

1870

1900

1930

1960

1990

2020

ANNUAL REPORT





FEDERATION UNIVERSITY AUSTRALIA ACKNOWLEDGES  
THE TRADITIONAL CUSTODIANS OF THE LAND WHERE  
ITS CAMPUSES AND CENTRES ARE LOCATED.

**BALLARAT**  
Wadawurrung

**BERWICK**  
Boonwurrung and Wurundjeri

**BRISBANE**  
Turrbal and Jagera

**GIPPSLAND**  
Gunai Kurnai

**NANYA STATION**  
Mutthi Mutthi and Barkindji

**WIMMERA**  
Wotjobaluk, Jaadwa, Jadawadjali, Wergaia, Jupagulk

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# FROM THE CHANCELLOR



Mr Terry Moran AC

## Letter to The Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education

On behalf of the Council of Federation University Australia, I am pleased to present the 2020 Annual Report.

The financial report was approved by the university Council on 16 March, 2021 and has been prepared in accordance with the provisions of the *Financial Management Act 1994*.

In 2020, Federation University Australia celebrated its 150th anniversary of the establishment of our founding institution in 1870, the School of Mines Ballarat. The year would prove historic for many reasons.

The COVID-19 pandemic has impacted every part of our lives in Australia and has created some of the most challenging conditions ever seen for the modern university sector. Federation entered the year in a very strong financial position, putting us in an enviable position compared to many, which has allowed us to weather the storm of reduced international student numbers and a rapid and complete overhaul of the way we deliver education and services.

Tertiary education is one of Australia's most significant exports and we have been extremely fortunate that both state and federal governments in Australia have recognised the challenges facing the sector in 2020.

Significant support and reassurance were provided for the sector, as the Australian Government guaranteed the full Commonwealth Grant Scheme for university places and the Victorian Government guaranteed TAFE funding, at pre-pandemic levels. The Victorian Government also announced the \$350 million *Victorian Higher Education State Investment Fund* (VHESIF) to support capital works, research and research partnerships and a \$110 million deferral of payroll tax. The Victorian Government announced in January 2021 a \$9.5 million investment in Federation from the VHESIF to develop the Federation Business Centre of Excellence at our SMB Campus.

The university was also able to provide more than \$3 million in support payments to help our students, via university-funded hardship payments and staff donations to the Federation University Australia Foundation. Government support packages continued in the second half of 2020. These were vital to many students who had lost casual work and whose families here and overseas were also experiencing hardship due to the pandemic.

The government support and past reforms also helped us avoid compulsory staff redundancies. Working with our staff we established Fed Flex; a program designed to identify staff capabilities and share resources more effectively to counter the impact of recruitment freezes. We also offered voluntary packages to staff that wished to depart Federation at the end of the year or were looking to retire.

At the start of July 2020, Professor Helen Bartlett, then Vice-Chancellor and President left Federation, commencing at the University of the Sunshine Coast in August, leaving behind a powerful legacy, not only in terms of our university's operational performance but also of our growing reputation as Australia's leading regional university.

With Professor Bartlett at the helm over the preceding three-and-a-half years, the university and its staff embraced change and implemented streamlined operations, budget measures, enhanced revenue streams and modernisation to ensure our sustainability.

These measures have gone well beyond efficiencies and have also focused heavily on the education we provide. Federation has expanded its offerings to ensure our programs meet the needs of industry and the community, now and in years to come. This is reflected in a change to the name of a number of our Schools in 2020 and the launch of a significant package of short courses targeted at specific industry capabilities.

This transformational approach continues under the leadership of our new Vice-Chancellor and President, Professor Duncan Bentley, formerly of Swinburne University, who commenced in August 2020.

Professor Bentley joined us in the most challenging of conditions. With Victoria stalled by the state's second hard lockdown, our new Vice-Chancellor saw the resilience of our people first-hand, engaging online with leadership and staff across the university and TAFE to understand and embrace the culture of Federation University Australia.

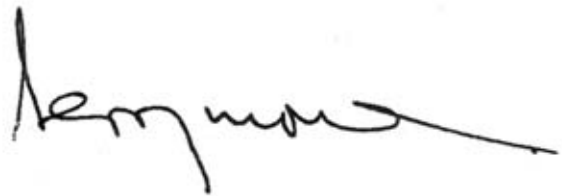
Professor Bentley delivered a bold new strategic vision in December 2020 to take us through to 2025. The *Federation University Australia Strategic Plan 2021–2025* provides a framework to deliver innovative and integrated lifelong

learning and new partnerships, enabled by an environment of empowerment to try new ideas, continuous improvement, agile transformation and inclusion to ensure we remain a driving force behind the prosperity of our regional communities.

Professor Bentley's vision for Federation University Australia is one of a thriving institution exploring new opportunities in a post-COVID world, emboldened by all that we have learnt from the best part of a year in isolation.

I sincerely thank all of Council members for their work in 2020. On behalf of the Council I would also like to thank departing members of Council: Mr Steve Davies retired after more than seven years of service, Mr Michael Ryan retired after more than eight years of service, Mr George Fong retired after eight years of service (but will continue as an external member of the Audit & Risk Management Committee) and Mr Adrian Tinetti, our Secretary of four years of service.

We look forward to working with university leadership on a new vision and a bright new future for Federation.



**Mr Terry Moran AC**  
Chancellor



# VICE-CHANCELLOR AND PRESIDENT'S REPORT



Professor Duncan Bentley

2020 has been a momentous year for Federation University Australia – a year of huge uncertainty and change that has provided significant opportunity for us as Australia's leading regional university, celebrating 150 years as a higher education provider. It has been a year in which our staff have shown enormous commitment and fortitude as they worked tirelessly to deliver the best possible experience for our students and high-quality job outcomes.

I joined Federation in August 2020, and under my predecessor Professor Helen Bartlett, the university established a strong foundation to buffer it from some of the pandemic's impact on university income. The transformational approach taken over the years of Professor Bartlett's tenure as Vice-Chancellor and President created significant improvement in the university's financial sustainability and performance – one of the legacies for which we are indebted to Professor Bartlett.

The net operating surplus for Federation University and its subsidiaries in 2020 was \$3.9 million. This was considerably lower than the 2019 surplus of \$36.7 million, with international students no longer able to travel to Australia.

While the 2020 result is below pre-pandemic forecasts, it is much better than initially anticipated when the pandemic began. We are in a strong position to rebuild in 2021-22 and beyond, making a material contribution to access and participation, skills, education, and jobs and economic growth in the regions we serve.

## Rankings

Our university rankings continue to place Federation as one of the highest ranked regional universities in Australia.

Globally, we received our first rankings in the Times Higher Education World University Rankings in 2020, with Education ranked in the top two per cent of all higher education institutions worldwide, and Clinical and Health, Social Sciences, and Business and Economics in the top three per cent.

Our Sports Science discipline ranked in the top 100 institutions worldwide in the 2020 Global Ranking of Sport Science by the Academic Ranking of World Universities (ARWU). We are seeing continual growth in our Sports Science offering, with the commencement of our Bachelor of Physiotherapy and Bachelor of International Sport Management in 2021. The work in our sports science discipline is also supported by our \$16.5 million world-class Health and Sports Precinct, which was officially opened in February 2020, to offer our students the very best in sports and health technology and research.

## Reimagining our Strategic Plan

One of my first acts as Vice-Chancellor was to work with our communities to identify the challenges and seize the opportunities that will arise from the impact of COVID-19. This allowed us to reimagine our strategy as Australia's oldest and leading regional university in a changed world. In December 2020 – after consultation with both internal and external communities – we launched the new *Federation University Australia Strategic Plan 2021–2025* to our staff with a public launch in 2021. This will build on the significant transformational work since the formation of Federation University Australia from predecessor institutions in 2014.

The new strategy looks specifically at the opportunities for Federation to thrive in our regions and communities in a post-COVID world. We shall provide education that focuses on the critical skills needed by our society and employers in a digital world, with compulsory in-work experience; develop targeted, world-leading research and innovation that will continue to sustain and transform our regional communities; and engage in wide-ranging partnerships domestically and internationally.

An example of this is the launch of 12 new short courses – six-month programs for undergraduate and graduate certificates to help people upskill and retrain in areas such as health, education, IT, engineering and information technology, funded and subsidised under the federal government’s higher education relief package.

We use and will continue to use our significant footprint in our regions to build university towns and technology parks that drive economic growth and jobs. With the Victorian Government, we launched the Morwell Innovation Centre, where energy giant, Alinta will be an anchor tenant. With the Australian Government we launched the Ararat Jobs and Technology Precinct, to deliver economic investment, jobs and innovative research designed to add value in the agribusiness sector. The success of centres such as these was confirmed with the launch with IBM of the Economic Impact Statement for our Ballarat Technology Parks, which showed \$479 million in economic inputs and the creation of more than 4,000 jobs in 2018-19. Our nationally leading 25-year partnership with IBM was recognised with an Engagement Australia Excellence Award. Our Research partnerships in areas including energy, agribusiness, technology, the environment and health are further examples of partnerships that make a real-world impact.

A feature of our university towns is to work closely with our local government areas as critical stakeholders and partners in delivering each city plan from Horsham, through Ararat, Ballarat, Casey, Cardinia, Dandenong through Baw Baw Shire, the Latrobe Valley to Wonthaggi and Bairnsdale.

The pandemic has shone the spotlight on the liveability of the regions and the safety of our spacious campuses, where our students can engage in more personalised learning experiences. We provide COVIDSafe educational delivery that includes practical, vocational and trade learning that cannot be completed in a virtual environment.

### 150 Year Anniversary

For Federation University Australia, 2020 was also the celebration of the 150th anniversary of our founding institution. The School of Mines Ballarat was established in 1870 and this same heritage-listed campus remains a centre of innovation and excellence today.

I was honoured to join Federation in its anniversary year and to experience the unwavering passion of staff, students and our communities, to keep this history alive.

We have embraced virtual platforms to celebrate our anniversary and this will continue into 2021, and has included:

- the 150 Faces of Fed campaign highlighting our thought-leaders, alumni and students
- major events hosted online including the Alumni 150 Year Anniversary
- an online Founders Day event, Disruption and Transformation in Health Services, where we explored with leading experts, the advancements and disruptions in healthcare due to new technologies. We also launched our new Research Centre, the Health Innovation and Transformation Centre (HITC).

### Continuing commitment to diversity and equity

Federation University is strongly committed to diversity and equity.

We continued to celebrate the diversity of our First Nations communities, including a series of online events and workshops in NAIDOC Week. A major achievement in our Reconciliation Action Plan, was the completion of our Aboriginal and Torres Strait Islander Curriculum Audit.

In November 2020, we launched *FedPride 2021–2024*, a strategy aimed at making sure our staff and students can bring their whole selves to university life. As a leading voice in our communities, Federation takes a strong position on discrimination, bullying and sexual harassment and this is reflected in our strategy.

We moved to redress the gender imbalance within the university’s senior leadership, and to promote new perspectives and innovative thinking, in a call for women-only applications for the positions of Deputy Vice-Chancellor, Global Engagement, and Director, Governance and Strategy. I also invited key female leaders within the university to join the Vice-Chancellor’s Senior Team.

2020 has presented as many challenges as it has opportunities and our staff and students can share in the success that we have achieved. It is a credit to the university community and the strength of our senior leadership that these significant results have been delivered in the face of such significant disruption.



**Professor Duncan Bentley**  
Vice-Chancellor and President

## OUR PURPOSE

Our purpose is to transform lives and enhance communities.

