsible Person and Executive Officer Disclosure in the Financial Report	66-68
19	FRD 22C	Details of consultancies over \$10,000 (refer to FRD for information required)	85
20	FRD 22C	Details of consultancies under \$10,000 (refer to FRD for information required)	85
21	FRD 22D	Manner of establishment and the relevant Minister	7
22	FRD 22D	Objectives, functions, powers and duties	7
23	FRD 22D	Nature and range of services provided including communities served	7
24	FRD 22D	Organisational structure and chart, including accountabilities	14
25	FRD 22D	Names of Council members	10
26	FRD22 & SD 4.2(k)	Operational and budgetary objectives, performance against objectives and achievements	16-30
27	FRD 22D	Occupational health and safety statement including performance indicator and performance against those indicators	32
28	FRD 22D	Workforce data for current and previous reporting period including a statement on employment and conduct principles	32
29	FRD 22D	Summary of the financial results for the year including previous 4 year comparisons	85
30	FRD 22D	Significant changes in financial position during the year	15
31	FRD 22D	Major changes or factors affecting performance	15
32	FRD 22D	Post-balance sheet date events likely to significantly affect subsequent reporting periods	65
33	FRD 22D	Summary of application and operation of the Freedom of Information Act 1982	36

UNIVERSITY DISCLOSURE INDEX 2013 (CONTINUED)

34	FRD 22D	Statement of compliance with building and maintenance provisions of the Building Act 1993	35
35	FRD 22D	Statement on National Competition Policy	35
36	FRD 22D	Summary of application and operation of the Protected Disclosure Act 2012	36
37	FRD 22D	Summary of Environmental Performance.	36
38	FRD 22D	List of certain other information available on request (as specified in the FRD)	36
39	FRD 24C	Reporting of office based environmental impacts	36
40	FRD 25A	Victorian Industry Participation Policy in the Report of Operations	n/a
41	FRD 26A	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	n/a
42	FRD 30A	Standard requirements for the design and print of annual reports	38
43	FRD 101	First time adoption	45,73-75
44	FRD 102	Inventories	41,45,56
45	FRD 103D	Non-current physical assets	41,46,57-58
46	FRD 104	Foreign currency	44
47	FRD 105A	Borrowing Costs	44
48	FRD 106	Impairment of assets	44-46,48,53,55-56
49	FRD 107	Investment properties	56
50	FRD 109	Intangible assets	41,46,59
51	FRD 110	Cash Flow Statements	43,63
52	FRD 112C	Defined benefit superannuation obligations	46,64
53	FRD 113	Investments in Subsidiaries, Jointly Controlled Associates and Entities	56,68-69
54	FRD 114A	Financial Investments	41,43,45,56
55	FRD 115	Non-current physical assets – first time adoption	n/a
56	FRD 119	Contributions by owners	n/a
57	FRD 119A	Transfers through contributed capital	n/a
58	FRD 120G	Accounting and reporting pronouncements applicable to the reporting period	47
59	FRD 121	Infrastructure assets	n/a
FINANCIAL MANAGEMENT ACT 1994 (FMA)			
60		Financial Statements: <ul style="list-style-type: none"> Contain such information as required by the Minister; Are prepared in a manner and form approved by the Minister; Present fairly the financial transactions of the university during the relevant financial year to which they relate; Present fairly the financial position of the university as at the end of that year; and Are certified by the accountable officer in the manner approved by the Minister. 	40-82
EDUCATION AND TRAINING REFORM ACT 2006 (ETRA)			
61		Statement on compulsory non-academic fees, subscriptions and charges payable in 2013	36
DECISION OF PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE OF PARLIAMENT			
62		Financial and other information relating to the university's international operations.	35,52
UNIVERSITY COMMERCIAL ACTIVITIES			
63		<ul style="list-style-type: none"> Summary of the university commercial activities If the university has a controlled entity, include the accounts of that entity in the university's Annual Report 	34,68-69
DUAL SECTOR UNIVERSITIES ONLYTAFE KEY PERFORMANCE INDICATORS (KPIs)			
64		Reporting and performance should be presented using KPIs and a signed Performance Management Certificate should also be completed. Participation of 15-24 year olds. 1. Participation of 25-64 year olds. 2. Module Load Completion Rate. 3. Student satisfaction. 4. Total Cost per Student Contact Hour (SCH). 5. Working Capital Ratio. 6. Net Operating Margin. 7. Fee for Service Revenue. 8. Revenue per EFT Staff. 9. Student Contact Hours (SCH). 10. Energy Consumption.	n/a

KEY TO ABBREVIATIONS

FRD = Financial Reporting Directions – available at: www.dtf.vic.gov.au/Publications/Government-Financial-Management-publications/Financial-Reporting-Policy/Financial-reporting-directions-and-guidance

SD = Standing Directions – available at: www.dtf.vic.gov.au/CA25713E0002EF43/pages/budget-and-financial-management-financial-management-compliance-framework-standing-directions-and-associated-rules

This report was designed and printed in accordance with FRD 30A Standard requirements for the design and print of annual reports.

FINANCIAL REPORT

The background of the image is a dark, monochromatic red. It features a blurred, high-angle photograph of a desk setup. In the foreground, a pair of dark-rimmed glasses is positioned over an open spiral-bound notebook. The notebook's pages are filled with faint, illegible handwriting, suggesting a financial or accounting report. The lighting is soft, creating a professional and focused atmosphere.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
Income from continuing operations	2	836,521	786,072	822,777	772,005
Expenses from continuing operations					
Employee related expenses	2	(459,474)	(421,021)	(447,760)	(408,583)
Depreciation and amortisation expense	2	(59,169)	(53,318)	(58,952)	(53,016)
Other expenses from continuing operations	2	(238,787)	(203,278)	(238,319)	(203,018)
Expenses from continuing operations		(757,430)	(677,617)	(745,031)	(664,617)
Operating result from continuing operations before income tax		79,091	108,455	77,746	107,388
Income tax (expense) / benefit	8	(843)	473	-	-
Net operating result after income tax for the year		78,248	108,928	77,746	107,388
(Decrease) / increase Deferred government contribution for superannuation	17	(62,839)	41,733	(62,839)	41,733
Decrease / (increase) in Deferred employee benefits for superannuation	17	62,839	(41,733)	62,839	(41,733)
Gain on revaluation of land and buildings	14	71,473	-	71,473	-
Gain on revaluation of library holdings	14	-	825	-	825
Increase / (decrease) on revaluation of investments	14	16,438	9,549	16,438	9,549
Total comprehensive income		166,159	119,302	165,657	117,762

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2013

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
CURRENT ASSETS					
Cash and cash equivalents	3	56,951	73,238	56,950	73,237
Receivables	4	75,819	66,202	76,248	65,544
Inventories	5	243	190	243	190
Other financial assets	6	149,400	146,340	146,000	142,940
TOTAL CURRENT ASSETS		282,413	285,970	279,441	281,911
NON-CURRENT ASSETS					
Receivables	4	156,644	219,791	156,644	219,791
Other financial assets	6	149,554	118,092	152,554	121,092
Property, plant and equipment	7	1,327,495	1,152,650	1,326,961	1,152,261
Deferred tax assets	8	-	843	-	-
Intangible assets	9	3,176	2,498	3,176	2,498
TOTAL NON-CURRENT ASSETS		1,636,869	1,493,874	1,639,335	1,495,642
TOTAL ASSETS		1,919,282	1,779,844	1,918,776	1,777,553
CURRENT LIABILITIES					
Trade and other payables	10	193,101	167,565	198,201	170,946
Borrowings	11	10	10	9	9
Provisions - employee benefits	12	84,158	75,842	81,962	73,207
TOTAL CURRENT LIABILITIES		277,269	243,417	280,172	244,162
NON-CURRENT LIABILITIES					
Borrowings	11	9	17	9	17
Provisions - employee benefits	12	173,080	233,645	172,563	232,999
TOTAL NON-CURRENT LIABILITIES		173,089	233,662	172,572	233,016
TOTAL LIABILITIES		450,358	477,079	452,744	477,178
NET ASSETS		1,468,924	1,302,765	1,466,032	1,300,375
EQUITY					
Reserves	14	351,021	262,177	351,021	262,177
Retained earnings	15	1,117,903	1,040,588	1,115,011	1,038,198
TOTAL EQUITY		1,468,924	1,302,765	1,466,032	1,300,375

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 2013

	Note	2013			2012		
		Reserves	Retained Earnings	Total	Reserves	Retained Earnings	Total
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
CONSOLIDATED							
Total equity at the beginning of the financial year		262,177	1,040,588	1,302,765	251,644	931,819	1,183,463
Net operating result after income tax for the year	15	-	78,248	78,248	-	108,928	108,928
Transfers	14,15	933	(933)	-	159	(159)	-
Increase / (decrease) in Reserves	14	87,911	-	87,911	10,374	-	10,374
Total equity at the end of the financial year		351,021	1,117,903	1,468,924	262,177	1,040,588	1,302,765
UNIVERSITY							
Total equity at the beginning of the financial year		262,177	1,038,198	1,300,375	251,644	930,969	1,182,613
Net operating result after income tax for the year	15	-	77,746	77,746	-	107,388	107,388
Transfers	14,15	933	(933)	-	159	(159)	-
Increase / (decrease) in Reserves	14	87,911	-	87,911	10,374	-	10,374
Total equity at the end of the financial year		351,021	1,115,011	1,466,032	262,177	1,038,198	1,300,375

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 2013

Inflows / (outflows)	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
CASH FLOWS FROM OPERATING ACTIVITIES					
Australian government grants	2.1	515,927	474,552	515,927	474,552
State government grants		15,551	10,180	15,551	10,180
HECS-HELP - student payments		24,989	16,229	24,989	16,229
Other research grants and contracts		28,061	23,855	23,913	20,860
Fees and charges		206,820	208,652	205,615	208,773
Dividends received		1,699	722	2,379	1,207
Interest received		16,658	22,444	16,408	22,237
Other income		46,563	51,633	36,253	37,906
Payments to employees		(445,255)	(406,690)	(432,979)	(394,056)
Payments to suppliers (inclusive of Goods and Services Tax)		(271,731)	(224,136)	(269,290)	(220,720)
Goods and Services Tax recovered		25,070	22,520	25,223	22,673
Net cash provided by operating activities	16	164,352	199,961	163,989	199,841
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		1,332	1,765	1,332	1,763
Proceeds from sale of other financial assets		1,175	-	1,175	-
Payments for property, plant and equipment		(164,100)	(203,767)	(163,737)	(203,656)
Payments for intangible assets		(1,441)	(1,166)	(1,441)	(1,166)
Decrease / (increase) in other financial assets		(17,597)	56,873	(17,597)	56,873
Net cash outflow used in investing activities		(180,631)	(146,295)	(180,268)	(146,186)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings		(8)	(9)	(8)	(9)
Net cash outflow used in financing activities		(8)	(9)	(8)	(9)
Net increase / (decrease) in cash and cash equivalents		(16,287)	53,657	(16,287)	53,646
Cash and cash equivalents at the beginning of the financial year		73,237	19,580	73,237	19,591
Cash and cash equivalents at the end of the financial year	16	56,950	73,237	56,950	73,237

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated.

The financial statements include separate statements for Deakin University as the parent entity and the consolidated entity consisting of Deakin University and its subsidiaries.

Basis of Preparation

The annual financial statements represent the audited general purpose financial statements of Deakin University and its subsidiaries.

They have been prepared on an accrual basis and comply with the Australian Accounting Standards, other mandatory professional reporting requirements and Business Rules.

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

- Higher Education Support Act 2003 (Financial Statement Guidelines)
- Victorian Financial Management Act 1994 (Standing Direction 4.2(c) and applicable Financial Reporting Directions)

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

Historical cost convention

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

All amounts in the financial statements are in Australian currency and have been rounded to the nearest thousand dollars. Unless otherwise stated, the accounting policies are consistent with those of the prior year.

(A) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Deakin University as at 31 December 2013 and the results of all subsidiaries for the year then ended. A list of the subsidiaries is included in note 23. Deakin University and its subsidiaries are referred to in this financial report as the Group or the Consolidated Entity.

Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred. The accounts of the subsidiaries are prepared for the same reporting period as the University, using consistent accounting policies.

(B) REVENUE RECOGNITION

The University recognises research / grant income on the basis of its contractual obligations, viz; if the contract has outstanding performance obligations or the unspent funding is to be repaid at the conclusion of the contract, then the income is recognised in accordance with AASB118 Revenue with reference to the percentage of completion method. The stage of completion is measured by reference to total expenditure incurred to date compared with the funding provided. The University regards the receipt of such income as a reciprocal transfer as the University is required to provide the necessary services in return for research funding. A liability is recognised in the Statement of Financial Position in respect of research/grant income which is unearned at the balance date. AASB118 Revenue requires revenue to be recognised in the reporting periods in which the services are provided.

Non-reciprocal research income, that is where approximate equal value is not directly returned to the provider of the income, is recognised when the University gains control of the income, or right to receive the income, in accordance with AASB1004 Contributions.

Revenue from fees and charges is recognised when earned. Revenue from the sale of goods is recognised upon the delivery of goods to customers. Revenue from the rendering of a service is recognised upon the delivery of the service to customers (stage of completion method) or in accordance with governing contracts. Interest revenue is recognised on an accrual basis. Dividend revenue is recognised when received. Donations and bequests are recognised when received by the University.