We serve the Victorian, Australian and international communities by enriching cultural and community life, elevating public awareness of educational, scientific and artistic developments, promoting critical and free enquiry, and informed intellectual discourse and public debate within the university and in the wider society.

We provide and maintain a teaching and learning environment of excellent quality, offering world-class higher education and vocational training as well as senior secondary education.

We undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and apply these for the benefit and wellbeing of our Victorian, Australian and international communities.

We use our expertise and resources to involve Aboriginal and Torres Strait Islander people of Australia in the university's teaching, learning, research and advancement of knowledge activities. This enables the university to contribute to realising Aboriginal and Torres Strait Islander aspirations and safeguarding the ancient and rich Aboriginal and Torres Strait Islander cultural heritage.

We provide educational programs and services in a way that reflects principles of equity and social justice, and we equip our graduates to excel in their careers and contribute to the community.

## ABOUT THE UNIVERSITY

### Federation University Australia Act 2010 (the Act)

Federation University Australia was established on 1 January 2014. Formerly known as the University of Ballarat, we legally amended our name under the *University of Ballarat Amendment (Federation University Australia) Act 2013*.

We chose the name Federation University Australia to convey the scope and capacity of an expanded regional university with a federated network of campuses.

### Our History

The University of Ballarat was formally created in 1994, though its lineage dates back to 1870 when the School of Mines Ballarat was established. This was the third institution of higher learning to be created in Australia, and the first in regional Australia.

In 1998, the university merged with three TAFE institutions to become a dual sector institution with multiple campuses.

On 1 January 2014, the University of Ballarat was amalgamated with the Monash University Gippsland campus to form who we are today: Federation University Australia.

In 2016, we announced plans to take possession of Monash University's Berwick campus and commenced teaching at the campus in 2017.

### Our Present

Driven by a strong heritage, today we are known for our focus on educational and social equity, teaching excellence, research distinction, environmental sustainability and, most significantly, regional capacity building.

With our headquarters in Ballarat, we offer programs in higher education and vocational education and training to students in regional Victoria and beyond. While our regional character informs our priorities, it doesn't hold us back from serving the wider community as well – both here in Australia, and around the world.

### Our Future

Our priority is to provide high-quality lifelong learning opportunities for students from all backgrounds. We are focused on furnishing our students with the necessary knowledge, skills and aptitude for further study, to participate in workplaces and to be the best global citizens they can be.

Our extensive network of campuses and partnerships is a strength that we will continue to grow and develop as we work to ensure our long-term financial sustainability. We will also continue to conduct research that has an impact on the communities in which we are located, as well as the wider community.

Focusing on these key priorities will see Federation University become a popular student destination offering a high-quality student experience. It will ensure we can make a positive impact, become a university workplace of choice and build an efficient organisation.

150  
YEARS



# OUR SERVICES

## Fields of Study – Schools and Programs Portfolio

Federation University serves people, groups and organisations from the Central Highlands, Berwick, Gippsland and the Wimmera regions of Victoria primarily, while also reaching other parts of Victoria, Brisbane and overseas.

### FEDERATION UNIVERSITY

Undergraduate, postgraduate and other programs at Higher Education level.

- Biomedical Science
- Food and Nutritional Sciences
- Exercise and Sport Science
- Health
- Human Movement
- Outdoor and Environmental Education
- Visual and Performing Arts
- Education
- Arts and Humanities
- Human and Community Services
- Criminal Justice
- Business Management
- Accounting
- Marketing
- Human Resource Management
- Economics
- Psychology
- Information Technology
- Mathematics
- General Science
- Geoscience
- Environmental and Conservation Science
- Veterinary and Wildlife Science
- Nursing and Midwifery
- Paramedicine
- Engineering – civil, mechanical and mining
- Mechatronics
- Sport Management
- Occupational Therapy

### FEDERATION TAFE

Certificate, Diploma and Advanced Diploma programs.

- Food Sciences
- Commercial Cookery
- Primary Industries
- Nursing
- Occupational, Health and Safety
- Children's Services
- Language, Literacy and Numeracy
- Foundation Studies
- Further Education
- Prisons Education
- General Manufacturing
- Automotive
- Metals and Engineering
- Building and Construction
- Building Design
- Primary Industry and Forestry
- Horticulture and Conservation and Land Management
- Business and Management
- Information Technology
- Hair and Beauty
- Community Services and Health
- Cultural and Recreational
- Live Production
- Transport and Storage
- Electro Technology and Communications
- Wholesale, Retail and Personal Services
- Victorian Certificate of Applied Learning (VCAL)
- Training and Education

### OTHER SERVICES

- Students and Registrar
- Learning, Teaching and Quality
- Academic Support and Services
- Facilities Services
- Information Technology Services
- Library Services
- Equity and Diversity
- Aboriginal Education Centre
- Governance and Strategy
- Research Services and Research Centres
- Graduate Research School
- Technology Park and Commercial Services
- Human Resources
- Finance
- International
- Marketing
- Corporate Communications
- Government Relations
- Advancement

# NEW STRATEGIC PLAN 2021–2025

In December 2020, Federation University Australia launched its *Strategic Plan 2021–2025*.

As Australia’s leading regional university:

<b>PURPOSE</b>	<b>We transform lives and enhance communities.</b>	
<b>SCOPE</b>	We provide innovative and integrated lifelong learning, job skills and impactful research that enable people and communities to prosper locally, regionally and globally.	
<b>ENABLING PRINCIPLES</b>	<b>Excellent</b>	We pursue continuous improvement and excellence in everything.
	<b>Relevant</b>	We regularly renew our activities to ensure their relevance.
	<b>Inclusive</b>	We champion access, diversity and inclusion for all, acknowledging our Aboriginal and Torres Strait Islander heritage, culture and knowledge.
	<b>Empowering</b>	We create an environment of opportunities, trust, fairness and respect, taking informed risks in pursuit of shared goals.
	<b>Innovative and agile</b>	We innovate to transform. We are agile and responsive to emerging opportunities.

The plan goes on to define how we will turn this from aspiration to operation through:

- Strategic objectives and outcomes
- Identifying key trends and challenges influencing our strategy
- Our strategic responses to these trends
- Capabilities needed to deliver our strategic responses.

# 2020 IN REVIEW

## AWARDS AND RECOGNITION

In 2020, Federation University's staff and academics were celebrated with the following awards.

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Fulbright Research and Teaching Scholarship – Associate Professor **Robyn Brandenburg**, Associate Dean of Research, School of Education received Federation's first Fulbright scholarship to complete a comparative study of Australian and American Teacher Performance Assessment Standards. She was also 2020 President of the Australian Teacher Education Association.

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Medal of the Order of Australia – **Ray Beebe** OAM, Maintenance and Reliability Engineering lecturer, School of Science, Engineering & Information Technology (SEITPS).

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Expert member to the Australian 'Intergovernmental Council on Early Childhood Development'; the New Zealand Ministry of Education Reference for the Early Learning Action Plan; elected Deputy President and incoming President of the Victorian Council of Deans of Education, representing Victoria on the Australian Council of Deans of Education – Professor **Claire McLachlan**, Dean, School of Education.

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Institute of Electrical and Electronics Engineering (IEEE), Power and Energy Society (PES) Distinguished Lecturer – Professor **Syed Islam**, Dean, SEITPS.

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Australian Research Council (ARC) College of Experts 2020-2022 – Professor **Manzur Murshed**, Associate Dean (Research) of School of Engineering, Information Technology and Physical Sciences.

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Fellow of the Australian Society for Parasitology – Associate Professor **David Piedrafita**, School of Science, Psychology and Sport (SciPS). This is a very esteemed award and requires nomination and recognition by distinguished peers.

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2020 ABC TOP 5 Science recipients for the ABC's TOP 5 Media Residency Program – Dr **Evita March**, SciPS, highly competitive and prestigious program comprises a two-week residency at ABC Radio National, learning the craft of communicating with a wide audience from across radio and digital platforms.

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Australian Society for Microbiology Lyn Gilbert award for 2020 – Dr **Richard Bradbury**, Senior Lecturer Microbiology and Molecular Biology, SciPS.

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Elected to the Board of Vicsport – Professor **Rochelle Eime**, SciPS – a prestigious position in recognition of impact within the sporting industry.

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2020 AustMS–WIMSIG Maryam Mirzakhani Award School of Science, Engineering and Information Technology – PhD student **Hoa Thi Bui** – supervised by Prof Alex Kruger and A/Prof David Yost. The award is part of the Australian Mathematical Society (AustMS), Women in Mathematics Special Interest Group (WIMSIG).

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2020 Best Land Transportation Paper Award from IEEE Vehicular Technology Society – Associate Professor **Feng Xia**, SEITPS.

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Elsevier BV, Stanford University, USA – World top two per cent of scientists in 2020 – Professor **Simon Cooper** (Nursing) and Associate Professor **Aziz Rahman** (General and Internal Medicine), SciPS – based on the publications and citations of 2019.

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National Gallery of Australia – celebrated visual artists, Dr **Jill Orr** and Associate Professor **Carole Wilson** were chosen for the NGA's exhibition *Know My Name: Australian Women Artists 1900 to Now*, a timely exhibition responding to the 2019 audit that revealed only 25 per cent of works in NGA's Australian collection were by women artists.

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2020 ATOM Awards shortlist, Best Documentary, History category – The Missing a short documentary by Adjunct Research Fellows **Lucinda Horrocks** and **Jary Nemo**, which explores two unsung humanitarian responses to the crisis of the missing of World War One.

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President-elect of the World Federation of Associations for Teacher Education – Associate Professor **Jenene Burke**, School of Education (SoE)

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President, Adult Learning Australia – Associate Professor **Annette Foley**, SoE

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School Sport Victoria Advisory Committee, Health Equity and Inclusion Representative – Dr **Cameron Smees**, SoE

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Chair, Adult Learning Australia – Associate Professor **Annette Foley**, SoE

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Australian Council for Health, Physical Education and Recreation (ACHPER) Victoria's honour award – **Josh Ambrosy**, SoE

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Association of Tertiary Education Management, People and Culture award – **Anna Vagias** and the Organisational Development team, Human Resources

## 2020 Vice-Chancellor's Awards for Learning and Teaching

The annual learning and teaching awards recognise the outstanding contribution to student outcomes made by academic and professional staff who go above and beyond standard, good practice. Mirrored on the national learning and teaching awards, nominees undertake a process of working with a mentor over a period of four months to craft an application that showcases their contribution and commitment to learning, teaching and student outcomes over a sustained period.

Dr **Amy Cloughton** (School of Education) – Citation for Outstanding Contribution to Student Learning (Early Career) – recognised for her responsive teaching and inclusive pedagogies that influence, motivate and inspire undergraduate education students to learn.

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Dr **Swapnali Gazula** (School of Health) – Citation for Outstanding Contribution to Student Learning – acknowledges her work in introducing an innovative peer learning model using peer assessment as a formative learning tool in clinical skills laboratories.

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Dr **Anitra Goriss-Hunter** (School of Education) – Citation for Outstanding Contributions to Student Learning – awarded for her ongoing efforts in designing learning activities that explicitly combine theory and practice through development of professional teacher identity within undergraduate education students.

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Dr **Abdel Halabi** (Federation Business School) – Citation for Outstanding Contribution to Student Learning – recognising a history of early adoption of learning technologies, linking practice and research to improve student engagement.

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Dr **Harpreet Kandra** (School of Engineering, Information Technology and Physical Sciences) – Citation for Outstanding Contribution to Student Learning – recognised for his work in securing external funding over a number of years that has created an opportunity for undergraduate engineering students to extend their learning through visits to China and India to develop 'systems thinking' skills that improve graduate preparedness in an international climate.