(C) FINANCE COSTS

Finance costs are recognised as expenses in the period in which they are incurred. Finance costs include interest on bank overdraft and short-term and long-term borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and finance lease charges.

(D) LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease, in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(E) INCOME TAX

Deakin University and some of its subsidiaries exempt from income tax pursuant to Section 50 of the Income Tax Assessment Act 1997. Deakin University also has some subsidiaries that are not exempt from income tax. Income tax expense or benefit for the period is calculated as the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted.

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

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities, where the parent entity is able to control the timing of the reversal of the temporary differences, and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity. Deakin University and its wholly-owned Australian subsidiaries have not implemented the tax consolidation legislation.

(F) FOREIGN CURRENCY TRANSACTIONS

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

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 Statement of Comprehensive Income.

(G) CASH AND CASH EQUIVALENTS

For cash flow statement presentation purposes, cash and cash equivalents include 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 change in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

(H) TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables and other debtors are due for settlement no more than 30 days from the date that invoice was issued.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) INVENTORIES

Inventories include goods and other property held for sale. Inventories are measured at the lower of cost and net realisable value.

(J) INVESTMENTS AND OTHER FINANCIAL ASSETS

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, available-for-sale financial assets, loans and receivables, and held-to-maturity investments.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

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

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

Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

(ii) Available-for-sale financial assets

Available-for-sale financial assets, including unlisted equity securities, are non-derivatives that are either designated in this category or not classified in any other category. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial Position date. Unlisted equity securities are carried at cost. If the market is not active for unlisted securities, the Group establishes fair value by providing for the temporary diminution in the value of the investment based on the underlying net asset base of the security from the latest available accounts. All changes in provisions for diminution in value are taken through the Statement of Comprehensive Income.

(iii) Loans and receivables

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

(iv) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the Statement of Comprehensive Income as gains or losses from investment securities.

Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the Statement of Comprehensive Income in the period in which they arise. Changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve.

Fair value

The fair values of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques, that maximise the use of relevant data. These include reference to the estimated price in an orderly transaction that would take place between market participants at the measurement date. Other valuation techniques used are the cost approach and the income approach based on the characteristics of the asset and the assumptions made by market participants.

Impairment

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

(K) FAIR VALUE MEASUREMENT

Australian Accounting Standard AASB 13 *Fair Value Measurement* has been adopted from 1 January 2013.

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(L) PROPERTY, PLANT AND EQUIPMENT

Land, buildings, artworks and library special collections are shown at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Individual items of plant and equipment with a cost less than \$5,000 (2012: \$5,000) are charged to the Statement of Comprehensive Income (refer Note 2.11). All other property, plant and equipment are stated at historical cost less accumulated 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 the Group, and the cost of the item can be measured reliably. All repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are credited to the asset revaluation reserve in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserve directly in equity to the extent of the remaining reserve attributable to the class of asset; all other decreases are charged to the Statement of Comprehensive Income. Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Major depreciation periods are:

Freehold buildings	1 to 50 years
Leasehold improvements	3 to 5 years
<i>Plant and Equipment</i>	
Computer equipment	3 to 4 years
Plant and equipment - other	3 to 10 years
Motor vehicles	6.5 to 10 years
Library holdings	5 to 10 years

The depreciation rates applied are consistent with the prior year.

The residual value and useful life of assets are reviewed, and adjusted if appropriate, at each Statement of Financial Position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(M) INTANGIBLE ASSETS

Intangible assets comprise Medical School licence fees and electronic subscription of library holdings.

Medical School licence fees are fully amortised.

Electronic publications are split into perpetual access and annual subscription based access to database licences. Perpetual access based publications are capitalised and amortised on a straight line basis over a period of 10 years. Annual subscription based publications are expensed as incurred.

(N) TRADE AND OTHER PAYABLES

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

(O) BORROWINGS

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

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 Statement of Financial Position date.

(P) PROVISION - EMPLOYEE BENEFITS

Provision is made for benefits accruing to employees in respect of annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably. Provisions made in respect of employee benefits are measured based on their expected settlement. Provisions which are expected to be settled within twelve months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions which are not expected to be settled within twelve months are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. Regardless of the expected timing of settlement, provisions made in respect of employee benefits are classified as a current liability unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability. Provisions made for annual leave and unconditional long service leave would be classified as a current liability where the employee has a present entitlement to the benefit. A non-current liability would include long service leave entitlements accrued for employees with less than 7 years of continuous service.

(Q) DEFERRED EMPLOYEE BENEFITS FOR SUPERANNUATION

AASB119 Employee Benefits requires that the estimated present value of superannuation obligations recognised in the financial statements should be determined as at balance date. These financial statements recognise estimated superannuation obligations in respect of the State Superannuation Fund using an actuarial estimate as at 30 June 2013. As there is no net impact on the Statement of Financial Position or Statement of Comprehensive Income from these superannuation obligations (due to recognition of a corresponding receivable), the costs of providing an actuarial assessment at balance date (31 December 2013) outweigh the benefits. The University has therefore elected not to obtain an estimate of its superannuation obligations as at balance date. Consequently superannuation obligations (and corresponding receivable) are stated in the financial statements based on estimates prepared 6 months in arrears. In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education, the effects of the unfunded superannuation liabilities of Deakin University were recorded in the Statement of Comprehensive Income and the Statement of Financial Position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements. Accordingly, the unfunded liabilities have been recognised in the Statement of Financial Position under provisions, with a corresponding asset recognised under receivables. The recognition of both the asset and the liability consequently does not affect the year-end net asset position of Deakin University.

Note 17 discloses specific treatment.

(R) EQUITY

Equity represents the residual interest in the net assets of the University. The State Government holds the equity interest in the University on behalf of the community.

Equity consists of the Asset Revaluation Surplus, Investments - available for sale financial assets, Endowment Fund Reserve and Retained Surplus.

(S) GOODS AND SERVICES TAX (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority, is included with other receivables or payables in the Statement of Financial Position.

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

Commitments are presented on a gross basis.

(T) ROUNDING OF AMOUNTS

Amounts in the financial report have been rounded to the nearest thousand dollars.

(U) COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(U) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

As at balance date, the following standards and interpretations had been issued but were not mandatory for the financial year. The University has not adopted and does not intend to adopt these standards early.

STANDARD/ INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON:	IMPACT ON FINANCIAL STATEMENTS
AASB 139 Financial Instruments: Recognition and Measurement	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	1 Jan 2015	Subject to AASB's further modifications to AASB 9, together with the anticipated changes resulting from the staged projects on impairments and hedge accounting, details of impacts will be assessed.
AASB 10 Consolidated Financial Statements	This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, the entity will need to re-assess the nature of its relationships with other entities, including those that are currently not consolidated.
AASB 11 Joint Arrangements	This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations and any modifications made to AASB 11 for not-for-profit entities, the entity will need to assess the nature of arrangements with other entities in determining whether a joint arrangement exists in light of AASB 11.
AASB 12 Disclosure of Interests in Other Entities	This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 Separate Financial Statements and AASB 131 Interests in Joint Ventures. The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a 'structured entity' from a not-for-profit perspective.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 Investments in Associates and Joint Ventures.
AASB 127 Separate Financial Statements	This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 127 in a not-for-profit context. As such, the impact will be assessed after the AASB's deliberation.
AASB 128 Investments in Associates and Joint Ventures	This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 128 in a not-for-profit context. As such, the impact will be assessed after the AASB's deliberation.

Deakin University and its subsidiaries did not undertake any Early Adoption of Authoritative Accounting Pronouncements in the current financial year.

2. OPERATING RESULT

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
Income from continuing operations					
Australian government financial assistance					
Australian Government grants	2.1	320,371	319,425	320,371	319,425
HELP - Australian government payments	2.1	192,270	154,809	192,270	154,809
State Government financial assistance	2.2	15,414	9,363	15,414	9,363
HECS-HELP - Student payments		20,398	19,714	20,398	19,714
Fees and charges	2.3	196,273	191,099	196,273	191,099
Investment income	2.4	17,414	21,157	17,942	21,462
Other investment income	2.4	1,662	-	1,662	-
Royalties		13,081	12,427	13,081	12,427
Consultancy and contract research	2.5	26,890	22,894	22,987	20,077
Other revenue	2.6	32,748	35,184	22,379	23,629
Income from continuing operations		836,521	786,072	822,777	772,005
Expenses from continuing operations					
Employee related expenses	2.7	459,474	421,021	447,760	408,583
Depreciation and amortisation	2.8	59,169	53,318	58,952	53,016
Repairs and maintenance	2.9	43,626	28,060	43,542	27,974
Impairment of assets	2.10	585	560	585	560
Investment losses	2.4	-	36	-	36
Other expenses	2.11	194,576	174,622	194,192	174,448
		238,787	203,278	238,319	203,018
Expenses from continuing operations		757,430	677,617	745,031	664,617
Operating result before income tax		79,091	108,455	77,746	107,388
Income tax (expense) / benefit	8	(843)	473	-	-
Operating result from continuing operations		78,248	108,928	77,746	107,388

2.1 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

Including Australian Government loan programs (HELP)

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
Commonwealth Grants Scheme and Other Grants					
Commonwealth Grants Scheme		224,776	202,712	224,776	202,712
Indigenous Support Program		1,524	1,460	1,524	1,460
Partnership and Participation Program		5,306	3,835	5,306	3,835
Disability Performance Funding		46	41	46	41
Additional Support for Students with Disabilities		252	269	252	269
Promotion of Excellence in Learning and Teaching		634	710	634	710
Reward funding		542	954	542	954
Transitional Cost Program		-	227	-	227
Superannuation Program		13,141	12,867	13,141	12,867
	26.1	246,221	223,075	246,221	223,075
Higher Education Loan Programs					
HECS-HELP		154,432	122,626	154,432	122,626
FEE-HELP		35,361	30,936	35,361	30,936
SA-HELP		2,477	1,247	2,477	1,247
	26.2	192,270	154,809	192,270	154,809
Scholarships					
Australian Postgraduate Awards		4,385	4,065	4,385	4,065
Commonwealth Education Cost Scholarships		-	284	-	284
Grandfathered Scholarship / National Priority Scholarships		(157)	215	(157)	215
Indigenous Access Scholarships		3	457	3	457
International Postgraduate Research Scholarship		367	356	367	356
	26.3	4,598	5,377	4,598	5,377
EDUCATION Research					
Research Infrastructure Block Grants		2,364	2,235	2,364	2,235
Research Training Scheme		11,073	10,714	11,073	10,714
Joint Research Engagement Program		4,495	4,925	4,495	4,925
Joint Research Engagement Engineering Cadetships		39	1	39	1
Sustainable Research Excellence in Universities		1,719	1,546	1,719	1,546
	26.4	19,690	19,421	19,690	19,421
Other Capital Funding					
Better Universities Renewal Funding		-	37	-	37
Teaching and Learning Capital Fund		-	1,887	-	1,887
Education Investment Fund		4,457	27,037	4,457	27,037
	26.7	4,457	28,961	4,457	28,961
Total funding		467,236	431,643	467,236	431,643
Australian Research Council					
Discovery					
Projects		4,160	3,353	4,160	3,353
Fellowships		2,103	2,011	2,103	2,011
Early Career Researcher Award		673	253	673	253
	26.5	6,936	5,617	6,936	5,617
Linkages					
Infrastructure		-	1,435	-	1,435
Projects		2,746	3,646	2,746	3,646
	26.6	2,746	5,081	2,746	5,081

2.1 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE
including Australian Government loan programs (HELP)

		CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
Note		\$000's	\$000's	\$000's	\$000's
	Other Australian Government financial assistance				
	Capital	7,518	13,822	7,518	13,822
	Non-Capital	28,205	18,071	28,205	18,071
	Other Australian Government financial assistance	35,723	31,893	35,723	31,893
	Total Australian Government financial assistance	512,641	474,234	512,641	474,234
	Reconciliation				
	Australian Government grants	320,371	319,425	320,371	319,425
	HECS-HELP payments	154,432	122,626	154,432	122,626
	FEE- HELP payments	35,361	30,936	35,361	30,936
	SA-HELP payments	2,477	1,247	2,477	1,247
2		192,270	154,809	192,270	154,809
	Total Australian Government financial assistance	512,641	474,234	512,641	474,234
	Australian Government grants received - cash basis				
26.1	Commonwealth Grants Scheme and other EDUCATION grants	249,984	228,021	249,984	228,837
26.2	Higher Education Loan Programs	196,806	156,397	196,806	156,397
26.3	Scholarships	3,782	5,377	3,782	5,377
26.4	EDUCATION research	19,690	19,421	19,690	19,421
26.7	Other Capital Funding	6,600	22,500	6,600	22,500
26.5	ARC grants - Discovery	6,936	5,617	6,936	5,617
26.6	ARC grants - Linkages	2,746	5,081	2,746	5,081
	Other Australian Government grants	29,395	31,915	29,395	31,099
	Total Australian Government grants received - cash basis	515,939	474,329	515,939	474,329
26.8	OS-HELP (net)	(12)	223	(12)	223
	Total Australian Government funding received - cash basis	515,927	474,552	515,927	474,552

2.2 STATE GOVERNMENT FINANCIAL ASSISTANCE

State government grants were received from the following agencies during the reporting period:

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
		8,138	2,000	8,138	2,000
Capital		8,138	2,000	8,138	2,000
Regional Development Victoria					
Non-Capital					
ACT Health		-	118	-	118
Australian College of Nursing		143	-	143	-
Barwon Health		1,516	1,170	1,516	1,170
Beyond Blue		33	57	33	57
Catchment Management Authority		117	98	117	98
Department of Child Protection		130	150	130	150
Department of Education and Early Childhood Development		969	1,346	969	1,346
Department of Environment and Primary Industries		211	-	211	-
Department of Health - Victoria		398	676	398	676
Department of Human Services		210	547	210	547
Department of Innovation, Industry and Regional Development		447	100	447	100
Department of Justice		114	134	114	134
Department of Primary Industries		139	93	139	93
Department of Sustainability and Environment		7	510	7	510
Melbourne Water		36	45	36	45
Parks Victoria		253	221	253	221
Peter Mccallum Cancer Centre		26	180	26	180
Regional Development Victoria		447	50	447	50
South West Institute of TAFE		125	-	125	-
State Emergency Service ACT		-	141	-	141
Vic Health		1,247	1,147	1,247	1,147
Western District Health Service		(372)	640	(372)	640
Other		692	758	692	758
Income in advance		388	(818)	388	(818)
		7,276	7,363	7,276	7,363
Total State Government financial assistance	2	15,414	9,363	15,414	9,363

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
2.3 FEES AND CHARGES					
Course fees and charges					
Fee-paying overseas students		133,260	137,187	133,260	137,187
Fee-paying domestic undergraduate students		174	993	174	993
Fee-paying domestic postgraduate students		14,075	13,689	14,075	13,689
Fee-paying domestic non-award students		10,785	8,033	10,785	8,033
		158,294	159,902	158,294	159,902
Other non-course fees and charges					
Student accommodation fees		12,040	8,584	12,040	8,584
Rental income		972	1,963	972	1,963
Educational materials fees		2	1,242	2	1,242
Examination fees		8,082	6,103	8,082	6,103
Service fees from students		2,652	3,273	2,652	3,273
Course delivery fees		3,101	1,434	3,101	1,434
Parking fees		4,812	4,314	4,812	4,314
Other fees		6,318	4,284	6,318	4,284
		37,979	31,197	37,979	31,197
Total fees and charges	2	196,273	191,099	196,273	191,099
2.4 INVESTMENT INCOME					
Interest and distributions from managed funds		15,715	20,195	15,563	20,015
Dividends		1,699	722	2,379	1,207
Change in fair value of financial assets designated at fair value through profit or loss	6	-	240	-	240
Investment income	2	17,414	21,157	17,942	21,462
Profit on sale of financial assets at fair value through the profit and loss		236	-	236	-
Profit on sale of financial assets available for sale		1,476	-	1,476	-
Other investment income	2	1,662	-	1,662	-
Provision for diminution in value of financial assets available for sale - unlisted equity securities	6	-	(36)	-	(36)
Investment losses	2	-	(36)	-	(36)
Net investment income		19,076	21,121	19,604	21,426
2.5 CONSULTANCY AND CONTRACT RESEARCH					
Consultancy		4,570	4,171	667	1,354
Contract research		22,320	18,723	22,320	18,723
Total consultancy and contract research	2	26,890	22,894	22,987	20,077
2.6 OTHER REVENUE					
Sales and commercial income		21,457	26,863	11,088	15,309
Donations and bequests		1,327	1,358	1,327	1,358
Scholarship and prizes		479	457	479	457
Subscriptions		12	15	12	15
Training and conference income		761	912	761	912
Other		8,712	5,579	8,712	5,578
Total other revenue	2	32,748	35,184	22,379	23,629

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
2.7 EMPLOYEE RELATED EXPENSES					
Academic					
Salaries		170,507	156,632	170,507	156,632
Contributions to superannuation and pension schemes:					
Emerging cost		6,824	6,559	6,824	6,559
Funded		25,728	23,443	25,728	23,443
Non-funded		(34)	22	(34)	22
Payroll tax		9,994	9,106	9,994	9,106
Workers compensation		1,027	1,006	1,027	1,006
Long service leave		6,602	5,188	6,602	5,188
Annual leave		1,805	1,270	1,805	1,270
Other		8,035	4,856	8,035	4,856
		230,488	208,082	230,488	208,082
Non-academic					
Salaries		167,536	158,234	157,359	147,631
Contributions to superannuation and pension schemes:					
Emerging cost		6,297	6,182	6,297	6,182
Funded		23,904	22,554	23,006	21,603
Non-funded		(31)	21	(31)	21
Payroll tax		9,972	9,402	9,410	8,805
Workers compensation		984	998	961	966
Long service leave		6,207	4,987	6,007	4,811
Annual leave		1,423	1,071	1,689	1,192
Other		12,694	9,490	12,574	9,290
		228,986	212,939	217,272	200,501
Total employee related expenses	2	459,474	421,021	447,760	408,583
2.8 DEPRECIATION AND AMORTISATION					
Depreciation					
Buildings		17,166	16,175	17,166	16,175
Leasehold improvements		2,703	1,428	2,609	1,308
Plant and equipment		34,460	28,903	34,337	28,721
Motor vehicles		1,081	1,263	1,081	1,263
Library holdings		3,397	3,945	3,397	3,945
		58,807	51,714	58,590	51,412
Amortisation					
Amortisation - intangible assets		362	1,604	362	1,604
		362	1,604	362	1,604
Total depreciation and amortisation	2	59,169	53,318	58,952	53,016
2.9 REPAIRS AND MAINTENANCE					
Buildings and grounds - maintenance and repairs		1,434	1,499	1,434	1,499
Buildings and grounds - refurbishment and alterations		39,529	23,425	39,455	23,349
Equipment - maintenance and repairs		2,418	2,827	2,410	2,821
Motor vehicles - maintenance and repairs		245	309	243	305
Total repairs and maintenance	2	43,626	28,060	43,542	27,974
2.10 IMPAIRMENT OF ASSETS					
Movement in provision for impaired receivables		585	560	585	560
Total impairment of assets	2	585	560	585	560

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
2.11 OTHER EXPENSES					
Advertising, marketing and promotional expenses		9,628	9,766	9,623	9,749
Communication costs		4,950	4,991	4,700	4,744
Consultants and contractors		7,483	5,794	7,420	5,636
Contributions to learning institutions		6,452	3,810	6,452	3,810
Copying, printing, stationery and consumables		8,788	7,918	8,771	7,897
Course materials		276	240	276	240
Direct project costs		7,310	7,547	7,310	7,547
Equipment costs		10,082	8,918	9,882	8,746
International agents commission		8,328	7,461	8,328	7,461
Library expenses		7,666	7,489	7,665	7,487
Loss on disposed property, plant and equipment		723	87	722	72
Revision of capitalisation threshold		-	4,818	-	4,818
Non-capitalised equipment	1(L)	6,545	5,784	6,545	5,781
Operating lease rentals		9,776	9,574	9,314	9,125
Rates and energy costs		8,229	6,502	8,177	6,470
Scholarships, grants and prizes		33,106	25,494	33,106	25,494
Staffing and related costs		21,399	20,379	20,761	19,669
Student expenses		25,853	23,507	25,853	23,507
Other		17,982	14,543	19,287	16,195
Total other expenses	2	194,576	174,622	194,192	174,448
3. CASH AND CASH EQUIVALENTS					
Cash at bank		4,246	2,647	4,246	2,647
Cash on hand		42	55	41	54
Bank deposits - on call		1,163	7,036	1,163	7,036
Bank term deposits		51,500	63,500	51,500	63,500
	16 / 24	56,951	73,238	56,950	73,237
4. RECEIVABLES					
CURRENT					
Student fees		23,053	18,912	23,053	18,912
Provision for impaired receivables		(1,000)	(1,000)	(1,000)	(1,000)
		22,053	17,912	22,053	17,912
Trade debtors - other		16,920	16,093	15,619	15,391
Provision for impaired receivables		(323)	(323)	(323)	(323)
		16,597	15,770	15,296	15,068
		38,650	33,682	37,349	32,980
Government grants receivable	2.1	2,677	2,575	2,677	2,575
Deferred government contribution for superannuation	17	13,233	12,925	13,233	12,925
Accrued income		5,363	2,758	5,340	2,637
Prepayments		11,834	9,854	13,519	10,019
GST recoverable		4,062	4,408	4,130	4,408
		75,819	66,202	76,248	65,544
NON-CURRENT					
Deferred government contribution for superannuation	17	156,644	219,791	156,644	219,791
		156,644	219,791	156,644	219,791
		232,463	285,993	232,892	285,335

4. RECEIVABLES (CONTINUED)

IMPAIRED RECEIVABLES

As at 31 December 2013, current receivables of the Group with a nominal value of \$1,323k (2012: \$1,323k) were impaired. The amount of the provision was \$1,323k (2012: \$1,323k). The individually impaired receivables relate to students and trade debtors who are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered.

	CONSOLIDATED	
	2013	2012
	\$000's	\$000's
The ageing of these receivables is as follows:		
1 to 6 months	-	-
Over 6 months	1,323	1,323
	1,323	1,323

As at 31 December 2013, trade receivables of \$4,397k (2012: \$2,374k) were past due but not impaired. These relate to a number of trade debtors for whom there is no recent history of default.

The ageing analysis of these receivables is as follows:		
1 to 3 months	3,104	1,898
3 to 6 months	1,065	271
Over 6 months	228	205
	4,397	2,374

MOVEMENTS IN THE PROVISION FOR IMPAIRED RECEIVABLES

At 1 January	1,323	1,158
Provision for impairment recognised during the year	585	559
Receivables written off during the year as uncollectible	(585)	(394)
At 31 December	1,323	1,323

The creation and release of the provision for impaired receivables has been included in 'Impairment of Assets' in the Statement of Comprehensive Income. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash. The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

FAIR VALUES AND CREDIT RISK

Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their fair value. The fair values and carrying values of non-current receivables of Deakin University and its subsidiaries are as follows:

	CARRYING AMOUNT		FAIR VALUE	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
Deferred government contribution for superannuation	156,644	219,791	156,644	219,791
	156,644	219,791	156,644	219,791

Deferred government contribution for superannuation is offset by a liability to the Victorian Government of equal value. An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for Deakin University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the State Grants (General Revenue) Amendment Act 1987, Higher Education Funding Act 1988 and subsequent amending legislation. The maximum exposure to credit risk at the reporting date is the higher of the carrying value and fair value of each class of receivables mentioned above. The Group does not hold any collateral as security. Refer to Note 24 for more information on the Financial risk management approach of the Group.

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
5. INVENTORIES					
Stock on hand at cost		243	187	243	187
Work in progress - projects		-	3	-	3
		243	190	243	190
6. OTHER FINANCIAL ASSETS					
CURRENT					
Financial assets at fair value through profit or loss					
Australian listed equities		-	940	-	940
Financial assets held-to-maturity					
Bank term deposits		149,400	145,400	146,000	142,000
	24	149,400	146,340	146,000	142,940
Changes in fair value of current other financial assets at market value are taken through the Statement of Comprehensive Income and are recorded in unrealised gain or loss on other financial assets in the Statement of Comprehensive Income (refer Note 2.4).					
NON-CURRENT					
Financial assets available for sale					
Managed funds - fixed interest, Australian listed and global equities		147,256	115,794	147,256	115,794
Shares in subsidiaries - at cost	23	-	-	11,000	11,000
Provision for diminution in value of investments in subsidiaries		-	-	(8,000)	(8,000)
		-	-	3,000	3,000
Unlisted equity securities - at cost		2,745	2,745	2,745	2,745
Provision for diminution in value of unlisted equity securities		(447)	(447)	(447)	(447)
		2,298	2,298	2,298	2,298
	24	149,554	118,092	152,554	121,092
		298,954	264,432	298,554	264,032

Shares in subsidiaries are valued at their current net worth by providing for the temporary diminution in the value of the investment. Unlisted equity securities are carried at cost. Where there has been a temporary diminution in the value of the investment, a provision for diminution is made based on the underlying net asset base of the security from the latest available accounts. All changes in provisions for diminution in value are taken through the Statement of Comprehensive Income (refer Note 2.4).

Deakin University and its subsidiaries did not hold any Investment Properties, as defined in AASB 140 Investment property, in the current financial year.

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
7. PROPERTY, PLANT AND EQUIPMENT					
LAND					
At independent valuation 2013	7(a)	159,110	-	159,110	-
At independent valuation 2010		-	128,855	-	128,855
At cost		-	5,009	-	5,009
		159,110	133,864	159,110	133,864
BUILDINGS					
At independent valuation 2013	7(a)/(d)	685,411	-	685,411	-
At independent valuation 2010		-	608,428	-	608,428
At cost		63,485	67,479	63,485	67,479
Accumulated depreciation		(3,133)	(31,938)	(3,133)	(31,938)
		745,763	643,969	745,763	643,969
CONSTRUCTION IN PROGRESS					
Construction in progress		129,917	143,271	129,917	143,271
LEASEHOLD IMPROVEMENTS					
At cost		10,035	10,024	9,602	9,590
Accumulated amortisation		(7,082)	(4,379)	(6,603)	(3,994)
		2,953	5,645	2,999	5,596
PLANT AND EQUIPMENT					
At cost		397,324	307,855	396,050	306,937
Accumulated depreciation		(137,499)	(113,989)	(136,805)	(113,411)
		259,825	193,866	259,245	193,526
MOTOR VEHICLES					
At cost		7,594	8,748	7,594	8,748
Accumulated depreciation		(2,653)	(3,005)	(2,653)	(3,005)
		4,941	5,743	4,941	5,743
LIBRARY HOLDINGS					
At cost		44,877	70,893	44,877	70,893
At independent valuation 2012	7(b)	6,787	6,787	6,787	6,787
Accumulated depreciation		(35,367)	(59,780)	(35,367)	(59,780)
		16,297	17,900	16,297	17,900
ART COLLECTION					
At independent valuation 2011	7(c)	8,201	8,201	8,201	8,201
At cost		488	191	488	191
		8,689	8,392	8,689	8,392
		1,327,495	1,152,650	1,326,961	1,152,261

(a) The land and buildings were valued by Cunningham Property Consultants (Property Consultants and Valuers) at 31 October 2013. In completing the valuation of property and assets of Deakin University, the following valuation model has been adopted:-

(i) Core Assets - specialised assets comprising purpose-built educational buildings have an estimated fair value derived from the depreciated replacement cost approach.

(ii) Non-Core Assets - comprising non-purpose built buildings have an estimated fair value derived from market based evidence.

(b) The special collections of the Library holdings were valued by John Sainsbury and Michael Stone, members of the antiquarian book trade and accredited valuers, and were assessed as at 20 September 2012 based on the guidelines set out in the Department of Treasury and Finance document Victorian Government Policy: Revaluation of Non-Current Physical Assets (March 2009). The Library's special collections are classified as a cultural asset and have been assessed on the fair and informed market as reflected by market evidence. This can be determined based on the current market buying price. These valuations are in accordance with the University's policy of obtaining an independent valuation of non-current assets every three years or if there is a material movement in their values.

(c) The art collection was valued by McWilliam & Associates Pty Ltd as at October 2011. The valuation was carried out on the basis of replacement value.

(d) Land, buildings, special collections of the Library holdings and art collection purchased since the date of the last valuation are shown at cost.

(e) A building (under Certificate of Title Volume 9145 Folio 537) with a carrying amount of \$119,091 is pledged to secure mortgage monies advanced by the Australian Government for the childcare centre at the Warrnambool Campus.

7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

MOVEMENTS IN CARRYING AMOUNTS	Balance at beginning of year	Additions	Disposals	Depreciation expense	Transfers	Revaluation	Revision of Capitalisation Threshold	Carrying amount at end of year
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
2013								
Consolidated								
Land	133,864	-	-	-	-	25,246	-	159,110
Buildings	643,969	-	(591)	(17,166)	73,324	46,227	-	745,763
Construction in progress	143,271	144,029	-	-	(157,383)	-	-	129,917
Leasehold improvements	5,645	-	-	(2,703)	11	-	-	2,953
Plant and Equipment	193,866	16,544	(173)	(34,460)	84,048	-	-	259,825
Motor vehicles	5,743	1,569	(1,290)	(1,081)	-	-	-	4,941
Library holdings	17,900	1,794	-	(3,397)	-	-	-	16,297
Artworks	8,392	298	(1)	-	-	-	-	8,689
	1,152,650	164,234	(2,055)	(58,807)	-	71,473	-	1,327,495
University								
Land	133,864	-	-	-	-	25,246	-	159,110
Buildings	643,969	-	(591)	(17,166)	73,324	46,227	-	745,763
Construction in progress	143,271	144,029	-	-	(157,383)	-	-	129,917
Leasehold improvements	5,596	1	-	(2,609)	11	-	-	2,999
Plant and Equipment	193,526	16,180	(172)	(34,337)	84,048	-	-	259,245
Motor vehicles	5,743	1,569	(1,290)	(1,081)	-	-	-	4,941
Library holdings	17,900	1,794	-	(3,397)	-	-	-	16,297
Artworks	8,392	298	(1)	-	-	-	-	8,689
	1,152,261	163,871	(2,054)	(58,590)	-	71,473	-	1,326,961
2011								
Consolidated								
Land	129,477	4,387	-	-	-	-	-	133,864
Buildings	609,746	1,334	-	(16,175)	49,064	-	-	643,969
Construction in progress	88,587	172,311	-	-	(117,627)	-	-	143,271
Leasehold improvements	5,227	-	-	(1,428)	1,846	-	-	5,645
Plant and Equipment	140,194	21,016	(340)	(28,903)	66,717	-	(4,818)	193,866
Motor vehicles	5,964	2,554	(1,512)	(1,263)	-	-	-	5,743
Library holdings	18,955	2,065	-	(3,945)	-	825	-	17,900
Artworks	8,210	182	-	-	-	-	-	8,392
	1,006,360	203,849	(1,852)	(51,714)	-	825	(4,818)	1,152,650
University								
Land	129,477	4,387	-	-	-	-	-	133,864
Buildings	609,746	1,334	-	(16,175)	49,064	-	-	643,969
Construction in progress	88,587	172,311	-	-	(117,627)	-	-	143,271
Leasehold improvements	5,057	1	-	(1,308)	1,846	-	-	5,596
Plant and Equipment	139,767	20,904	(323)	(28,721)	66,717	-	(4,818)	193,526
Motor vehicles	5,964	2,554	(1,512)	(1,263)	-	-	-	5,743
Library holdings	18,955	2,065	-	(3,945)	-	825	-	17,900
Artworks	8,210	182	-	-	-	-	-	8,392
	1,005,763	203,738	(1,835)	(51,412)	-	825	(4,818)	1,152,261

		CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
8. DEFERRED TAX ASSETS	Note				
Deferred tax asset		-	843	-	-
Deferred tax asset had been recognised in relating to temporary differences arising from provision of employment benefits, depreciation of plant and equipment and tax losses in a subsidiary entity. The subsidiary company has been granted tax exempt status effective from 1 January 2013. Accordingly, all tax balances have been reversed. Previously in 2012, the company assessed that recognition of deferred tax asset (DTA) should continue to be limited to projected profits for the next three years.					
9. INTANGIBLE ASSETS					
Licence fees		4,000	4,000	4,000	4,000
Accumulated amortisation		(4,000)	(4,000)	(4,000)	(4,000)
		-	-	-	-
Electronic publications		4,136	3,096	4,136	3,096
Accumulated amortisation		(960)	(598)	(960)	(598)
		3,176	2,498	3,176	2,498
		3,176	2,498	3,176	2,498
MOVEMENTS IN CARRYING AMOUNTS					
		Balance at beginning of year	Additions	Amortisation expense	Carrying amount at end of year
		\$000's	\$000's	\$000's	\$000's
2013					
Consolidated					
Licence fees		-	-	-	-
Electronic publications		2,498	1,040	362	3,176
		2,498	1,040	362	3,176
University					
Licence fees		-	-	-	-
Electronic publications		2,498	1,040	362	3,176
		2,498	1,040	362	3,176
2012					
Consolidated					
Licence fees		1,333	-	1,333	-
Electronic publications		2,003	766	271	2,498
		3,336	766	1,604	2,498
University					
Licence fees		1,333	-	1,333	-
Electronic publications		2,003	766	271	2,498
		3,336	766	1,604	2,498
		CONSOLIDATED		UNIVERSITY	
		2012	2011	2012	2011
		\$000's	\$000's	\$000's	\$000's
10. TRADE AND OTHER PAYABLES	Note				
CURRENT					
Creditors and accrued expenses		71,256	62,925	70,609	62,333
Australian Government unspent financial assistance		33,773	36,996	33,773	36,996
Amount owing to Australian Government		77	256	77	256
OS-HELP liability to Australian Government		292	304	292	304
Income received in advance		87,703	67,084	84,302	64,217
Owing to subsidiaries		-	-	9,148	6,840
	24	193,101	167,565	198,201	170,946

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
11. BORROWINGS					
CURRENT					
Unsecured borrowings					
Bank overdraft	24	1	1	-	-
Secured by mortgage					
Other	24	9	9	9	9
		10	10	9	9
NON-CURRENT					
Secured by mortgage					
Other	24	9	17	9	17
		9	17	9	17
		19	27	18	26
Maturity analysis					
6 months or less		6	6	5	5
6 - 12 months		4	4	4	4
2 - 5 years		9	17	9	17
		19	27	18	26

Assets pledged as security

A building (under Certificate of Title Volume 9145 Folio 537) is pledged to secure mortgage monies of \$18,000 (2012: \$26,000) advanced by the Australian Government for the childcare centre at the Warrnambool Campus.

	Note	CONSOLIDATED		UNIVERSITY	
		2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's
12. PROVISIONS - EMPLOYEE BENEFITS					
CURRENT					
Current provisions expected to be settled within 12 months					
Annual leave		29,714	26,486	28,813	25,319
Long service leave		14,244	12,798	13,620	11,921
Deferred employee benefits for superannuation					
- Victorian State Superannuation Fund	17	13,233	12,925	13,233	12,925
		57,191	52,209	55,666	50,165
Current provisions expected to be settled after more than 12 months					
Long service leave		26,967	23,633	26,296	23,042
		26,967	23,633	26,296	23,042
		84,158	75,842	81,962	73,207
NON-CURRENT					
Long service leave		16,219	13,557	15,702	12,911
Deferred employee benefits for superannuation					
- Victorian State Superannuation Fund	17	156,644	219,791	156,644	219,791
Unfunded superannuation liability - State Employees Retirement Benefit (SERB)					
		217	297	217	297
		173,080	233,645	172,563	232,999
		257,238	309,487	254,525	306,206

12. PROVISIONS – EMPLOYEE BENEFITS (CONTINUED)

MOVEMENTS IN PROVISIONS - CONSOLIDATED	ANNUAL LEAVE		LONG SERVICE LEAVE	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
	\$000's	\$000's	\$000's	\$000's
Carrying amount at start of year	26,486	-	36,431	13,557
Additional provisions recognised	3,228	-	4,780	2,662
Carrying amount at end of year	29,714	-	41,211	16,219

	DEFERRED EMPLOYEE BENEFITS FOR SUPERANNUATION		UNFUNDED SUPER - SERB
	CURRENT	NON-CURRENT	NON-CURRENT
	\$000's	\$000's	\$000's
Carrying amount at start of year	12,925	219,791	297
Additional provisions recognised	308	(63,147)	(80)
Carrying amount at end of year	13,233	156,644	217

Annual Leave and Long Service Leave

All annual leave and unconditional vested long service leave (representing 7+ years of continuous service) is:

(i) disclosed in accordance with AASB101 as a current liability even where it is not expected to settle the liability within 12 months as it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months;

(ii) measured at:

- nominal value under AASB119 where a component of this current liability is expected to fall due within 12 months after the end of the period; and
- present value under AASB119 where a component of this current liability is not expected to fall due within 12 months after the end of period.

Long service leave representing less than 7 years of continuous service is:

(i) disclosed in accordance with AASB101 as a non-current liability; and

(ii) measured at present value under AASB119 as the entity does not expect to settle this non-current liability within 12 months.

The following rates per note 1(o) have been used to discount long service leave entitlements based on the expected timing that employees will take their long service leave, 2013 =10 years. (2012 = 16 years).

	SERVICE YEAR	2013 %	2012 %
Wage inflation rate		4.31	4.31
Discount rates	17+	-	-
	16	-	2.62
	15	-	2.66
	14	-	2.69
	13	-	2.75
	12	-	2.83
	11	-	2.93
	10	2.49	3.04
	9	2.77	3.13
	8	3.08	3.22
	7	3.40	3.27
	6	3.46	3.38
	5	3.67	3.38
	4	3.87	3.38
	3	4.05	3.38
	2	4.12	3.38
	1	4.23	3.38
	-	4.32	3.38

	CONSOLIDATED		UNIVERSITY	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
13. CURRENT TAX LIABILITIES				
Provision for income tax	-	-	-	-
14. RESERVES				
Balance at beginning of year	262,177	251,644	262,177	251,644
Asset revaluation surplus				
Increase / (decrease) in asset valuation of non-current assets are:				
Land (valuation date: 31 October 2013)	25,246	-	25,246	-
Buildings (valuation date: 31 October 2013)	46,227	-	46,227	-
Library holdings (valuation date: 20 September 2012)	-	825	-	825
Investments - available for sale financial assets (valuation date: 31 December 2013)	16,438	9,549	16,438	9,549
	87,911	10,374	87,911	10,374
Endowment fund reserve	933	159	933	159
Balance at end of year	351,021	262,177	351,021	262,177

The endowment fund reserve is funded by donations from external organisations. The purpose of the reserve is to provide awards, research and course scholarships, bursaries and prizes to students.