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Dr **Evita March** (School of Science, Psychology and Sport) – Citation for Outstanding Contribution to Student Learning – recognises Dr March's unique approach to designing and developing a common communication skills course that is delivered across several programs to over 1000 students through experiential and authentic learning experiences.

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Mr **Ian Neville** (School of Education) – Citation for Outstanding Contribution to Student Learning (Early Career) – recognised for his innovative approach to engaging passionate, traditionally kinaesthetic learners to understand the value of the theory-practice nexus as being critical to the outdoor education profession.

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Dr **Karen Missen** and Ms **Rebecca Peel** (School of Health) – Citation for Outstanding Contribution to Student Learning – recognised for their significant contribution to the learning experiences of final year nursing students' by providing a united and collegial approach to bridging the theory-practice gap and cultural competence development whilst undertaking work-integrated learning in Nepal.

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Dr **Sarah Preston** and Mr **Evan Dekker** (School of Science, Psychology and Sport) – Citation for Outstanding Contribution to Student Learning – recognises the collaboration between Dr Preston as an early career academic, with Mr Dekker as an IT specialist, to transform the teaching environment of parasitology education using virtual reality and gamification.

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Associate Professor **Wendy Wright** (School of Science, Psychology and Sport) – Citation for Outstanding Contribution to Student Learning – recognised for her role in developing student identities as global learners and scientists through the provision of international study tours and internships in China and Nepal over the past six years.

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Ms **Clare Duffy** and Ms **Ange Jenkins** (Library Services) – Citation for Outstanding Contribution to Student Service – recognises an innovative and inclusive approach of the digital literacy initiatives undertaken to address the gap in skills of TAFE students through a unique, cross-Library collaboration to remove barriers to student success within the TAFE sector.

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Ms **Melania Pantelich** (School of Education) – Citation for Outstanding Contribution to Student Service – recognises the work of Ms Pantelich in reducing the anxiety for international students through explicit guidance around study skills, with a focus on building student study skills capacity, and support through a discipline-specific approach.

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# RANKINGS

In 2020, Federation University continued to excel in the rankings, including new recognition in international ranking schemes.

GOOD UNIVERSITIES GUIDE		
<b>WE ARE #1 IN AUSTRALIA FOR</b>	<b>TEACHING QUALITY (POSTGRADUATE)</b>	<b>FIRST GENERATION STUDENT ENROLMENTS</b>
		

Federation is rated number one in Victoria for (among others):

WE ARE #1 IN VICTORIA FOR		
<b>TEACHING QUALITY (UNDERGRADUATE)</b>	<b>GRADUATE FULL-TIME EMPLOYMENT</b>	<b>STARTING SALARY FOR GRADUATES (\$63,000 AVERAGE)</b>
		
<b>STUDENT TEACHER RATIO</b>	<b>SKILLS DEVELOPMENT</b>	<b>STUDENT SUPPORT</b>
		
<b>SOCIAL EQUITY</b>	<b>LEARNER ENGAGEMENT (POSTGRADUATE)*</b>	<b>OVERALL EXPERIENCE (POSTGRADUATE)</b>
		

\*New Ranking

TIMES HIGHER EDUCATION (THE) WORLD UNIVERSITY RANKINGS
Federation was represented for the first time in the Times Higher Education (THE) World University Rankings. The THE ranking scheme is one of the most comprehensive and balanced comparisons, independently audited by PricewaterhouseCoopers.
TOP 2% WORLDWIDE
EDUCATION
TOP 3% WORLDWIDE
CLINICAL AND HEALTH
SOCIAL SCIENCES
BUSINESS AND ECONOMICS

ARWU EXCELLENCE IN SPORTS SCIENCE
Federation's Sport Science discipline last year jumped into the Top 100 of the Global Ranking of Sport Science schools and departments, as assessed by the Academic Ranking of World Universities.
TOP 100 WORLDWIDE
SPORT SCIENCE

★★★★★ RESEARCH-INTENSIVE UNIVERSITY
We continue to be proud of our Excellence in Research Australia (ERA rankings) reflecting our position as a leading research-intensive university. The 5 star rating represents the highest score given by the ARC (Australian Research Council), and equates to Federation University being placed 'well above world standard'.
APPLIED MATHEMATICS ENVIRONMENTAL SCIENCE AND MANAGEMENT CIVIL ENGINEERING CLINICAL SCIENCES HUMAN MOVEMENT AND SPORTS SCIENCE NURSING ENVIRONMENTAL SCIENCE
The ARC rates us as above or at world standard in a further 11 disciplines.

# OUR RESPONSE TO COVID-19

Federation University and Federation TAFE campuses have remained open throughout the pandemic. However, in 2020, the majority of our staff and students were working and studying from home, in accordance with government directives. In 2020, almost all university and TAFE events were held online, including a video acknowledgement of our graduates.

All actions taken by Federation University were at the direction and guidance of state and federal governments. Federation started working under its Crisis Management Structure in March 2020, including planning for a cautious and methodical approach to transition to a new start on campus, managed by our COVID-19 Transition Control Group, senior leadership and senior management.

Actions being undertaken to keep our staff and students safe include increased campus hygiene measures, guidance to maintain physical distancing, recommendations about the use of personal protective equipment and risk mitigation, and the continuation of some online study and work from home arrangements. A *Three-stage plan for a safe start on campus* was developed for our Victorian and Queensland campuses reflecting phased restriction settings for each state.



## Transformation to meet the COVID-19 challenge

The Centre for Learning Innovation and Professional Practice (CLIPP) played a significant role in the rapid transformation of successful online learning delivery. This was accomplished by offering support via:

- Provision of quality learning and teaching practices
- Embedded online student academic support initiatives
- Focused staff capability via professional development
- Curriculum design support services and
- Development of sustainable digital resources.



Key highlights in 2020 illustrate effective, innovative actions in Learning Design Projects, provision of academic and student study support programs and the development of new learning content for our students.

### 1. PERSONALISED STAFF AND STUDENT SUPPORT FOR ONLINE LEARNING ENVIRONMENTS – COURSE DESIGN, SCAFFOLDED LEARNING APPROACHES AND DIGITAL TEACHING PLATFORMS

In response to COVID-19, multiple CLIPP teams focused much time and effort on supporting staff to teach effectively online. In the months of March and April, Learning Designers prepared and presented over 30 webinars. The team also redeveloped a central Moodle course to provide staff with self-paced resources in Adobe Connect (for virtual classroom platforms), Kaltura (for pre-recorded lectures) and Quizzes (for online tests). To support students, self-paced resources were developed to support the digital platforms and alternative online Moodle tests. Many of these resources were customised, or varied, to accommodate the specific needs of the School.

Abode Connect was the primary learning and teaching platform supporting virtual classroom delivery throughout 2020. Due to the online learning and working environment, there was a significant increase in Abode Connect minutes used as demonstrated with the following statistics: April 2019 = 386 minutes vs April 2020 = 6502 minutes.

### 2. 'SEMESTER 2 – COURSE ENHANCEMENT PROJECT' VIA A 6-WEEK INTENSE MULTI-DISCIPLINE TEAM COURSE REVIEW AND ENHANCEMENT PROCESS

In July 2020, the Deputy Vice Chancellor (Academic), Professor Andy Smith assembled a small working group to discuss focused measures supporting both staff and students over an intense 6 to 8-week time-period. This support was focused on course quality enhancement and wellbeing approaches during remote working and learning arrangements. The project targeted support to Course Coordinators by multidiscipline staff, for example, Learning Designers, Learning Skills Advisers, Learning and Teaching Technology Support Staff and Lecturers.

### 3. SUPPORTING SCHOOL STAKEHOLDERS WITH ASSESSMENT AMENDMENTS AND ALTERNATIVE END OF SEMESTER EXAMS

During 2020, a range of new strategies, guidance notes and supportive adaptive processes were developed to support teaching staff with Semester 2 Assessment adaptations. Adapting assessment practices in a fully online environment was challenging and needed targeted academic capability skill enhancement and latest support resource development for a seamless transition for students.

### 4. SIGNIFICANT CONTRIBUTION AND LEADERSHIP INVOLVED WITH FEDERATION HILL: ONLINE SIMULATED LEARNING EXPERIENCE PROJECT

In March 2020, CLIPP staff worked with Federation TAFE to roll out the 18 Simulated Street scenarios including six interactive video story episodes. Funded by the Victorian State Government Department of Education and Training, this innovative product was a result of strong collaboration between TAFE Nursing, VET Practice Unit, ITS and CLIPP. The project allows TAFE students to explore a fictional regional village and its residents using custom map navigation tools and innovative interactive video technology.

## Technology for remote work



The move to remote learning also revealed the importance of ensuring that students and staff had reliable equipment, software and internet services for a smooth and lengthy transition to this new way of working and studying. Information Technology Services supported this work throughout the year, through a range of measures.

#### For students:

- Supported pilot of eExam software.
- Increased licensing, upgrading performance, and support to our virtual classroom technology (Adobe Connect).
- Provided laptops to those that could not access a device, to ensure that no student was disadvantaged. Laptops were provided to:
  - > 130 TAFE students
  - > 50 Brisbane international students
  - > 30 Aboriginal Education Centre students.
- Developed and provided students access to specialised software.
- Enabled "Zoom" meeting technology for specific Arts courses.

#### For staff:

We provided additional hardware, upgrades to software and support, and VPN access changes to general and academic staff. Many staff members took their workstations home with them to ensure business continuity and uninterrupted learning experience for students. We also provided wireless 4G connectivity to staff who had poor quality internet at home.

Significant training was rolled out to assist staff to transition to teaching and working off campus. This included 91 training sessions for MS Teams and Stream, implementation and support for MS Teams Live Events from May, development of a Microsoft support community, and work with Corporate Communications on VC Staff Forums, which allowed staff to connect with the university leadership team, with more than 700 attendees joining each month.

# RESEARCH AND INNOVATION



The Research and Innovation portfolio was a high priority for Federation University in 2020, including the implementation of our Research and Innovation Strategy launched late in 2019.

Research turnover in 2020 across a range of funding inputs was \$8.94 million, including prestigious funding grants from the National Health and Medical Research Council and overseas grants, invested in innovative research that focuses on real-world problems. Some of the most significant research grants included:

- **\$1.75 million** awarded by J-Power (case study 1) and the Department of Jobs, Precincts and Regions to Professor Thomas Baumgartl, Director, Geotechnical and Hydrogeological Engineering Research Group (GHERG) and Associate Professor Vince Verheyen, School of Engineering, Information Technology and Physical Sciences
- **\$1.21 million** awarded by the Grains Research and Development Corporation and Precision Agriculture Pty Ltd to Associate Professor Helen Thompson, Centre Director, Centre for eResearch and Digital Innovation (CeRDI)
- **\$660,500** awarded by Food Agility CRC and the Department of Environment, Land, Water and Planning (DELWP) to Associate Professor Peter Dahlhaus, Principal Research Fellow, CeRDI
- **\$520,327** awarded by the National Health and Medical Research Council and the Innovation and Technology Bureau – Better Living Hong Kong to Professor Britt Klein, Health Innovation and Transformation Centre, Research Stream Director, Digital Health and Models of Care
- **\$292,312** awarded by Brisbane City Council (case study 2) to Dr Fiona Hogan, Senior Lecturer of Conservation Biology, School of Science, Psychology and Sport
- **\$198,954** awarded by Department of Infrastructure, Transport, Regional Development and Communications (case study 3) to Dr Gayan Kahandawa, Senior Lecturer, Mechatronics
- **\$190,326** awarded by the Department of Agriculture, Water and the Environment and the Australia Research Council to Professor Syed Islam, Dean, School of Engineering, Information Technology and Physical Sciences (SEITPS)
- **\$75,000** awarded by Palladium International Pty Ltd to Dr Savin Chand, Senior Lecturer, SEITPS
- **\$69,900** awarded by Oceania Cyber Security Centre to Professor Iqbal Gondal, Director, Internet Commerce Security Lab
- **\$59,222** awarded by the National Health and Medical Research Council to Dr Adrian Shatte, Lecturer, SEITPS.