MOVEMENTS IN CARRYING AMOUNTS

	Balance at beginning of year	Transfer from retained earnings	Transfer to Comprehensive Income on date of sale	Increase/ (decrease) on revaluation	Carrying amount at end of year
	\$000's	\$000's	\$000's	\$000's	\$000's
Consolidated					
Asset Revaluation Surplus					
Land	77,535	-	-	25,246	102,781
Buildings	164,689	-	-	46,227	210,916
Library holdings	1,535	-	-	-	1,535
Artworks	1,637	-	-	-	1,637
Investments - available for sale financial assets	11,074	-	(1,426)	17,864	27,512
Endowment Fund Reserve	5,707	933	-	-	6,640
	262,177	933	(1,426)	89,337	351,021
University					
Asset Revaluation Surplus					
Land	77,535	-	-	25,246	102,781
Buildings	164,689	-	-	46,227	210,916
Library holdings	1,535	-	-	-	1,535
Artworks	1,637	-	-	-	1,637
Investments - available for sale financial assets	11,074	-	(1,426)	17,864	27,512
Endowment Fund Reserve	5,707	933	-	-	6,640
	262,177	933	(1,426)	89,337	351,021

	CONSOLIDATED		UNIVERSITY	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
15. RETAINED EARNINGS				
Retained earnings at beginning of year	1,040,588	931,819	1,038,198	930,969
Net operating result after income tax for the year	78,248	108,928	77,746	107,388
Transfer (to) / from Reserves	(933)	(159)	(933)	(159)
Retained earnings at end of year	1,117,903	1,040,588	1,115,011	1,038,198

16. CASH FLOW STATEMENT

RECONCILIATION OF CASH

Cash at bank and on hand	4,288	2,702	4,287	2,701
Bank deposits - on call	1,163	7,036	1,163	7,036
Bank term deposits	51,500	63,500	51,500	63,500
Total Cash and Cash Equivalents	56,951	73,238	56,950	73,237
Bank overdraft	(1)	(1)	-	-
Balance as per Statement of Cash Flows	56,950	73,237	56,950	73,237

RECONCILIATION OF OPERATING RESULT AFTER INCOME TAX TO NET CASH

PROVIDED BY OPERATING ACTIVITIES

Net operating result after income tax for the year	78,248	108,928	77,746	107,388
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Add / (less) non-cash items

Depreciation and amortisation	59,169	53,318	58,952	53,016
Donations for art works	(134)	(82)	(134)	(82)
Fair value loss/(gains) on other financial assets	-	(240)	-	(240)
Loss/(profit) on disposal of property, plant and equipment	723	4,905	722	4,890
Provision for diminution of other financial assets	-	36	-	36
Loss/(profit) on sale of other financial assets	(1,662)	-	(1,662)	-

Decrease / (increase) in:

Current assets

Trade debtors	(4,968)	(51)	(4,369)	(1,568)
Government grants receivable	(102)	1,258	(102)	1,258
Accrued income	(2,605)	2,833	(2,703)	2,806
Prepayments	(1,980)	(28)	(3,500)	(32)
GST recoverable	346	(1,217)	278	(1,193)
Inventories	(53)	194	(53)	194
Deferred government contribution for superannuation	(308)	483	(308)	483

Non-current assets

Deferred tax assets	843	(473)	-	-
Deferred government contribution for superannuation	63,147	(42,216)	63,147	(42,216)

Increase / (decrease) in:

Current liabilities

Creditors and accrued expenses	5,318	11,193	5,263	11,329
Income received in advance	20,619	11,470	20,085	12,154
Owing to subsidiaries	-	-	2,308	1,779
Employee benefits	8,008	5,974	8,447	6,144
Deferred employee benefits for superannuation	308	(483)	308	(483)

Non-current liabilities

Creditors and accrued expenses	-	(400)	-	(400)
Employee benefits	2,662	2,315	2,791	2,334
Deferred employee benefits for superannuation	(63,147)	42,216	(63,147)	42,216
Unfunded superannuation liability - SERB	(80)	28	(80)	28

Net cash provided by operating activities	164,352	199,961	163,989	199,841
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NON-CASH INVESTING ACTIVITIES

During the year the University received donations for art works amounting to:

Art works	134	82	134	82
	134	82	134	82

	CONSOLIDATED		UNIVERSITY	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
RECONCILIATION OF CASH				
Cash at bank and on hand	4,288	2,702	4,287	2,701
Bank deposits - on call	1,163	7,036	1,163	7,036
Bank term deposits	51,500	63,500	51,500	63,500
Total Cash and Cash Equivalents	56,951	73,238	56,950	73,237
Bank overdraft	(1)	(1)	-	-
Balance as per Statement of Cash Flows	56,950	73,237	56,950	73,237
RECONCILIATION OF OPERATING RESULT AFTER INCOME TAX TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Net operating result after income tax for the year	78,248	108,928	77,746	107,388
Add / (less) non-cash items				
Depreciation and amortisation	59,169	53,318	58,952	53,016
Donations for art works	(134)	(82)	(134)	(82)
Fair value loss/(gains) on other financial assets	-	(240)	-	(240)
Loss/(profit) on disposal of property, plant and equipment	723	4,905	722	4,890
Provision for diminution of other financial assets	-	36	-	36
Loss/(profit) on sale of other financial assets	(1,662)	-	(1,662)	-
Decrease / (increase) in:				
Current assets				
Trade debtors	(4,968)	(51)	(4,369)	(1,568)
Government grants receivable	(102)	1,258	(102)	1,258
Accrued income	(2,605)	2,833	(2,703)	2,806
Prepayments	(1,980)	(28)	(3,500)	(32)
GST recoverable	346	(1,217)	278	(1,193)
Inventories	(53)	194	(53)	194
Deferred government contribution for superannuation	(308)	483	(308)	483
Non-current assets				
Deferred tax assets	843	(473)	-	-
Deferred government contribution for superannuation	63,147	(42,216)	63,147	(42,216)
Increase / (decrease) in:				
Current liabilities				
Creditors and accrued expenses	5,318	11,193	5,263	11,329
Income received in advance	20,619	11,470	20,085	12,154
Owing to subsidiaries	-	-	2,308	1,779
Employee benefits	8,008	5,974	8,447	6,144
Deferred employee benefits for superannuation	308	(483)	308	(483)
Non-current liabilities				
Creditors and accrued expenses	-	(400)	-	(400)
Employee benefits	2,662	2,315	2,791	2,334
Deferred employee benefits for superannuation	(63,147)	42,216	(63,147)	42,216
Unfunded superannuation liability - SERB	(80)	28	(80)	28
Net cash provided by operating activities	164,352	199,961	163,989	199,841
NON-CASH INVESTING ACTIVITIES				
During the year the University received donations for art works amounting to:				
Art works	134	82	134	82
	134	82	134	82

17. SUPERANNUATION

UniSuper Defined Benefit Plan

Deakin University has a number of present staff members who are members of The UniSuper Defined Benefit Division (DBD) and in respect of whom defined benefits are payable on termination of employment. The UniSuper Trust Deed was amended in December 2006 to classify the plan as a defined contribution plan under Australian Accounting Standard AASB119 Employee Benefits. The plan receives fixed contributions from the University, whereby the University's legal or constructive obligation is limited to these contributions.

As at 30 June 2013, the assets of the DBD in aggregate were estimated to be \$691 million in deficiency of vested benefits (\$770 million after allowing for various reserves). The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.

As at 30 June 2013 the assets of the DBD in aggregate were estimated to be \$861 million above accrued benefits (\$782 million after allowing for various reserves). The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary, Russell Employee Benefits, using the actuarial demographic assumptions outlined in their report dated 14 November 2013 on the actuarial investigation of the DBD as at 30 June 2013. The financial assumptions used were:

	Vested benefits	Accrued benefits
Gross of tax investment return - DBD pensions	6.10% p.a.	7.80% p.a.
Gross of tax investment return - commercial rate indexed pensions	3.70% p.a.	3.70% p.a.
Net of tax investment return - non pensioner members	5.50% p.a.	7.00% p.a.
Consumer Price Index	2.75% p.a.	2.75% p.a.
Inflationary salary increases long-term	3.75% p.a.	3.75% p.a.

Assets have been included at their net market value, i.e. allowing for realisation costs.

Clause 34 was initiated following the 31 December 2008, 30 June 2011 and 30 June 2012 actuarial investigations and it has again been initiated following the 30 June 2013 actuarial investigation. Following the end of the monitoring period commenced in relation to the 31 December 2008 actuarial investigation, the UniSuper Limited Board made a decision not to reduce accrued benefits but to reduce the rate at which benefits accrue in respect of the DBD membership after 1 January 2015.

Victorian State Superannuation Fund (Refer Note 1(q))

The unfunded liabilities recorded in the Statement of Financial Position under provisions have been determined by Catherine Nance, FIAA and relate to the estimates of net liabilities at 30 June 2013. The methodology for measurement of the net liabilities uses the discount rate of 4.29% based on the government bond rate and assumed salary increases of 4%, pension indexation of 2.5%, and an assumed investment return on Fund assets of 8.0% (net of fees).

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for Deakin University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the State Grants (General Revenue) Amendment Act 1987, Higher Education Funding Act 1988 and subsequent amending legislation.

Deakin University has a number of present and former staff who are members of the Victorian State Superannuation Fund and in respect of whom defined benefits are payable on termination of employment. As at 30 June 2013, the Victorian State Superannuation Fund was carrying total liabilities for member benefits in excess of the value of the fund's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the fund. The notional share of this public sector employee superannuation fund's unfunded liabilities attributable to Deakin University, as assessed by the fund as at 30 June 2013, amounted to \$169,877,000 (2012: \$232,716,000). Unfunded liabilities are met by the Australian Government.

	CONSOLIDATED		UNIVERSITY	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
Amounts receivable from Australian Government				
Receivable within 12 months	13,233	12,925	13,233	12,925
Receivable later than 12 months	156,644	219,791	156,644	219,791
Total	169,877	232,716	169,877	232,716
Movements in deferred government contribution for superannuation	(62,839)	41,733	(62,839)	41,733
Unfunded superannuation liability				
Payable within 12 months	13,233	12,925	13,233	12,925
Payable later than 12 months	156,644	219,791	156,644	219,791
Total	169,877	232,716	169,877	232,716
Movements in deferred employee benefits for superannuation	(62,839)	41,733	(62,839)	41,733

	CONSOLIDATED		UNIVERSITY	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
18. COMMITMENTS				
Capital commitments				
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:				
Property, plant and equipment				
Within one year	56,267	120,797	56,267	120,797
Later than one year	637	9,274	637	9,274
	56,904	130,071	56,904	130,071
Research project				
Within one year	-	53	-	53
	-	53	-	53
Operating leases				
Commitments for minimum lease payments in relation to operating leases are payable as follows:				
Within one year	8,063	7,956	7,794	7,707
Between one and five years	8,537	11,454	8,329	11,421
	16,600	19,410	16,123	19,128

19. CONTINGENCIES

There are no contingent liabilities and contingent assets at balance date (2012: nil).

Bank guarantees totalling \$952,097 (2012: \$903,233) have been issued to third parties primarily in relation to properties.

20. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no events occurring after the balance sheet date that would materially affect the financial position of the Group (2012: nil).

21 KEY MANAGEMENT PERSONNEL DISCLOSURES

Name of Responsible Persons

University

For the purposes of the Financial Management Act 1994 (Vic), the Victorian Minister for Higher Education and Skills The Hon Peter Hall, MLC and members of the University Council are the responsible persons of the University. The remuneration of the Minister is included in the financial statements of the Victorian Department of Premier and Cabinet. Members of the University Council received remuneration for services rendered. The following persons held office as the members of the University Council during the financial year:

Mr DM Morgan (Chancellor)	Mr J Stanhope	Ms G Phillpot (from January 2013)
Professor JE den Hollander (Vice-Chancellor and President)	Dr D Ashbridge	Ms M Douglas-Crane (from September 2013)
Mrs HE Buckingham	Professor R Rentschler	Mr S Hamilton (from September 2013)
Mr P Meehan	Mr A Tongue (to May 2013)	Mr D Joyce (from September 2013)
Ms K Grigg	Ms J Bonnington	
Mr PD Niblett	Ms P Kelly	
Ms JM Lightowlers		
Mrs HF Bender		

Subsidiaries

The following persons held office as the directors of the subsidiary companies, excluding those included as executive officers (see below), during the financial year:

Professor JE den Hollander	Mr PD Niblett
Dr M Stokie	Mr A Jenkins
Mr N Osborne	Mr S Hann

Names of Executive Officers

University

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

Professor L Astheimer	Professor BL Oliver
Ms RE Buckham (to January 2013)*	Mr R Fairchild
Mr A Walters *	Professor G McDonald (to November 2013)
Mr KJ Selway *	Mr W Confalonieri *
Professor CN Gray	Professor JC Catford (to February 2013)
Professor BJ Crotty	Professor G Smith (from May 2013)
Professor T Day	Professor B Cooper (from November 2013)
Professor B Cherednichenko	

* These persons held office as the directors of the subsidiary companies during the financial year

Subsidiaries

The following persons were executive officers of the subsidiary companies during the financial year:

Dr P Langkamp	Ms K Moulton
Ms TM Price	Mr E Vicary
Ms JE Scott (to September 2013)	Mr LF Hehir
Mr M Estcourt (to January 2013)	

21. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

RESPONSIBLE PERSONS REMUNERATION

Remuneration received or due and receivable from the University and its subsidiaries by the responsible persons

	CONSOLIDATED		UNIVERSITY	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
Base remuneration	1,545	1,627	1,114	1,470
Bonuses	116	85	91	83
Total remuneration	1,661	1,712	1,205	1,553

Number of responsible persons whose remuneration from the University and its subsidiaries was within the following bands:

	CONSOLIDATED		UNIVERSITY	
	2013	2012	2013	2012
Nil to \$9,999	8	17	8	9
\$10,000 to \$19,999	8	4	6	4
\$20,000 to \$29,999	-	3	-	1
\$30,000 to \$39,999	1	1	1	1
\$40,000 to \$49,999	1	1	1	1
\$90,000 to \$99,999	-	1	-	1
\$110,000 to \$119,999	-	1	-	-
\$130,000 to \$139,999	1	-	-	-
\$140,000 to \$149,999	-	1	-	1
\$170,000 to \$179,999	-	2	-	2
\$180,000 to \$189,999	1	-	1	-
\$270,000 to \$279,999	1	-	-	-
\$740,000 to \$749,999	-	-	-	-
\$800,000 to \$809,999	1	1	1	1
	22	32	18	21

Number of executive officers whose remuneration from the University and its subsidiaries was within the following bands:

\$20,000 to \$29,999	1	-	1	-
\$80,000 to \$89,999	1	-	1	-
\$120,000 to \$129,999	-	1	-	1
\$130,000 to \$139,999	1	1	-	1
\$140,000 to \$149,999	-	1	-	-
\$160,000 to \$169,999	1	1	-	-
\$170,000 to \$179,999	1	1	-	-
\$200,000 to \$209,999	1	2	1	-
\$210,000 to \$219,999	1	-	-	-
\$230,000 to \$239,999	-	1	-	-
\$250,000 to \$259,999	1	1	-	1
\$260,000 to \$269,999	1	-	-	-
\$270,000 to \$279,999	-	2	-	2
\$310,000 to \$319,999	1	1	1	1
\$320,000 to \$329,999	-	2	-	2
\$330,000 to \$339,999	2	-	2	-
\$340,000 to \$349,999	-	1	-	1
\$350,000 to \$359,999	1	1	1	1
\$360,000 to \$369,999	2	-	2	-
\$370,000 to \$379,999	2	-	2	-
\$380,000 to \$389,999	-	1	-	1
\$390,000 to \$399,999	-	1	-	1
\$400,000 to \$409,999	2	-	2	-
\$430,000 to \$439,999	1	1	1	1
\$440,000 to \$449,999	1	1	-	-
\$450,000 to \$459,999	1	1	1	1
	22	21	15	14

Includes all non-cash benefits and payments to staff who have terminated employment with the University.

21. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

	CONSOLIDATED		UNIVERSITY	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
Remuneration received or due and receivable from the University and its subsidiaries by executive officers				
Base remuneration	5,425	5,547	4,088	4,176
Bonuses	462	366	345	225
Termination payments	596	79	394	-
Total remuneration	6,483	5,992	4,827	4,401

Other transactions with key management personnel

A member of Council, Professor D. Ashbridge is the Chief Executive Officer of Barwon Health. Deakin University and Barwon Health conducted collaborative research and health projects and Deakin University students were provided with clinical supervision by Barwon Health on the normal terms and conditions attaching to clinical placements. Barwon Health, St John of God Healthcare and Deakin University established the St John of God and Barwon Health Chair in Orthopaedic Surgery at Deakin University. Professor D. Ashbridge is also Board Member of the Committee for Geelong. Deakin University sponsored the Leaders for Geelong Program.

The Vice-Chancellor, Professor J. den Hollander is a Board Member of the Committee for Geelong. Deakin University sponsored the Leaders for Geelong Program.

The Vice-Chancellor, Professor J. den Hollander is a Member of the Geelong Performing Arts Centre Trust. Deakin University sponsored the Geelong Performing Arts Centre Theatre Season in 2013.

A member of Council, Ms H. Bender, is the Chair of the Barwon Health Foundation Board. Deakin University and Barwon Health conducted collaborative research and health projects and Deakin University students were provided with clinical supervision by Barwon Health on the normal terms and conditions attaching to clinical placements. Deakin University and Barwon Health conducted collaborative research and health projects and Deakin University students were provided with clinical supervision by Barwon Health on the normal terms and conditions attaching to clinical placements. Barwon Health, St John of God Healthcare and Deakin University established the St John of God and Barwon Health Chair in Orthopaedic Surgery at Deakin University.

Mrs H. Bender is also a Council member of the Geelong Grammar School. Deakin University students participated in the School Experience Program for Teacher Supervision, including at Geelong Grammar School. The fees and charges were based on normal terms and conditions attaching to placements for teacher trainees.

A member of Council, Ms J. Bonnington is a Director of St John of God Healthcare Group. Deakin University students were provided clinical supervision by St John of God Healthcare group on the normal terms and conditions attaching to clinical placements. Barwon Health, St John of God Healthcare and Deakin University established the St John of God and Barwon Health Chair in Orthopaedic Surgery at Deakin University.

A member of Council, Ms H. Buckingham is a Board member of the Box Hill Institute of TAFE. Box Hill TAFE is a member of the Deakin-TAFE Alliance, which involves the shared use of facilities and joint education and training pathways.

A member of Council, Mr D. Joyce appointed on 24 September 2013 is President of the Deakin University Student Association, which received funding from the University to deliver services to students.

A member of Council, Ms G. Phillipot is Chairperson of the Warrnambool City Art Advisory Committee. Deakin University toured an art exhibition, 'Lisa Roet: Monkey Grip' to the Warrnambool Art Gallery on the University's normal terms and conditions for touring exhibitions.

A member of Council, Mr J. Stanhope is Chairman of Australia Post. Deakin University conducted business transactions with Australia Post on normal commercial terms and conditions.

Ex-gratia payments

Deakin University and its subsidiaries did not undertake any ex-gratia payments in the current financial year.

22. REMUNERATION OF AUDITORS

Amounts received, or due and receivable, by the Auditor-General of Victoria for auditing the financial statements and consolidated financial statements of Deakin University and the financial statements of each of its subsidiaries:

	2013	2012
	\$000's	\$000's
Deakin University	169	165
Subsidiaries	25	22

23. SUBSIDIARIES

The Deakin University Act 2009 (Vic), Section 48 permits the University to form limited liability companies. At the reporting date the University controlled the following entities:

Entity	Country of incorporation	Principal activity	OWNERSHIP INTEREST	
			2013	2012
Callista Software Services Pty Ltd	Australia	Computer software services	100%	100%
Unilink Limited	Australia	Provision of human resource services to Deakin University	100%	100%
Deakin Residential Services Pty Ltd	Australia	Provision of residential services	100%	100%
Deakin Digital Pty Ltd	Australia	Provision of educational services	100%	N/A

The financial statements of the subsidiaries have been audited by the Auditor-General of Victoria.

23. SUBSIDIARIES (CONTINUED)

Statement of Comprehensive Income

Entity

Entity	TOTAL REVENUE		TOTAL EXPENDITURE		NET PROFIT/(LOSS) AFTER TAX EXPENSE	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Callista Software Services Pty Ltd	16,002	16,483	13,976	14,931	1,183	2,025
Unilink Limited	9,463	8,912	9,463	8,912	-	-
Deakin Residential Services Pty Ltd	-	-	-	-	-	-
Deakin Digital Pty Ltd	-	-	-	-	-	-
	25,465	25,395	23,439	23,843	1,183	2,025

Statement of Financial Position

(a) Assets

Entity

Entity	Note	CURRENT ASSETS		NON-CURRENT ASSETS		TOTAL ASSETS	
		2013	2012	2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Callista Software Services Pty Ltd	(a)	11,887	10,144	697	1,395	12,584	11,539
Unilink Limited	(b)	636	1,076	-	-	636	1,076
Deakin Residential Services Pty Ltd	(c)	1,550	-	-	-	1,550	-
Deakin Digital Pty Ltd		-	-	-	-	-	-
		14,073	11,220	697	1,395	14,770	12,615

(b) Liabilities

Entity

Entity	CURRENT LIABILITIES		NON-CURRENT LIABILITIES		TOTAL LIABILITIES	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Callista Software Services Pty Ltd	6,034	5,453	513	552	6,547	6,005
Unilink Limited	578	929	58	147	636	1,076
Deakin Residential Services Pty Ltd	1,550	-	-	-	1,550	-
Deakin Digital Pty Ltd	-	-	-	-	-	-
	8,162	6,382	571	699	8,733	7,081

(c) Equity and Borrowings

Entity

Entity	EQUITY		INTERNAL BORROWINGS		EXTERNAL BORROWINGS	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Callista Software Services Pty Ltd	6,037	5,534	-	-	-	-
Unilink Limited	-	-	-	-	-	-
Deakin Residential Services Pty Ltd	-	-	-	-	-	-
Deakin Digital Pty Ltd	-	-	-	-	-	-
	6,037	5,534	-	-	-	-

(a) Current assets includes an amount owing by Deakin University of \$6,961,859 (2012: \$5,764,316).

(b) Current assets includes an amount owing by Deakin University of \$635,649 (2012: \$1,075,563).

(c) Current assets includes an amount owing by Deakin University of \$1,550,000 (2012: \$0).

24. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. Financial risk management is overseen by the Audit and Risk Committee under policies approved by the Council. The Audit and Risk Committee provides advice to Council on the Group's accounting, control and reporting practices and risks. The Finance and Business Affairs Committee provide advice to Council on the management of corporate assets.

The Group uses derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures. 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 risk and ageing analysis for credit risk.

(a) MARKET RISK

(i) Foreign exchange risk

The Group's foreign exchange exposure is limited. Sources of potential foreign exchange risk may include occasional transactions such as contracts for the supply of goods and services expressed in foreign currency e.g. library books and journals. The Group's practice is to hedge significant foreign currency commitments by using appropriate hedging instruments.

The Group also has limited foreign exchange exposure within its non-current financial assets available for sale - global equities investment. This exposure, as part of a broader diversified investment portfolio, is monitored by the Investment Committee.

(ii) Price risk

Financial assets at fair value through profit or loss, in particular Australian and offshore equities, are subject to price risk, with frequent changes in share market valuations. Changes in fair value are recorded through the Statement of Comprehensive Income as they occur. These investments are also monitored by the Investment Committee. The Committee regularly reviews investment performance against established objectives, advises on proposed policy changes and monitors the asset allocation mix of the investment portfolio. The investment portfolio is constructed to diversify price risk across the various asset classes.

(iii) Interest rate risk

Investment of funds is monitored by the Investment Committee. The Committee regularly reviews investment performance against established objectives, advises on proposed policy changes and monitors the asset allocation mix of the investment portfolio. The investment portfolio is constructed to diversify interest rate risk through the use of highly rated 'fund of funds' short-term investment products. The Group's practice is to eliminate the potential loss resulting from adverse movements in floating market rates by using appropriate hedging instruments.

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(iv) Summarised sensitivity analysis

The sensitivity analysis below has been determined based on management's assessment of possible changes in price movements, in particular Australia and offshore equity markets, and interest rates. Management considers an interest rate fall of 1% and fall or rise in equities markets of 5% as reasonably possible, as at the reporting date.

Consolidated	CARRYING AMOUNT		INTEREST RATE RISK				PRICE RISK					
	2013	2012	-1%		-5%		5%		2013	2012		
			RESULT	EQUITY	RESULT	EQUITY	RESULT	EQUITY				
Financial instruments	\$000's	\$000's	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
			\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
(i) Financial assets												
Cash on hand	42	55										
Cash at bank	4,246	2,647	(42)	(26)	(42)	(26)						
Bank deposits	52,663	70,536	(527)	(705)	(527)	(705)						
Receivables - Trade Debtors	38,650	33,682										
Receivables - Other Current	25,335	22,666										
Receivables - Other Non-Current	156,644	219,791										
Financial assets at fair value through profit or loss	-	940	-	-	-	-	(47)	(47)	-	47	-	47
Financial assets held-to-maturity	149,400	145,400	(1,494)	(1,454)	(1,494)	(1,454)						
Other financial assets - non-current	149,554	118,092					(7,363)	(5,790)	7,363	5,790	7,363	5,790
Total financial assets	576,534	613,809	(2,063)	(2,185)	(2,063)	(2,185)	(47)	(5,837)	-	47	7,363	5,837
(ii) Financial liabilities												
Payables	193,101	167,565										
Bank overdraft	1	1	-	-	-	-						
Other	18	26										
Total financial liabilities	193,120	167,592	-	-	-	-	-	-	-	-	-	-
Total increase (decrease)			(2,063)	(2,185)	(2,063)	(2,185)	(47)	(5,837)	-	47	7,363	5,837

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

The Group's maximum exposure to credit risk in relation to each class of financial asset is the carrying amount of those assets as indicated in the Statement of Financial Position. The Group minimises concentrations of credit risk in relation to trade accounts receivable, by undertaking transactions with a large number of customers primarily associated with the higher education industry. However, the majority of customers are concentrated in Australia. Credit risk in trade receivables is managed in the following ways:

- payment terms are 30 days from the date that invoice was issued.
- debt collection policies and procedures including use of a debt collection agency.

(c) Liquidity risk

The Group's investments are managed to ensure the solvency of the Group, with cash available to meet required outgoings. The Group maintains a minimum cash level to ensure it meets its obligations as they fall due. The following tables summarises the maturity of the Group's financial assets and financial liabilities.