## Health Innovation and Transformation Centre launched on Founders Day

Federation University launched its first new Research Centre under its *Research and Innovation Strategic Plan 2019–2023*, while also marking 150 years of education on the university's Founders Day, 26 October 2020. The online launch event included a panel discussion from leading international experts about disruption and transformation in health services through advances in technology, including translational diagnostic and monitoring solutions for COVID-19.

The Health Innovation and Transformation Centre develops innovative, multidisciplinary solutions for patients and the general community, spearheaded by the digital, genomic and data revolution. It focuses on areas including aged care, cardiovascular health, digital health interventions, workforce development and patient safety, ensuring the right care, in the right place at the right time.

Local, world-leading researchers will collaborate to answer complex global health care questions and translate research in order to understand the distinct mechanisms of disease and individual responses to treatment. The centre brings together researchers across the university's School of Science, Psychology and Sport, School of Health and the School of Engineering, Information Technology and Physical Sciences to collaborate on a range of programs with the aim of improving health inequality deficits in regional Australia.

You can learn more about the centre and all of our research at [federation.edu.au/research](https://www.federation.edu.au/research)

## Technology Parks

We are incredibly proud of the positive impact that the university partnerships via our Technology Parks have created in Ballarat. The IBM and Federation University 25-year partnership contributed \$629 million in economic value to the Victorian economy between 2018-2019 and has seen more than 300 graduates go on to work at IBM.

The Western Research Institute economic impact report shows Ballarat Technology Park underpins 4435 jobs in the state, based on the same data period, and nearly 9 per cent of jobs in the Ballarat local government area. The park is also responsible for \$381 million in household income in Victoria, and that IBM's presence there delivers \$124 million to the state's gross product plus 711 jobs and \$62 million in household income.

The Hon Jaala Pulford, Victorian Minister for Employment, and Innovation, Medical Research and the Digital Economy, received the report at a ceremony at Ballarat Technology Park in 2020. IBM Australia's P-TECH program also runs out of the Ballarat Technology Park in collaboration with Federation College, introducing high school students to IT.



## CASE STUDY 1

### FEDERATION RESEARCHERS SECURE RESEARCH FUNDING TO TEST HYDROGEN VIABILITY IN LATROBE VALLEY

Federation University Australia researchers were awarded \$1.5 million in funding to support a hydrogen pilot project that is expected to change the way energy is produced in Australia and internationally.

The Hydrogen Production Evaluation Data Research Project will be undertaken by Federation University in collaboration with Australian Carbon Innovation, to analyse the quality and performance of a pilot hydrogen plant currently under construction in the Latrobe Valley.

The aim of the research is to evaluate the scalability of hydrogen production as an alternative to the combustion of

brown coal in a traditional boiler to produce energy. Conversion of the coal to hydrogen, coupled with efficient carbon capture and storage (CCS) will ensure that the hydrogen is low in greenhouse gas emissions and will complement intermittent renewable hydrogen.

The power plant, located at AGL's Loy Yang facility, will be the first of its size in the world, constructed to produce and transport clean hydrogen from the Latrobe Valley to Japan.

The involvement of Federation University will create expertise and upskilling in this fuel of the future, offering employment and economic development benefits.

## CASE STUDY 2

### RESEARCHERS ON TRACK TO REVOLUTIONISE TRUCK STEERING

Federation University researchers have teamed up with Australia's largest semi-trailer maker, Ballarat company MaxiTRANS, to develop a 'virtual rail' steering system to make trucks safer for other road users and reduce road damage in urban areas.

Mechatronics and IT researchers from SEITPS are collaborating with MaxiTRANS, to produce an active steering system where the rear wheels of a trailer follow the prime mover's front wheels. The system, which makes the semi-trailer behave as if it is on rails, aims to eliminate the

fundamental problems of off-tracking and corner-cutting in semi-trailers while reducing tyre wear. The system can be retrofitted and will kick in automatically at speeds below 40kph, improving the semi-trailers' manoeuvrability. This will make the semi-trailers easier for drivers to control and decrease the risk of the trucks causing damage to curbs.

The research team received \$193,000 from the Road Safety Innovation Fund to develop the system which they hope will be a major breakthrough for the transport industry and continues a long-standing industry partnership.

## CASE STUDY 3

### PROTECTING QUEENSLAND'S KOALAS



Dwindling habitat and devastating fires on the east coast of Australia have pushed koala populations to the brink of extinction. Koalas have also been lost to dog attacks, road strikes and disease, while large tracts of native vegetation continue to be lost to urban development, further affecting their populations.

Federation University researchers, who have studied the threats to Victoria's Strzelecki koalas, were awarded funding by the Brisbane City Council to perform DNA sampling on the city's koala populations to drive conservation strategies for the at-risk animals.

The research team study the animals' genetics through non-invasive scat samples, having already tracked the koalas through Brisbane in an earlier study. The scat sampling techniques developed by the researchers allow the koalas to be genetically tagged without capturing and stressing the animals.

The research will give the council the tools to make change within their local government area, including putting more money towards 'slow down' signs or building overpasses to allow the koalas to move around, or having the community lock their dogs up at night. The research project also focused on conserving habitat to make sure large interconnected populations breed to protect the genetic health of koala populations.

## ACADEMIC PORTFOLIO

The COVID-19 pandemic was a considerable focus for the university, compelling action to move all classes to online delivery at a rapid pace on 30 March, as Australia went into a nation-wide lockdown. Not all education can be delivered online, including practicals and trade training, meaning a range of new procedures were put in place to deliver practical classes in a COVID safe way on campus. Graduating students were given priority for placements and the university is proud of our efforts to ensure all of those students completed on time.

The disruption within the job market and many industries led to the development of 12 short courses with reduced fees delivered in Semester 2 2020, to help people upskill and pivot to new opportunities. We also commenced the Master of Business Administration (MBA) in Gippsland which attracted a first cohort of up to 70 students.

In March 2020, the Deputy Vice-Chancellor (Academic) requested that Human Resources undertake a short review of the operations of the new Higher Education schools created as part of the academic restructure that took place in 2018.

On 15 June 2020, the name of three of Federation's Schools changed to better reflect the composition of their disciplines and future program plans. Our Schools are now:

- **School of Health**  
(formerly the School of Nursing and Healthcare Professions)
- **School of Science, Psychology and Sport**  
(formerly the School of Health and Life Sciences)
- **School of Engineering, Information Technology and Physical Sciences**  
(formerly the School of Science, Engineering and Information Technology)
- **School of Arts**
- **School of Education**
- **Federation Business School**

Continual renewal of academic programs with the following programs due to commence in 2021:

- Bachelor of Professional Accounting
- Bachelor of Physiotherapy
- Master of Health (Child & Family Health), (NeoNatal Care), (Perinatal Infant Mental Health)
- Master of Public Health
- Master of Applied Cyber Security
- Master of Data Science
- Master of Specialist Education
- Also six new short courses (five graduate certificate and one undergraduate certificate).

## PARTNERSHIPS

In 2020, we partnered with industry and other institutions to provide a unique learning experience for our students, foster research collaborations, create new pathways into university and to enhance our communities.

- **\$1.6 million partnership with Vestas** to provide apprenticeships in wind turbine blade repair from 2022
- **Ararat Rural City Council** partnership to develop Ararat Jobs and Technology Precinct
- **Greater Dandenong** MOU signed to build partnerships with local employers
- **Latrobe City** MOU to partner on economic transition of the region
- **Global Power Generation** and **ACCIONA** investment to help establish the Asia Pacific Renewable Energy Tech-Transition Centre (APRET Centre)
- **Commerce Ballarat** business development program to navigate challenges of COVID-19
- **TAFE Gippsland** MOU to support pathways from TAFE to university
- **Hallam Senior College** MOU signed with Fed's Berwick Campus
- **City of Casey** MOU signed to establish Berwick as a hub for education, jobs and health
- **East Gippsland University Study Hub**
- **Ballarat Health Services** – Grampians Health Workforce
- **Regional Incubator for Social and Economic Research (RISER)** – Horsham
- **Runway and Bendigo Bank** – Federation Business School partnerships
- **IBM® Earn to Learn partnership**
- **World Academy of Sport** Bachelor of International Sport Management
- **CT4** professional cyber security placements for students
- **Hebei University of Science and Technology (HUST)** Information Engineering and Environmental Science
- **Zhejiang University of Technology** Civil Engineering joint program.

# SCHOOLS

## School of Health

2020 was a year of change. The School was re-named the School of Health. Many other initiatives were established as well. Some of the highlights include both new undergraduate and postgraduate programs, research developments and stronger engagement. In particular, the School offered its first Occupational Therapy program. Specifically:

- Successful Occupational Therapy Program Accreditation with Occupational Therapy Council of Australia
- An intake of 21 students and immediately converted face to face lectures and tutorials to online for non-clinical lab classes due to COVID-19 pandemic
- Online teaching development work showcased at staff learning and teaching day.

Other significant highlights for the School of Health are as follows:

- The School also initiated its Physiotherapy program with successful accreditation for 4 years by the Australian Physiotherapy Council. The first intake of physiotherapy students will be in 2021
- Three public health programs were approved in 2020 for commencement in 2021: Graduate Certificate in Public Health, Graduate Diploma of Public Health and Master of Public Health. The uniqueness of the Master of Public Health includes choice of specialisation in the second year: research, project, public health informatics, public health economics and health system management
- The Graduate Certificate in Health (Workplace Health and Safety) was a great success on the back of federal government COVID funding for short courses. This program was generated quickly and attracted many students
- Federation University's School of Health and four other schools are partnering in the Co-operative Research Centre Longevity bid led by the University of Queensland, with a final decision in March 2021. The CRC Longevity is an industry-led research collaboration tackling the economic and social challenges caused by people living for longer. It includes eight universities and over 70 industry partners
- COVID-19-related psychological impacts in Australia were examined by a team of researchers from the School of Health, with the research expanded to multi-country settings. Research collaboration has been established with more than 20 countries
- Professor Carolyn Unsworth and Dr Anne Baker received \$31,000 in grants for research on community transport mobility for people with disabilities
- Professor Wendy Cross received a research grant from Caritas Institute Hong Kong of HK\$640,000 to investigate resilience in undergraduate students. This is a multisite longitudinal study across three countries
- The Collaborative Evaluation Unit (CEU) led by Associate Professor Joanne Porter continues to support community engagement and transformative impact in the Gippsland region, including Aboriginal Advocacy Support Services, suicide prevention and youth service engagement.



## Federation Business School

In 2020, the Federation Business School (FBS) put a keen focus on the recovery of regional businesses from the impact of COVID-19 and providing ways to share ideas, build resilience and equip them for the future. Highlights for the school are as follows:

- A specific initiative was developed with Commerce Ballarat called 'Connect Evolve Recover 2020', a business development partnership program to support local businesses to navigate the challenging climate of COVID-19. It featured the rollout of a comprehensive program of development and promotion to help businesses connect with each other and prepare for change. It included identifying customers' evolving needs and priorities in a time of social distancing, as well as ways to build up an online presence
- In Gippsland, FBS delivered a new, subsidised Master of Business Administration (MBA) program to more than 70 Gippslanders, the largest MBA cohort for the university. The students took on the opportunity to up-skill or re-skill through a Federation University scholarship, in partnership with Regional Development Victoria via the Gippsland Regional Partnership, to support the recovery of the Gippsland business community. The course was co-designed with entrepreneurial hub Runway, to provide new skills in innovation, network-building and start-up-thinking for students from a range of industries, including agriculture, small business, forestry, mining, manufacturing, government, teaching and community services
- FBS also delivered the Ballarat Business Confidence Survey. The survey was conducted over the two years to provide interesting comparative data and insights into the impact of COVID-19 on business confidence.

## School of Engineering, Information Technology and Physical Sciences

In 2020, the School of Engineering, Information Technology and Physical Sciences took a leading role in research, with SEITPS researchers receiving more than \$3.81 million in funding grants for a range of projects, including:

- Improving the Water Quality of Rural Water Supply Systems using Bio-filtration Techniques
- Numerical investigation of coal cover stability and long rehabilitated slopes in Latrobe Valley brown coal mines
- PhD Co-Funded Scholarship for Project on Identifying Mallee Fowl mounds and their characteristic features using artificial intelligence
- CSIRO project funding
- AI in Decision Making Initiative
- Annotating dataset for applying Sentiment Analysis to identify Sports Enthusiasts
- Modelling Adversary Intent Using Multi-objective Reinforcement Learning
- Vanuatu Cyber Security Capacity Building Project
- Improving Reliability of Streamflow and Water Level Forecasting using Artificial Intelligence Techniques
- Deep learning for detecting road features
- Transforming microgrid to virtual Power Plant – ICT Frameworks, Tools.

Other significant highlights for the School of Engineering, Information Technology and Physical Sciences are as follows:

- Centre for Informatics and Applied Optimisation (CIAO) researcher Associate Professor David Yost was awarded an \$8000EURO grant to collaborate with members of the Workgroup on Discrete Geometry at the Free University of Berlin
- A special issue of the Set-Valued and Variational Analysis (SWA) journal was been published in honour of Professor Alexander Kruger's 65th birthday

- Associate Professor Andrew Barton was invited by the International Water Association's publishing arm to extend his editorial role and is now part of the editorial team for Hydrology Research. This comes after a three-year editorial role with the same publisher for the Journal of Water and Climate Change
- Associate Professor Feng Xia received the Best Paper Award at the Institute of Electrical and Electronics Engineers CSDE 2020, 7th Asia-Pacific Conference
- IBM and Federation University won the 2020 Engagement Australia Excellence Award for 'Excellence in Student Engagement' including the collaboration on the Bachelor of Information Technology (Professional Practice)
- The school was involved in jointly-organising the International Conference on Maintenance and Intelligent Asset Management (ICMIAM-2020) with government and industry in Manipal, India. The conference had a number of keynote addresses by distinguished academics, with 50 papers and 8 posters presented in 10 parallel sessions in the areas of Asset Management, Data Science, Asset Life Cycle Management, Water Audit and Analysis, Tribology and Maintenance
- Research and Industry Day (RAID), an inaugural whole day virtual event was organised jointly by Federation University Australia and Asset Management Council, Gippsland Chapter discussing the latest in asset management from post-graduate research students and industry leaders with more than 195 delegates registered and attending online. The event focused on enhancing productivity, reliability, availability and safety for reducing the costs and risks and further enhancing the performance of assets.
- The 2020 World's Top 2% of Scientists was published by Stanford University. Fourteen Federation academics made it to the list of scientists in the World. Eight are in disciplines within SEITPS and include A/Prof Feng Xia, Prof Guojun Lu, Prof Syed Islam, Prof Kai Ming Ting, Dr Dengsheng Zhang, Dr Manoj Khandelwal, Prof David Gao and Prof Adil Baghirov.



## School of Arts

Following the outbreak of COVID-19, the School of Arts moved to a successful delivery of the vast majority of classes online. This transition was particularly challenging for the Arts Academy, where most teaching takes place face-to-face in theatres, visual arts, dance and music studios. Due to the exceptional work across the school by our ongoing academic, sessional and technical staff, students were able to successfully complete their studies, enabling them to graduate in 2021.

Also, in 2020, inspired by the School of Arts vision of 'employable arts' we introduced a range of new programs including:

- Bachelor of Human Services and Social Entrepreneurship, a program co-designed and delivered with Federation Business School
- Graduate Certificate in Social and Community Services
- Undergraduate Certificate in Creative and Professional Writing
- a number of stand-alone shorter form credentials, including Introduction to Professional Writing and Writing Stories, both aimed at those seeking to craft a career as a writer.

During 2020 the School of Arts' grant income totalled almost \$250,000, with highlights including:

- Professor Keir Reeves' ARC Linkage project 'Incentivising On Country Aboriginal Employment: Anangu Futures'
- Associate Professor Fred Cahir's project 'Aboriginal heroes of flood, fire and food'
- Dr Sue Yell's continuation of the ten-year Hazelwood Health Study
- Associate Professor Cahir and Dr David Waldron researching 'The Lucas Girls and World War One Soldiers'.

Further highlights for the School of Arts included:

- The School of Arts organised a competitive round of internal research grants, in collaboration with the School of Education and Federation Business School. Four projects were funded addressing community engagement with sport events during COVID, digital literacy amongst Fed students, women's crafting collectives operating during COVID, and a creative historical play researched in collaboration with Sovereign Hill titled The Invisible People
- Sixteen Higher Degree Research students successfully completed theses in the School
- A new orchestral work, commissioned by the university in acknowledgement of its 150th Anniversary, was composed and conducted by Associate Professor Richard Chew at Ballarat Trades Hall. This piece, Heartland, will feature in future graduation ceremonies
- Despite the difficulties arising from the pandemic, 2020 saw the online launch of student performances of 'Embers' and 'Songs from the Other Side' in September, as well as 'Out of Joint' and 'A Chorus Line' in December. Additionally, in December there was the online launch of the End of Year Exhibition (EYE) for graduating students in the visual and fine arts programs.

## School of Education

In 2020, the School of Education put significant focus on research, making an impact, including:

- Professor Erica Smith won the Department of Industry, Science, Energy and Resources research grant for the project 'Careers in everyday industries: Potential benefits of increased visibility' (\$151,679)
- Ten new PhD students joined the school and eight PhD graduates completed in 2020, while two other academic staff awarded a PhD
- Despite COVID, 20 conference presentations and two keynote addresses were delivered
- Introduction of the school's research 'Lunchbox series' and 'Write on' workshops
- Research symposia convened by Pedagogy, Curriculum, Assessment and Learner Engagement (PeCALE) and Social Justice, Inclusion and Diversity in Education (SJIIDE) research focus areas
- Another successful Researching Adult and Vocational Education (RAVE) two-day conference with international guest speakers
- The launch of new research focus area: Assessment, Impact and Reflection in Teacher Education
- Establishment of Cross-School Research Group with School of Arts and Federation Business School
- Researchers from the Education research focus area RAVE won the Journal Article of the Year award (2019) of the Australian Vocational Education and Training Research Association (AVETRA)
- Melania Pantelich awarded '2020 Editor's Choice Award' by Journal of International Students
- All final year students (250+) completed their Teacher Performance Assessments successfully despite the challenges of COVID-19.

The school also launched new programs in 2020 and won the Department of Education and Training tender for innovative initial teacher education programme – the Hybrid Accelerated Pathway – Master of Teaching (Secondary). Students gain a stipend in year one and are employed 0.8FTE with a school in year two under a 'Permission to teach' pathway. Other new programs included:

- the Master of Specialist Teaching (with embedded Graduate Certificate of Specialist Teaching and strands in TESOL, STEM, Literacy, Numeracy, and Inclusive Education)
- the Bachelor of Education (Early Childhood Education), which is eligible for DET scholarships
- Introduction of shorter form credential courses.

## School of Science, Psychology and Sport

The School of Science, Psychology and Sport (SciPS) spent a significant proportion of 2020 developing innovative learning experiences and resources for the students during COVID-19. The changes to remote learning presented opportunities to engage in different ways with key content, however, essential practical skills were undertaken in sessions on campus to ensure work-ready graduates. These included:

- A Virtual Clinic introduced for the Master of Psychology (Clinical) and the Master of Professional Psychology program to provide opportunities for placements in the COVID-19 environment. The clinic incorporated both simulated learning experiences and tele-health clinical consultations
- SciPS staff shared their expertise with the community through many online webinars such as Retention and Participation in Sport by Prof Rochelle Eime, Sleep Wonderful Sleep by Prof Gerard Kennedy, The Good and Bad of Social Media in Times of Separation by Dr Evita March and Keeping fit in isolation by Dr Matthew Wallen.
- We introduced three new undergraduate certificates in Semester 2, 2020; Principles of Nutrition & Health Promotion, Principles of Conservation Sustainability and Principles of Biomedical Science. The three certificates were very popular and extremely relevant as society adapted to the pandemic
- The new Bachelor of International Sport Management was developed in 2020 in partnership with the World Academy of Sport and will commence in Semester 1, 2021. This program is available to study online from anywhere in the world, with exclusive access to case studies and interviews from world leaders in sport management
- Work commenced on the development of an exciting and innovative program in food science. The new degree leverages the dual sector nature of the university, by combining the vocational training alongside theoretical training
- National Science Week went virtual in 2020 and staff from the School of Science, Psychology and Sport ran virtual activities during the week called Pocket Science. The science themes included parasites, lichen, veterinary science, immunology and biomedical science. There were 187 participants comprising interested community members, teachers and school students from Victoria, New South Wales, South Australia and the ACT.

The new Health and Sport Precinct was officially opened at the end of February 2020. The full activation of the facilities was affected by the COVID-19 restrictions. Nonetheless, students experienced some of the specialised learning spaces for essential practical classes and the community enjoyed the new gym and upgraded pool when possible throughout the year. We look forward to increasing the use of the world class facilities for high quality, work integrated learning and impactful research.

A select number of students from the Bachelor of Environmental and Conservation Science and Veterinary and Wildlife Science spent three weeks at the National Trust for Nature Conservation's Biodiversity Conservation Centre in Nepal, observing and participating in community conservation programs. Five Veterinary & Wildlife Science students had the incredibly opportunity to stay for a further 6 weeks to complete an internship.

The new science laboratories at our Berwick Campus were completed in the final quarter of 2020. The new laboratories are an exciting and essential addition to continue increasing our educational delivery, furnished with state-of-the-art equipment to allow us to expand our reach for students and research at Berwick.

The school continues to excel in research with notable successful grants over \$1 million dollars and discoveries in impact focussed research in broad areas of national and international significance, including human (asthma, cardiovascular, mental and physical health) and environmental sustainability (wildlife and plant conservation) to name a few. At the forefront of these studies is the optimisation of community-based, collaborative solutions with local industry and governments.

SciPS also continues to support and mentor our next generation of global science leaders, with 12 HDR completions, the prestigious Dean's Thesis Award for Excellence in a PhD Thesis awarded to Chris Davies and Dr Chris Mesagno being awarded a special commendation in the Graduate Research School Awards for Excellence in Graduate Research Supervision in 2020. Fifteen new HDR candidates were welcomed into the school during 2020.