Consolidated	FLOATING INTEREST RATE		FIXED INTEREST RATE MATURING IN:				NON-INTEREST BEARING		TOTAL CARRYING AMOUNT AS PER THE STATEMENT OF FINANCIAL POSITION		WEIGHTED AVERAGE EFFECTIVE INTEREST RATE OR EARNINGS RATE	
	2013	2012	LESS THAN 1 YEAR		1 TO 5 YEARS		OVER 5 YEARS		2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	%	%
Financial instruments												
(i) Financial assets												
Cash at bank and on hand	4,246	2,647						55	4,288	2,702	2.31%	2.80%
Bank deposits - at call	1,163	7,036						42	1,163	7,036	2.50%	3.00%
Bank term deposits			51,500	63,500					51,500	63,500	3.50%	4.60%
Receivables - Trade Debtors								38,650	38,650	33,682	-	-
Receivables - Other Current								25,335	25,335	22,666	-	-
Receivables - Other Non-Current								156,644	156,644	219,791	-	-
Financial assets at fair value through profit or loss	-	-						940	-	940	-	-
Financial assets held-to-maturity			149,400	145,400					149,400	145,400	3.67%	4.57%
Other financial assets - non-current	147,256	115,794						2,298	149,554	118,092	20.86%	18.58%
Total financial assets	152,665	125,477	200,900	208,900	-	-	-	222,969	576,534	613,809		
(ii) Financial liabilities												
Payables								193,101	193,101	167,565	-	-
Bank overdraft	1	1						18	1	1	-	-
Other								26	18	26	-	-
Total financial liabilities	1	1	-	-	-	-	-	193,119	193,120	167,591		

(d) Unrecognised financial instruments

The University enters into forward exchange contracts to buy or sell specified amounts of foreign currencies in the future at stipulated exchange rates. The objective in entering the forward exchange contracts is to protect the University against unfavourable exchange rate movements for the anticipated future purchases or sale undertaken in foreign currencies. The accounting policy in regard to forward exchange contracts is detailed in Note 1(f).

Forward exchange contracts:

	2013	2012
	\$000's	\$000's
Unrecognised gains (losses)	107	(147)

25. FAIR VALUE MEASUREMENTS

(a) Fair value measurements

The carrying amounts and aggregate fair value of financial assets and financial liabilities, both recognised and unrecognised, at balance date, are as follows:

	TOTAL CARRYING AMOUNT AS PER THE STATEMENT OF FINANCIAL POSITION		AGGREGATE FAIR VALUE	
	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's
Consolidated				
<i>Financial assets</i>				
Cash at bank and on hand	4,288	2,702	4,288	2,702
Bank deposits - at call	1,163	7,036	1,163	7,036
Bank term deposits	51,500	63,500	51,500	63,500
Receivables - Trade Debtors	38,650	33,682	38,650	33,682
Receivables - Other Current	25,335	22,666	25,335	22,666
Receivables - Other Non-Current	156,644	219,791	156,644	219,791
Other financial assets - current	149,400	146,340	149,400	146,340
Other financial assets - non-current	149,554	118,092	149,554	118,092
Total financial assets	576,534	613,809	576,534	613,809
<i>Financial liabilities</i>				
Payables	193,101	167,565	193,101	167,565
Bank overdraft	1	1	1	1
Other	18	26	17	25
Total financial liabilities	193,120	167,592	193,119	167,591

The fair value of financial assets and financial liabilities is estimated for recognition and measurement or for disclosure purposes. Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due. The following methods and assumptions are used to determine the fair value of financial assets and liabilities.

<i>Cash and cash equivalents</i>	The carrying amount approximates fair value because of their short term to maturity.
<i>Trade receivables and payables</i>	The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair value due to their short-term nature.
<i>Non-current receivables</i>	The fair value of non-current receivables, except Deferred Government Contribution for Superannuation, is estimated by discounting future receivables to net present value, using discount rates as advised by the Department of Treasury and Finance. Deferred Government Contribution for Superannuation, which is measured at nominal value, is offset by a liability to the Victorian Government of equal value (refer to Note 1(q)).
<i>Other financial assets - current at fair value</i>	For financial instruments traded in organised financial markets, fair value is the current quoted market bid price for an asset.
<i>Other financial assets - non-current</i>	For unlisted securities where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of another instrument which is substantially the same, or is calculated based on the expected cash flows, or the underlying net asset base of the investment/security.
<i>Short-term borrowings</i>	The carrying amount approximates fair value because of its short term to maturity.
<i>Long-term borrowings</i>	The fair value of long-term borrowings is estimated by discounting future payments to net present value, using the discount rates as advised by the Department of Treasury and Finance.

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

- Financial assets at fair value through profit or loss
- Available-for-sale financial assets
- Land and buildings
- Special collections of Libray holdings
- Art collection

25. FAIR VALUE MEASUREMENTS (CONTINUED)

(b) Fair value hierarchy

The 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 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 balance sheet are categorised into the following levels at 31 December 2013. Comparative information for non-financial assets has not been provided as permitted by the transitional provisions of the new standard.

Recurring fair value measurements		31/12/13	LEVEL 1	LEVEL 2	LEVEL 3
Consolidated	Notes	\$000's	\$000's	\$000's	\$000's
<i>Financial assets</i>					
Financial assets at fair value through profit or loss	6	-	-	-	-
Financial assets held-to-maturity	6	149,400	149,400	-	-
Financial assets available for sale	6	149,554	147,256	-	2,298
Loan receivables		-	-	-	-
Total financial assets		298,954	296,656	-	2,298
<i>Non-financial assets</i>					
Land	7	159,110	-	159,110	-
Buildings	7	685,411	-	685,411	-
Library holdings	7	6,787	-	6,787	-
Art collection	7	8,201	-	8,201	-
Total non-financial assets		859,509	-	859,509	-
<i>Financial liabilities</i>					
Bank overdraft	11	1	1	-	-
Borrowings - Other	11	18	18	-	-
Total financial liabilities		19	19	-	-

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. 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 value

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

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

The fair values of held-to-maturity investments that are disclosed in Note 6 were determined by reference to published price quotations in an active market (level 1).

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments (level 3).

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

Recurring fair value measurements

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

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Specific valuation techniques used to value financial instruments include:

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

Land, buildings, library holdings and art collection (classified as property, plant and equipment) are valued independently every three years. At the end of each reporting period, the Group updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Group determines the property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the Group considers information from a variety of sources, including:

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

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

25. FAIR VALUE MEASUREMENTS (CONTINUED)

(d) Valuation techniques used to derive Level 2 fair values

Level 2 recurring fair value measurements

The following table provides a description of the valuation technique(s) and inputs used in determining Level 2 fair value measurements on a recurring basis.

Description	Fair Value at 31/12/13 \$'000	Valuation techniques
Land	159,110	Land were valued by Cunningham Property Consultants (Property Consultants and Valuers) at 31 October 2013.
Buildings	685,411	Buildings were valued by Cunningham Property Consultants (Property Consultants and Valuers) at 31 October 2013. In completing the valuation of property and assets of Deakin University, the following valuation model has been adopted:- (i) Core Assets - specialised assets comprising purpose-built educational buildings have an estimated fair value derived from the depreciated replacement cost approach. (ii) Non-Core Assets - comprising non-purpose built buildings have an estimated fair value derived from market based evidence.
Library holdings	6,787	The special collections of the Library holdings were valued by John Sainsbury and Michael Stone, members of the antiquarian book trade and accredited valuers, and were assessed as at 20 September 2012 based on the guidelines set out in the Department of Treasury and Finance document Victorian Government Policy: Revaluation of Non-Current Physical Assets (March 2009). The Library's special collections are classified as a cultural asset and have been assessed on the fair and informed market as reflected by market evidence. This can be determined based on the current market buying price.
Art collection	8,201	The art collection was valued by McWilliam & Associates Pty Ltd as at October 2011. The valuation was carried out on the basis of replacement value.

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.

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

The following table is a reconciliation of level 3 items for the periods ended 31 December 2013:

(i) Level 3 Fair Value Measurements 2013	Other financial assets
	\$000's
Opening balance	2,298
Acquisitions	-
Recognised in profit or loss	-
Recognised in other comprehensive income	-
Closing balance	2,298

There were no transfers between Levels 2 and 3 for liabilities measured at fair value on a recurring basis during the reporting period .

(ii) Valuation inputs and relationships to fair value

The other financial assets represent the shares in unlisted entities. Historical cost has been used as a proxy for fair value of level 3 assets. The fair value of the financial assets approximates the carrying amount.

26. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

UNIVERSITY ONLY

26.1	EDUCATION - CGS AND OTHER EDUCATION GRANTS	COMMONWEALTH GRANTS SCHEME #1		INDIGENOUS SUPPORT PROGRAM		PARTNERSHIP AND PARTICIPATION PROGRAM #2	
		2013	2012	2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	229,321	207,149	1,658	1,326	5,306	3,835
	Net accrual adjustments	(4,545)	(4,437)	(134)	134	-	-
	Revenue for the period	224,776	202,712	1,524	1,460	5,306	3,835
	Surplus / (deficit) from the previous year	-	-	209	-	164	1,570
	Total revenue including accrual revenue	224,776	202,712	1,733	1,460	5,470	5,405
	Less expenses including accrual expenses	(224,776)	(202,712)	(1,733)	(1,251)	(4,973)	(5,241)
	Surplus / (deficit) for reporting period	-	-	-	209	497	164

UNIVERSITY ONLY

26.1	EDUCATION - CGS AND OTHER EDUCATION GRANTS (CONTINUED)	DISABILITY SUPPORT PROGRAM		TRANSITIONAL COST PROGRAM		DIVERSITY AND STRUCTURAL ADJUSTMENT FUND	
		2013	2012	2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	298	310	-	127	-	-
	Net accrual adjustments	-	-	-	100	-	-
	Revenue for the period	298	310	-	227	-	-
	Surplus / (deficit) from the previous year	-	(297)	-	-	-	726
	Total revenue including accrual revenue	298	13	-	227	-	726
	Less expenses including accrual expenses	(298)	(13)	-	(227)	-	(726)
	Surplus / (deficit) for reporting period	-	-	-	-	-	-

UNIVERSITY ONLY

26.1	EDUCATION - CGS AND OTHER EDUCATION GRANTS (CONTINUED)	PROMOTION OF EXCELLENCE IN LEARNING & TEACHING IN HE		REWARD FUNDING		SUPERANNUATION PROGRAMME		TOTAL	
		2013	2012	2013	2012	2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	634	710	542	954	12,225	13,610	249,984	228,021
	Net accrual adjustments	-	-	-	-	916	(743)	(3,763)	(4,946)
	Revenue for the period	634	710	542	954	13,141	12,867	246,221	223,075
	Surplus / (deficit) from the previous year	-	-	-	-	-	-	373	1,999
	Total revenue including accrual revenue	634	710	542	954	13,141	12,867	246,594	225,074
	Less expenses including accrual expenses	(634)	(710)	(542)	(954)	(13,141)	(12,867)	(246,097)	(224,701)
	Surplus / (deficit) for reporting period	-	-	-	-	-	-	497	373

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

#2 Includes Equity Support Program

26. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

UNIVERSITY ONLY

	HECS - HELP (Australian government payments only)		FEE - HELP		SA-HELP		TOTAL	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
26.2 HIGHER EDUCATION LOAN PROGRAMMES								
Cash payable / (receivable) at beginning of year	528	(289)	(2,929)	(2,156)	(93)	-	(2,494)	(2,445)
Financial assistance received in cash during the reported period	158,537	124,784	35,503	30,459	2,766	1,154	196,806	156,397
Cash available for the year	159,065	124,495	32,574	28,303	2,673	1,154	194,312	153,952
Net accrual adjustments	(3,759)	(1,341)	(1,130)	(296)	-	-	(4,889)	(1,637)
Revenue earned	(154,432)	(122,626)	(35,361)	(30,936)	(2,477)	(1,247)	(192,270)	(154,809)
Cash payable / (receivable) at end of year	874	528	(3,917)	(2,929)	196	(93)	(2,847)	(2,494)

26. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

UNIVERSITY ONLY

	AUSTRALIAN POSTGRADUATE AWARDS		INTERNATIONAL POSTGRADUATE RESEARCH SCHOLARSHIPS		COMMONWEALTH EDUCATION COST SCHOLARSHIPS ^{#3}	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
26.3 SCHOLARSHIPS						
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	4,385	4,065	367	356	(872)	215
Net accrual adjustments	-	-	-	-	677	-
Revenue for the period	4,385	4,065	367	356	(195)	215
Surplus / (deficit) from the previous year	1,904	1,339	126	-	892	1,077
Total revenue including accrual revenue	6,289	5,404	493	356	697	1,292
Less expenses including accrual expenses and amount returned during the year ^{#4}	(5,098)	(3,500)	(245)	(230)	(697)	(400)
Surplus / (deficit) for reporting period	1,191	1,904	248	126	-	892

UNIVERSITY ONLY

	INDIGENOUS ACCESS SCHOLARSHIPS		INDIGENOUS STAFF SCHOLARSHIPS		TOTAL	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
26.3 SCHOLARSHIPS (CONTINUED)						
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	(50)	284	(48)	457	3,782	5,377
Net accrual adjustments	60	-	79	-	816	-
Revenue for the period	10	284	31	457	4,598	5,377
Surplus / (deficit) from the previous year	220	-	309	-	3,451	2,416
Total revenue including accrual revenue	230	284	340	457	8,049	7,793
Less expenses including accrual expenses and amount returned during the year ^{#4}	(122)	(64)	(312)	(148)	(6,474)	(4,342)
Surplus / (deficit) for reporting period	108	220	28	309	1,575	3,451

^{#3} includes Grandfathered Scholarships, CECS, CAS, National Priority and National Accommodation Priority Scholarships respectively.

^{#4} includes returned funding of \$678k (CECS), \$59k(ICECS) and \$79k(IAS) on 10/1/13.

ICECS - \$10k and Indigenous scholarships - \$28k to be returned to Department of Education in 2014.

26. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

UNIVERSITY ONLY

	JOINT RESEARCH ENGAGEMENT #5		JOINT RESEARCH ENGAGEMENT - ENGINEERING CADETSHIPS #6		RESEARCH INFRASTRUCTURE BLOCK GRANTS	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
26.4 EDUCATION RESEARCH						
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	4,495	4,925	39	1	2,364	2,235
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	4,495	4,925	39	1	2,364	2,235
Surplus / (deficit) from the previous year	-	-	-	-	-	-
Total revenue including accrual revenue	4,495	4,925	39	1	2,364	2,235
Less expenses including accrual expenses	(4,495)	(4,925)	-	(1)	(2,364)	(2,235)
Surplus / (deficit) for reporting period	-	-	39	-	-	-

UNIVERSITY ONLY

	RESEARCH TRAINING SCHEME		SUSTAINABLE RESEARCH EXCELLENCE IN UNIVERSITIES		TOTAL	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
26.4 EDUCATION RESEARCH (CONTINUED)						
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	11,073	10,714	1,719	1,546	19,690	19,421
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	11,073	10,714	1,719	1,546	19,690	19,421
Surplus / (deficit) from the previous year	-	-	-	342	-	342
Total revenue including accrual revenue	11,073	10,714	1,719	1,888	19,690	19,763
Less expenses including accrual expenses	(11,073)	(10,714)	(1,719)	(1,888)	(19,651)	(19,763)
Surplus / (deficit) for reporting period	-	-	-	-	39	-

#5 Includes Institutional Grants Scheme

#6 The reported surpluses for Joint Research Engagement - Engineering Cadetships of \$39k for 2013 are expected to be rolled over for future use by Department of Education

26. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

UNIVERSITY ONLY

26.5 AUSTRALIAN RESEARCH COUNCIL GRANTS	PROJECTS ^{#7}		FELLOWSHIPS		TOTAL	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
DISCOVERY						
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	4,833	3,606	2,103	2,011	6,936	5,617
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	4,833	3,606	2,103	2,011	6,936	5,617
Surplus / (deficit) from the previous year	1,959	1,251	1,495	1,122	3,454	2,373
Total revenue including accrual revenue	6,792	4,857	3,598	3,133	10,390	7,990
Less expenses including accrual expenses	(4,362)	(2,898)	(2,645)	(1,638)	(7,007)	(4,536)
Surplus / (deficit) for reporting period	2,430	1,959	953	1,495	3,383	3,454

^{#7} includes Discovery Early career Researcher Award.

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26.6 AUSTRALIAN RESEARCH COUNCIL GRANTS	INFRASTRUCTURE		PROJECTS		TOTAL	
	2013	2012	2013	2012	2013	2012
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
LINKAGES						
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	-	1,435	2,746	3,646	2,746	5,081
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	-	1,435	2,746	3,646	2,746	5,081
Surplus / (deficit) from the previous year	-	119	2,870	1,584	2,870	1,703
Total revenue including accrual revenue	-	1,554	5,616	5,230	5,616	6,784
Less expenses including accrual expenses	-	(1,554)	(2,862)	(2,360)	(2,862)	(3,914)
Surplus / (deficit) for reporting period	-	-	2,754	2,870	2,754	2,870

26. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (CONTINUED)

UNIVERSITY ONLY

	Notes	BETTER UNIVERSITIES RENEWAL FUND		TEACHING AND LEARNING CAPITAL FUND		EDUCATION INVESTMENT FUND		TOTAL	
		2013	2012	2013	2012	2013	2012	2013	2012
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
26.7 OTHER CAPITAL FUNDING									
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	2.1	-	-	-	-	6,600	22,500	6,600	22,500
Net accrual adjustments		27	37	2	647	21	-	50	684
Liability for the period ^{#8}		27	37	2	647	6,621	22,500	6,650	23,184
Balance b/f from the previous year		992	992	76	1,316	-	4,537	1,068	6,845
Total liabilities		1,019	1,029	78	1,963	6,621	27,037	7,718	30,029
Less expenses including accrual expenses (the same amounts are recognised as revenue)	2.1	-	(37)	-	(1,887)	(4,457)	(27,037)	(4,457)	(28,961)
Unspent balance at the end of reporting period		1,019	992	78	76	2,164	-	3,261	1,068

^{#8} The Capital funding received during the year is recognised as income in advance (liability). Income will be recognised in accordance with the progress of the capital projects.

UNIVERSITY ONLY

	2013	2012
	\$000's	\$000's
26.8 OS-HELP		
Cash received during the reporting period	3,014	2,546
Cash spent during the reporting period	(3,026)	(2,323)
Net cash received	(12)	223
Cash surplus / (deficit) from the previous period	304	81
Cash surplus / (deficit) for the reporting period	292	304

UNIVERSITY ONLY

	2013	2012
	\$000's	\$000's
26.9 STUDENT SERVICES AND AMENITIES FEE		
Unspent / (overspent) revenue from previous period	1,826	-
SA-HELP revenue earned	2,477	1,247
Student services fees direct from students	2,652	3,273
Total revenue expendable in period	6,955	4,520
Student services expenses during period	(5,903)	(2,694)
Unspent / (overspent) student services revenue	1,052	1,826

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

Certification

We, as members of the Council of Deakin University and the Chief Financial Officer, state that in our opinion:

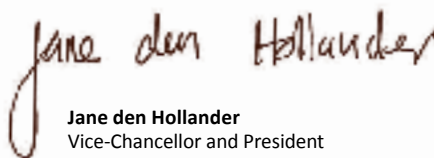
- (a) The attached financial statements and notes thereto present fairly the financial position of the University and the consolidated group as at 31 December 2013, and the financial performance for the year ended 31 December 2013;
- (b) The attached financial statements and notes thereto comply with the Financial Management Act 1994 and with Australian Accounting Standards, AASB Interpretations, and the requirements of the Department of Education, Employment and Workplace Relations;
- (c) At the date of this certification there are reasonable grounds to believe that the University and the consolidated group will be able to pay its debts as and when they fall due; and
- (d) The amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended and Deakin University has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure.
- (e) Deakin University charged Student Services and Amenities Fees strictly in accordance with the Higher Education Support Act 2003 and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

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.



David Morgan
Chancellor

Date: 13 March 2014
Geelong



Jane den Hollander
Vice-Chancellor and President

Date: 13 March 2014
Geelong



Andrew Walters
Chief Financial Officer

Date: 13 March 2014
Geelong

INDEPENDENT AUDITOR'S REPORT

VAGO

Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
comments@audit.vic.gov.au
www.audit.vic.gov.au

TO THE COUNCIL MEMBERS, DEAKIN UNIVERSITY

The Financial Report

The accompanying financial report for the year ended 31 December 2013 of Deakin University which comprises statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, a summary of significant accounting policies and other explanatory notes, and the Chancellor, Vice-Chancellor and Chief Financial Officers' declaration has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising Deakin University and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 23 to the financial statements.

The Council Members' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Basis for Qualified Opinion

Deakin University and the economic entity reported government research and capital grants of \$33.22 million as trade and other payables as at 31 December 2013. However, \$23.84 million of this amount should have been recognised as grant income for the year ended 31 December 2013, in accordance with the requirements of AASB 1004 Contributions, as Deakin University and the economic entity effectively controlled these grants in the current year. The remaining \$9.38 million should have been recognised as grant income in prior years at the time control was obtained.

Further, Deakin University and the economic entity brought to account grant income of \$27.62 million for the year ended 31 December 2013 which should have been recognised in prior years.

Accordingly, for the year ended 31 December 2013, Deakin University's and the economic entity's grant income is overstated by \$3.78 million and trade and other payables is overstated by \$33.22 million. Consequently, the net operating result and the total comprehensive income are overstated by \$3.78 million and closing retained earnings is understated by \$33.22 million.


In addition, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, requires prior period errors to be corrected by restating the 2012 comparative figures for Deakin University and the economic entity. As Deakin University and the economic entity have not restated the 2012 comparative figures, Deakin University and the economic entity's grant income, net operating result and total comprehensive income remain overstated by \$4.92 million, trade and other payables remain overstated by \$36.99 million and retained earnings remain understated by \$36.99 million as at 31 December 2012.

Qualified Opinion

In my opinion, except for the effect on the financial report of the matters described in the Basis for Qualified Opinion paragraphs, the financial report presents fairly, in all material respects, the financial position of Deakin University and the economic entity as at 31 December 2013, its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards and the financial reporting requirements of the Financial Management Act 1994.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of Deakin University for the year ended 30 December 2013 included both in Deakin University's annual report and on the website. The Council Members of Deakin University are responsible for the integrity of Deakin University's website. I have not been engaged to report on the integrity of Deakin University's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.



John Doyle
Auditor-General

Date: 13 March 2014
Melbourne

FIVE-YEAR FINANCIAL SUMMARY (consolidated)

	2013	2012	2011	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating income					
Commonwealth Government grants	320,371	319,425	267,718	236,804	209,668
HECS-HELP	174,830	142,340	122,777	110,566	102,473
State government grants	15,414	9,363	7,400	8,572	12,328
Other	325,906	314,944	309,160	291,115	267,231
Total operating income	836,521	786,072	707,055	647,057	591,700
Operating expenses	757,430	677,617	632,033	563,534	520,520
Operating result before income tax	79,091	108,455	75,022	83,523	71,180
BALANCE SHEET INFORMATION					
Current assets					
Cash assets	56,951	73,238	19,593	21,674	91,516
Receivables	62,586	53,277	56,072	49,253	53,408
Other financial assets	149,400	146,340	217,100	212,652	122,059
Deferred government contribution for superannuation	13,233	12,925	13,408	13,070	12,601
Other	243	190	384	464	353
	282,413	285,970	306,557	297,113	279,937
Non-current assets					
Other financial assets	149,554	118,092	94,452	85,140	72,376
Property, plant and equipment	1,327,495	1,152,650	1,006,360	926,523	837,009
Deferred government contribution for superannuation	156,644	219,791	177,575	180,715	151,529
Other	3,176	3,341	3,706	3,791	3,526
	1,636,869	1,493,874	1,282,093	1,196,169	1,064,440
Liabilities					
Payables	193,101	167,565	145,702	133,732	135,699
Borrowings	19	27	48	44	11,027
Provision for employee entitlements	87,361	76,771	68,454	56,093	51,124
Deferred employee benefits for superannuation	169,877	232,716	190,983	193,785	164,130
	450,358	477,079	405,187	383,654	361,980
Net assets	1,468,924	1,302,765	1,183,463	1,109,628	982,397
Total equity	1,468,924	1,302,765	1,183,463	1,109,628	982,397

PAYMENTS TO CONSULTANTS 2013

PAYMENTS TO CONSULTANTS

During the year the University engaged seven consultancy firms costing more than \$100,000, totalling \$2,051,984. Details are as follows:

\$216,875	Nous Group	Optimising Student Services and Support
\$601,934	Price Waterhouse Coopers	Social media and digital marketing strategy
\$111,500	Studio Synergy	Review, design and production of Corporate Education Website.
\$275,152	Blackbaud Pacific	Software maintenance and user licence maintenance
\$269,656	Certus Solutions	Development of long term financial reporting model
\$104,550	JWS Research	Design and implementation of a market research survey to gauge community sentiment
\$472,316	Rapp Melbourne	Development and production of Alumni Magazine
\$2,051,984	Total combined cost of the seven consultancy firms	
\$336,033	The combined cost of four consultancy firms costing less than \$100,000	

GLOSSARY

ADRI	Alfred Deakin Research Institute	GCEID	Geelong Centre for Emerging Infectious Diseases
AFFRIC	Australian Future Fibres Research and Innovation Centre	HDR	Higher Degree by Research
AGS	Australian Graduate Survey	IFM	Institute for Frontier Materials
AIS	Australian Intercultural Society	IKE	Institute of Koorie Education
AQF	Australian Qualifications Framework	LGBTIQ	Gay, lesbian, bi-sexual, transgender, intersex, queer or questioning their sexuality
ARC	Australian Research Council	LIEF	Linkage Infrastructure, Equipment and Facilities
CADET	Centre for Advanced Design in Engineering Training	MOOC	Massive Open Online Course
CeRRF	Centre for Regional and Rural Futures	NRAS	National Rental Affordability Scheme
CRC	Co-operative Research Centre	NHMRC	National Health and Medical Research Council
CRE	Centre of Research Excellence	OLT	Office of Learning and Teaching
DECRA	Discovery Early Career Researcher Award	PRC	Planning and Resources Committee
DIISR	Department of Innovation, Industry, Science and Research	REACH	Regional Community Health Hub
DIRI	Deakin India Research Institute	SES	Socioeconomic status
DPO	Deakin Portfolio Office	SETU	Student Evaluation of Teaching and Units
DRC	Disability Resource Centre	SMHC	Shanghai Mental Health Centre
DUPPP	Deakin University Participation and Partnership Program	TAFE	Technical and Further Education
DUSA	Deakin University Student Association	TBL	Triple Bottom Line
EFTSL	Equivalent Full-Time Student Load	TEQSA	Tertiary Education Quality Standards Agency
EIF	Education Investment Fund	TERI	The Energy and Resources Institute of India
ERA	Excellence in Research for Australia	VAEAI	Victorian Aboriginal Education Association Incorporated
ERP	Enterprise Resource Planning	VAGO	Victorian Auditor General's Office
ESOS	Educational Services for Overseas Students	VCAMM	Victorian Centre for Advanced Materials Manufacturing
GARS	Geelong Accommodation Relocation Strategy	WIL	Work Integrated Learning



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