# TAFE

## COVID-19 Response – supporting local communities and economic recovery

2020 saw a significant disruption to Federation TAFE's vocational education and training program delivery due to the impacts of the coronavirus pandemic. The commitment of staff and students throughout the year has been exceptional, resulting in a high proportion of students completing their training on schedule despite the challenges created by the pandemic.

In March, Federation TAFE teaching and specialist support staff rapidly implemented innovative blended learning delivery to enable students to work from home where feasible and attend on campus for practical training and assessment.

Qualifications critical to local communities and economic recovery were prioritised, including building and construction, nursing and health, engineering, automotive, and cookery/bakery. Apprenticeship and traineeship delivery and support for young vulnerable learners completing the Victorian Certificate of Applied Learning (VCAL), pre-apprenticeship programs and vocational training in partnership with secondary schools were a major focus.

A COVID-19 TAFE Special Assistance Scheme was developed and implemented to support vulnerable students. Assistance included financial support and access to a laptop loan scheme to help TAFE students move to online learning.

## Showcasing leading-edge TAFE capability

The Hon. Gayle Tierney, Minister for Training and Skills and Minister for Higher Education visited Federation TAFE on Thursday 1 October. Minister Tierney met with Federation TAFE electrical apprentice Laura Moneghetti at Ballarat Goldmine for a media event which showcased Federation University's commitment to increasing female participation in the trades.

The Minister then toured Federation TAFE's new Bakery Training Centre located at the School of Mines Ballarat (SMB) Campus. The Minister was then given a demonstration of an adaptive learning simulation developed by Federation TAFE in collaboration with Ballarat Health Services and industry partners. Both initiatives were funded through *Skills First* programs (Regional and Specialist Training Fund and Workforce Training Innovation Fund).

## Finalist Victorian Training Awards – Industry Collaboration

Federation TAFE's P-TECH (Pathways to Technology Program) was a finalist in the 2020 Victorian Training Awards (industry partnership category). P-TECH is a collaborative initiative between Federation TAFE and the global tech company IBM. The Ballarat program was the first one of its kind established outside of America and aims to strengthen the regional economy by building a workforce of the future and engage young learners from diverse backgrounds to provide them with a clear education pathway leading to a job and career outcome.

Being a finalist in the 2020 Victorian Training Awards has enabled Federation TAFE to showcase the outstanding work in developing skills for a changing regional economy and providing new and exciting opportunities for our students.



## Skills First Reconnect Funding

Federation TAFE was successful in securing \$1.1 million in *Skills First Reconnect* Funding. The program supports learners that may experience a barrier to learning and transitioning to the workforce. As a *Skills First Reconnect* participant learners engage with further training and education with the assistance of suitable support services to build their resilience and capacity to move from learning to employment. The 2021 program will build on successful delivery of previous Reconnect Programs by Federation TAFE.

## VET Delivered to Secondary Students

VET Delivered to Secondary Students (VETDSS) enables secondary school students to attain a nationally recognised qualification whilst providing further training and job pathways. Federation TAFE's program has been operating for more than 20 years. Throughout the year, Federation TAFE teaching and specialist support staff worked with VETDSS cluster schools to minimise disruption as a result of the coronavirus pandemic and support secondary students to achieve their learning goals. In 2020, 475 secondary school students from 37 partner schools participated in 11 VETDSS programs.

## Building teacher capability

The coronavirus pandemic has resulted in Federation TAFE moving many of its qualifications to online or blended delivery during the year. Investment in staff professional development in digital learning has been a priority. Federation TAFE's Learning and Teaching Professional Practice Week was held in a virtual setting, aimed at enhancing teacher and specialist support staff capability. More than 120 staff participated in a range of virtual workshops including:

- Using Moodle to encourage student led learning
- Classroom management in the online space
- Moodle: create an introductory video.

## Ballarat Tech School

### The key objective of the Ballarat Tech School (BTS)

- To deliver high quality STEM (science, technology, engineering and mathematics) learning programs to secondary school students in the Ballarat region.

### Data

- In 2020, despite the challenge of remote learning impacting the BTS STEM programs, the BTS team worked hard to convert many programs to online learning in support of our Partner School need, BTS and TAFE leadership worked hard to provide education to 2876 students. BTS will look to bring numbers back to pre-pandemic levels in 2021.
- Since opening in 2018, through engagement with local schools and industry, BTS has contributed to enhancing the STEM skills of thousands of students in the region. In 2019 BTS delivered STEM programs to over 6500 students, an increase from 4000 students in 2018.

### STEM Programs

- Examples of innovative STEM programs offered include the CSIRO supported Bees with Backpacks, robotics and automation and advanced manufacturing related programs incorporating 3D printing.
- The STEM programs delivered are the result of careful thought, planning and content enhancements incorporating feedback from our partner schools and from our shared experiences. Programs are delivered onsite at the BTS venue or online and designed to have both currency and links to local industry and student curriculum.

## Work Integrated Learning

Work Integrated learning combines theoretical learning of knowledge and skill with practical application in the workplace. Apprenticeships, traineeships and training package mandated work placements are core to Federation TAFE's delivery. Federation TAFE works in partnership with employers, Group Training Organisations, Australian Apprenticeship Network providers and a range of other agencies and peak bodies to support work integrated learning options. In 2020, there were over 660 new apprentice and trainee commencements and 554 work placements organised for non-apprenticeship/traineeship students as part of their training.





## INTERNATIONAL

2020 presented a challenge for International Education. In keeping with our long tradition, Federation University prioritised the wellbeing of our international students in a time of great difficulty. The university provided academic support, pastoral care and financial assistance to ensure the continued success of our international students in 2020.

To assist our international students facing financial hardship due to COVID-19 in 2020, the university granted over \$2.44m in support to over 2,000 students. The university also established a dedicated Case Management Support Team to assist international students navigate and access financial and support services available to them during COVID-19 with approximately 500 students referred to the service. There were 283 international students approved for leave from studies, with a number of students also reducing their study loads in response to changed conditions due to the pandemic.

All international students were well supported in the move to online studies during the year with partner providers also transitioning to flexible delivery. Student feedback on their online study experience was very positive. Importantly, the vast majority of existing international students continued their enrolment in online learning and more than 2400 new international students commenced their study via online delivery.

The university commenced delivery of IT courses to our first cohort of 200 students of the Federation University Information Engineering Institute at Hebei University of Science and Technology. Student performance was of high quality and sets a strong foundation for our continued success with the institute.

## EQUITY AND DIVERSITY

In 2020, Federation University launched *FedPride 2021–2023*, a comprehensive strategy aimed at best practice for LGBTIQ+ inclusion across every area of university life. FedPride, led by a Steering Group of gender and sexuality diverse staff and students, cements the university's strong commitment to inclusion and outlines a path to achieving a gold award under the Australian Workplace Equality Index by the completion of the strategy.

In 2020, the university also took affirmative action in response to the significant financial, health and housing impacts of COVID-19 on students, particularly those from low SES backgrounds and living away from their home countries. The university provided over 3-million dollars in financial aid, created a crises case management team to assist with housing, employment and mental health impacts and established two community food pantries to support students in crisis.

Federation continued its commitment to gender equality in 2020 by implementing a targeted recruitment strategy to employ women in senior leadership positions. Two roles at a leadership level were approved and advertised for targeted recruitment: Deputy Vice-Chancellor, Global and Engagement, and Director Governance and Strategy.

NAIDOC Week was celebrated from the 8–15 of November 2020 with a suite of innovative online events. Arts and culture workshops as well as sessions celebrating and acknowledging the importance of Aboriginal languages were attended by staff, students and the broader community.



# OUR ENVIRONMENT

Federation University's overall environmental performance for 2020 shows a marked improvement on previous years in all facets of measurable performance indicators. While these strong results can in part be attributed to the impact of the COVID-19 pandemic, our commitment to reaching and exceeding our environmental targets shows that, prior to the outbreak, all indicators were trending better than or on-track for the first quarter. The pandemic interrupted the implementation of some planned environmental initiatives, however, much was still achieved.

The additional hybrid vehicles introduced to the fleet over the past 12 months will further reduce the amount of fuel consumption and fuel emissions in 2021.

Actively reviewing the replacement of lighting schedule has enabled installation of additional LED sensor controlled lighting in many of our larger facilities, producing further energy savings. This work is ongoing.

Some indicators, such as paper consumption, can be linked to the mandatory working from home arrangements: this offers us a new opportunity to review many aspects as we move back to on-campus working arrangements in 2021.

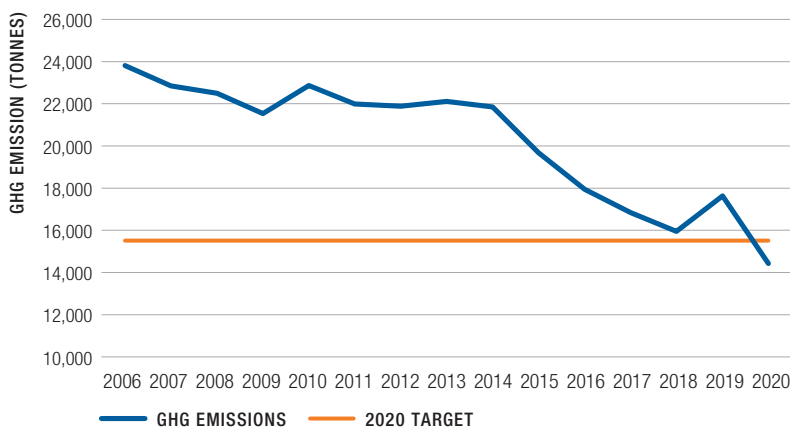
Work has commenced on analysing office space and occupancy rates data and assessing where spaces can be better utilised and energy consumption footprint reduced.

In 2021 the university will be developing a new sustainability strategy which will be aimed at achieving even greater results to ensure the university is on track to meet its environmental and social responsibilities.

## THE IMPACT OF COVID-19

The restrictions on movement and activity on campus and across Victoria throughout 2020, due to the COVID-19 pandemic, has resulted in major reductions in our environmental footprint across all campuses, reflected in the following graphs.

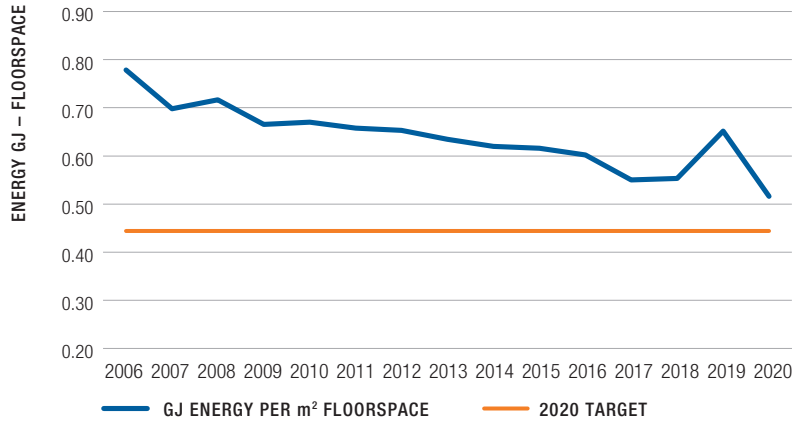
## GREENHOUSE GAS EMISSIONS



**40%**  
REDUCTION IN  
GREENHOUSE GAS  
EMISSIONS

This reduction is a positive trend largely as a result of staff working from home.

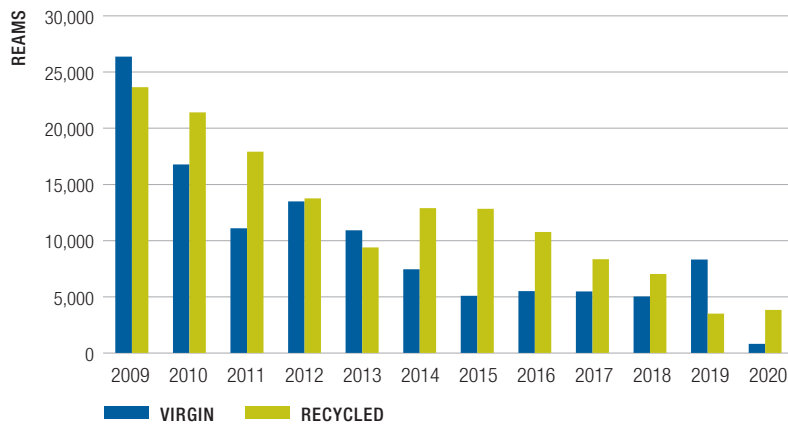
## ENERGY CONSUMPTION



**40%**  
REDUCTION  
IN ENERGY  
CONSUMPTION

40 per cent reduction in indirect electricity-related emissions and 46 per cent reduction in gross electricity emissions

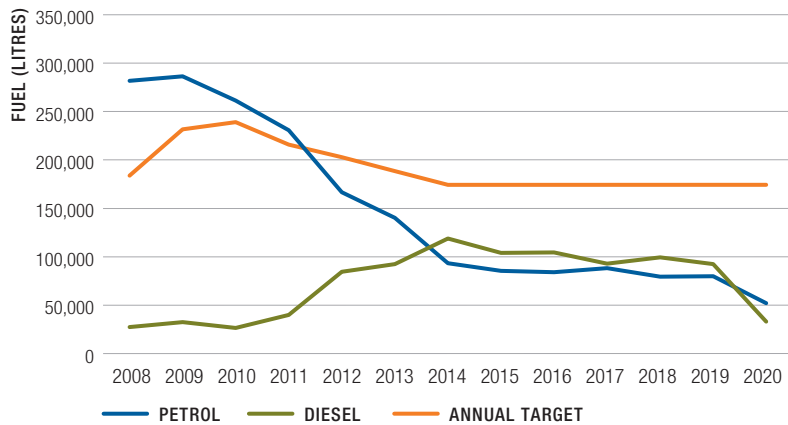
## PAPER CONSUMPTION



**90%**  
REDUCTION IN  
PAPER USE

A trend that we hope will continue as staff have adjusted to paperless work practices

## VEHICLE FUEL

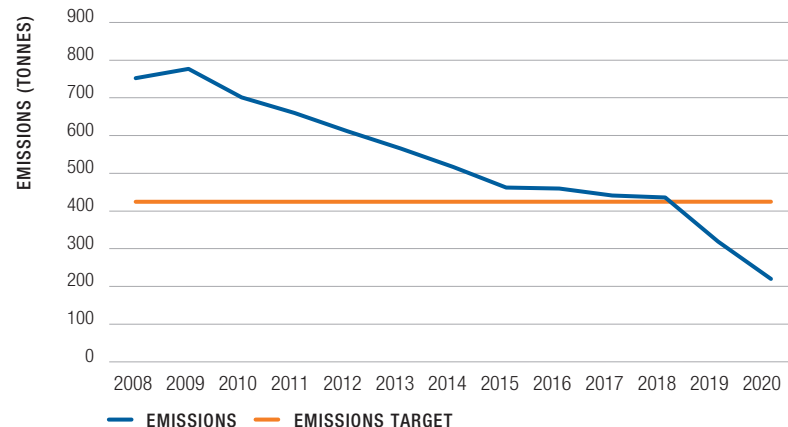


**63%**  
REDUCTION IN  
PETROL USE

63 per cent reduction in petrol and 58 per cent reduction in diesel use.

A trend we hope will continue as staff have embraced online meetings rather than face-to-face meetings.

## VEHICLE EMISSIONS

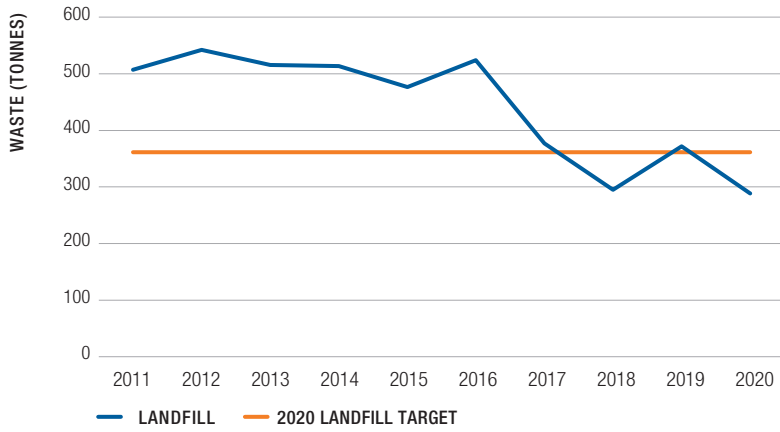


**98%** REDUCTION  
IN TRAIN TRAVEL



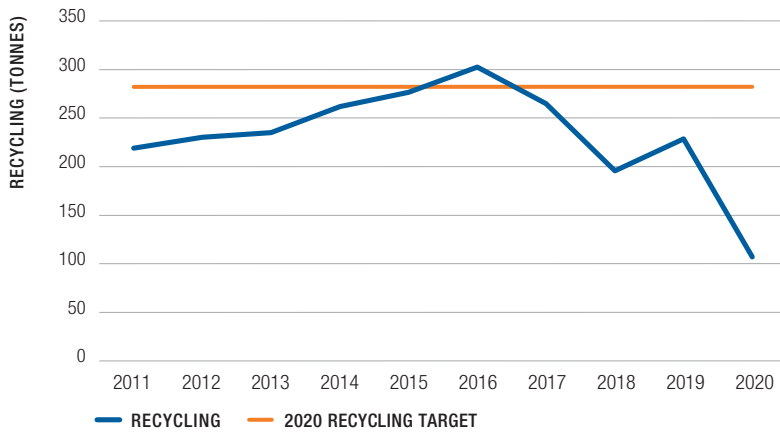
**94%** REDUCTION  
IN FLIGHTS

## LANDFILL WASTE



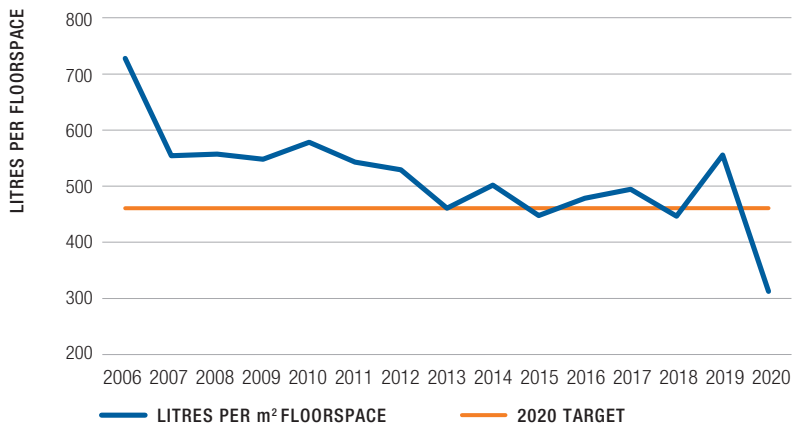

**34%**  
REDUCTION IN  
WASTE TO  
LANDFILL

## RECYCLING



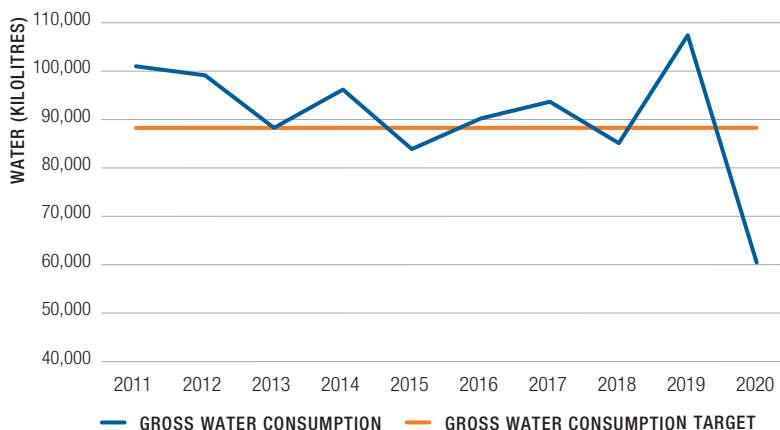

**55%**  
REDUCTION IN  
RECYCLING

## WATER CONSUMPTION




**32%**  
REDUCTION

## GROSS WATER CONSUMPTION




**32%**  
REDUCTION



# ALUMNI, DONORS AND SPONSORS

## ALUMNI

More than 114,000 students have graduated from the university since its foundation in the 1870s, with nearly a quarter being international alumni from across 87 countries.

Thirteen outstanding alumni were honoured at the university's 2020 Alumni Awards for their contribution to the communities in which they live and work, including leaders in the arts, politics, high performance sport, business and teaching.

The 2020 Alumni Award recipients are:

**Mary Aldred** | 2020 Alumna of the Year (Gippsland)

Mary is passionate about the economic and social progress of the Gippsland region and has been instrumental in securing state and federal funding for significant projects in the area.

**Keith Hamilton** | 2020 Alumnus of the Year Award (Gippsland)

Keith's career has been dedicated to excellence in education, public service, and service to the community.

**David Noonan** | 2020 Alumnus of the Year Award (Ballarat)

David is one of Australia's most celebrated contemporary artists.

**Leigh Russell** | 2020 Alumna of the Year Award (Ballarat)

Leigh is an executive, director and elite sports leader, including Executive leadership at an AFL club, Netball Victoria and Swimming Australia.

**Sanjay Bharwani** | 2020 International Alumnus of the Year Award (Ballarat)

Sanjay Bharwani is a highly sought-after business leader with an outstanding career in banking and corporate consultancy.

**Christine Johnson** | Aboriginal & Torres Strait Islander Alumna of the Year Award (Gippsland)

As an Education Engagement Worker with The Smith Family Christine has directed the Aboriginal Parent and Community Engagement project.

**Jodie Sizer** | Aboriginal & Torres Strait Islander Alumna of the Year Award (Ballarat)

Jodie is one of Australia's foremost Indigenous leaders. She is Co-Founder and Co-CEO of PricewaterhouseCoopers Indigenous Consulting.

**Barry Dunstan** | Distinguished Alumnus Award (Gippsland)

Barry has a long association with the university and considerable experience in consulting and conducting research in a wide range of energy issues.

**Merle Hathaway** | Distinguished Alumna Award (Ballarat)

Merle has had a strong impact on creative arts across regional Victoria, founding and establishing numerous organisations and events promoting artists' work and serving in leadership roles.

**Rosie King** | Distinguished Alumna Award (Ballarat)

Rosie is one of the most influential women in Australian sport. She was the first woman Acting CEO of Geelong Football Club and is Chief Executive at Netball Victoria.

**Ian Nethercote** | Distinguished Alumnus Award (Gippsland)

Ian has made a major contribution to the Gippsland region and the development of national energy policy and institutions. In 2018 Ian was awarded Member of the Order of Australia.

**John Sullivan** | Distinguished Alumnus Award (Gippsland)

John Sullivan is a global automotive engineer who has spent his career designing motor vehicles and improving their safety performance.

**Robert Malachy (R.M.) Serjeant** | Distinguished Alumnus Award (Posthumously) (Ballarat)

R.M. Serjeant was one of Ballarat's most successful mine operators and key public figures. He served as Parliament Representative for Ballarat West and on the inaugural School of Mines, Ballarat (SMB) council, holding a council position until retirement when he was elected a Life Governor. Serjeant died in 1902.



## Alumni 150 year anniversary event

In 1870, our founding institution, the Ballarat School of Mines (SMB) was the first tertiary technical institution established in Australia, making 2020 our 150th anniversary. To mark this significant milestone, over 1,000 alumni from around the globe celebrated the university's 150 years at a special virtual event on Thursday 22 October 2020.

Alumni heard addresses from Vice-Chancellor and President, Professor Duncan Bentley, and distinguished alumni keynote speakers, Dr E J (Jack) Barker OAM, Mr Tim Diamond, and Dr Elizabeth Lewis-Gray on *The value of education in challenging times*.

Alumni enjoyed complementary snacks and drinks as our gift as well as receiving special commemorative alumni merchandise including 150 year branded caps, aprons, face masks, pins and a limited number of commemorative books.

# DONORS AND SPONSORS

We thank all of our donors and sponsors for their contributions.

## CHANCELLOR'S CIRCLE

Dr Kiran Mazumdar-Shaw AM  
Professor Robert Duncan Bentley

## STAFF DONATIONS

Ms Leyla Aliyeva	Associate Professor Sam Henson	Ms Diana Ojajune
Dr Danielle Auldist	Dr Danny Hills	Miss Alison Ollerenshaw
Mrs Jennifer Barnes	Wendy Holcombe	Dr Abdi Osman
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Mr Thomas Baumgartl	Gaye Honeyman	Mrs Val Palavikas
Mr Raymond Beebe	Rachael Houtsma	Ms Vera Paulin
Dr Anne Beggs-Sunter	Ms Peggy Hsu	Ms Rebecca Peel
Mr Ashley Bennett	Ms Amy Hunter	Dr Caroline Perkins
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Stephen Edwards	Miss Kathryn McNamara	Ms Amanda Steen
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Ms Alexandra Elibank Murray	Ms Mary Madden	Ms Margaret Stewart
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Clare Gervasoni	Mr Gavin Myers	Mrs Fiona Tegart
Associate Professor Jason Giri	Dr Phong Minh Nguyen	
Ms Tara Harle	Ms Renae Nolan	

## ALUMNI DONATIONS

Associate Professor Shyh Wei Teng	Mr Afolake Abosede Akande	Ms Merle Hathaway	Mr Jignesh Pujari
Associate Professor Helen Thompson	Balaji Alagesan	Mr Yick Ho	Mr Jason Quinilivian
Mr Adrian Tinetti	Ms Mary Aldred	Ms Sharon Houlihan	Mr Harsha Heamantha Rathnayaka
Professor Dara Twomey	Mr Bander Saad M Alhomeggi	Mr John Iredale	Wasala Mohottalalage
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Mrs Tracey Vernon	Mrs Basava Salini Atluri	Dena Kahan	Mr Hareesh Shah
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	Ms Kirstin Grayson	Mrs Tejpalben Patel	Miss Yue Ching Wong
	The Hon Keith Hamilton	Mr Anishe Perera	Mr Andrew Yatsko
	Mr Umair Hassan	Mr Troy Anthony Platt	Mr Zhenyu Ye

## STUDENT SCHOLARSHIPS

Ms Jenny Acopian	FedStore	Mr Colin Prowse AM
AGL Loy Yang	Freemasons Foundation Victoria	Mrs Shirley Prowse
Ms Carol Anderson	Faye Gumley	Emeritus Professor Wayne Robinson and Ms Jennifer Robinson
Dr E J Barker	Hamilton Area Rural Australians for Refugees	Rotary District 9780
Bendigo Bank – Ballarat & Western Vic Collaborative Fund	Dr Janet Holmes a Court AO AC	Mr and Mrs Margaret and Michael Ryan
Bendigo Bank Wimmera	Mr Robert Hook	Dr Janeen Samuel
Buninyong Community Bank (Bendigo Bank)	Mr Travis Ireland	Ms Jane Smith OAM
Ms Pauline Buckland	Mrs Patricia Irving	Soroptimist Club of Ballarat
Collier Charitable Fund	Isobella Foundation	Soroptimist International Club of Gippsland
Mr Steven Davies	Ms Sally Jackson	Mr and Mrs Sandra and Anthony Stone
Professor Emeritus Kwong Chiu Lee Dow AM AO	Mr Richard Lane	TAFE Gippsland
Dr Meredith Doig	Lions Club of Buninyong Mt Helen Inc	Tohmae Pa P/L
Diane Gibney & James Nugent	Dr Lynne McLennan	Ms Fiona Tonkin
Dundonnell Wind Farm Pty Ltd	Mr Paul Margetts	Mrs Judy Trompf
Dunkeld Refugee & Asylum Seeker Group	Mr Terry Moran AC	Mrs Pamela Walker
Energy Australia Yallourn Pty Ltd	Rev Marilyn Obersby	Ms Rhonda Whitfield
	Mr and Mrs Des and Sandra Pearson	

# OUR COUNCIL

Under the provisions of the Act, the Council of the university is the governing authority of the university and has the direction and superintendence of the university.

The Council is chaired by the Chancellor and has 14 members. Set out below are the members of the Council during 2020 including the terms of office, qualifications and experience.

## CHANCELLOR

### Mr Terence Francis Moran AC

BA (Honours), Latrobe University, Doctors of Letters (honoris causa), Latrobe University.

**Term of Office** 13 October 2018 to  
12 October 2021  
(as Chancellor)

**Years on Council** Chancellor 2+  
Council Member 2+

Terry has carved out a distinguished leadership and policy-building career in the Victorian and Commonwealth Governments, including as Secretary of the Department of Prime Minister and Cabinet and over seven years as the Secretary of the Victorian Department of Premier and Cabinet. He brings extensive knowledge of and experience in the education sector.

Terry was the CEO of the Office of the State Training Board in Victoria, the first CEO of the Australian National Training Authority in Brisbane, and was appointed Queensland's Director-General of Education.

In 2012, Terry was invested as a Companion of the Order of Australia (AC) for eminent service to the community through public sector leadership, as a significant contributor to policy development, program delivery and effective governance, and to the implementation of contemporary government administration.

Terry is the Chair of the Governance and Strategy and Senior Appointment and Remuneration Committees and is a member of the Resources Committee

## VICE-CHANCELLOR & PRESIDENT

### Professor Duncan Bentley

PhD and LL.M (Corporate and Commercial), BA and LLB

**Term of Office** 24 August 2020 – Current

**Years on Council** <1

Duncan comes to Federation from a distinguished academic career at Swinburne University as Deputy Vice-Chancellor (Academic).

There, he led the academic, international, online and Indigenous portfolios. He has held senior executive positions in public, private and dual sector universities across Australia for nearly twenty years.

He is known for his national leadership in lifelong learning so that everyone can develop the skills to thrive in a digital society, beginning in early childhood and continuing throughout life, inspired by curiosity, giving life to dreams.

Previously at Victoria University he had oversight of vocational education, external engagement and international. He believes that the happiest and most successful organisations and communities are diverse and inclusive.

### Professor Helen Bartlett

BA (Nursing), Northumbria University; MSc (Public Policy), University of Bath, PhD (Social Policy), University of Bath.

**Term of Office** 1 May 2017 – 3 July 2020

**Years on Council** 3

Helen had an international research record in health and ageing and had worked in universities all over the world, holding senior leadership roles in the UK, Hong Kong, Malaysia and Australia. She was previously Pro Vice-Chancellor, President and Chief Executive of Monash University Malaysia, and Pro Vice-Chancellor and President of Monash University's Gippsland Campus.

She brought a wealth of experience in strategic leadership, business management and partnership development to her time as Vice-Chancellor.

Helen was a member of the Governance and Strategy and Resources Committees.

## CHAIR, ACADEMIC BOARD

### Associate Professor Elisa Zentveld

BEcon, GDipBus, BBus (Honours), GCHEd and a PhD from Southern Cross University.

**Years on Council** 2

Elisa was appointed as Chair of Academic Board in January 2019, and has been employed by the university since 2008, previously working at Southern Cross University (2005-2008).

Prior to working in Academia, Elisa held management positions in industry, managing a range of Destination Marketing Organisations. Her work has appeared in more than 50 publications including in leading journals and she has co-edited three books. She is also on the editorial board for 15 journals, and has received 14 awards to recognise her outstanding contribution to research and education.

## MINISTERIAL APPOINTMENT

### Ms Pauline Buckland

BBus (Acc), University of Ballarat; MBA, RMIT; Fellow of the Institute of Chartered Accountants of Australia and New Zealand; Graduate of the Australian Institute of Company Directors.

**Years on Council** 5

Pauline is currently employed as the Commercial Manager at AusNet Services. Pauline has extensive experience in various roles over the past 20 years across a range of sectors including utilities, postal and manufacturing in Australia, Canada, United Kingdom and New Zealand and she is also a board member of Brisbane Education Services Pty Ltd.

Pauline has previously worked in senior roles at Downer Australia, Underground Cable Systems, Powercor, Australia Post and Deloitte holding roles in finance, company secretariat, commercial, quality and governance, supply chain, procurement, strategic projects, project management, human resources, risk management and audit.

Pauline is the Deputy Chair of the Audit and Risk Management Committee.



## MEMBERS APPOINTED BY THE GOVERNOR-IN-COUNCIL

### Mr Michael Walter Ryan

BBus (Acc), RMIT; Fellow of the Institute of Chartered Accountants of Australia and New Zealand; Graduate of the Australian Institute of Company Directors; Registered Company Auditor.

**Years on Council** 8

Michael is self-employed, providing audit and assurance services to small corporate and not-for-profit organisations. Michael has previously worked in Public Accountancy Practice and business management in regional Australia.

He has been an elected local government member for several years (including Mayor) and is a former member of the Regional Accountants Advisory Committee of the Institute of Chartered Accountants in Australia.

He is a member of the Resources Committee.

### Ms Rhonda Whitfield (Deputy Chancellor)

GDipBA, Swinburne Institute of Technology; National Mediator Accreditation Standards (NMAS); Registered Nurse (RN).

**Years on Council** 3

Rhonda is a Non-Executive Director, Mediator, and Executive Mentor, with more than 15 years of governance experience with both commercial and not-for-profit boards across technology, health, government, disability, art, sport and parks.

She is currently the Chair of a Victorian not-for-profit that supports people with intellectual disability as well as NED, a group of community pharmacies, and the Elder Mediation Australasian network.

Rhonda is a member of the Governance and Strategy and Resources Committees.

### Ms Nicola Pero

MBA, Psy. M (Organisational and Coaching) (Magna Cum Laude).

**Years on Council** 1

Nicola's previous roles include CEO of Lardner Park and a senior management role with Isaac Regional Council. She is the current CEO of Food & Fibre Gippsland.

Nicola has over 20 years' experience in executive leadership positions. She has worked across the globe in a wide range of high-profile roles and complex stakeholder environments encompassing local government, not for profits, community agencies and commercial enterprises.

### Professor Andrew Reeves

BA (Honours) History and Political Science from the University of Melbourne and Master of Arts from LaTrobe University.

**Years on Council** <2

Andrew was and most recently the senior advisor to Senator Kim Carr, Australian Institute of Marine Science and the Australian Nuclear Science and Technology Organisation (ANSTO). Prior to that Andrew had worked for many years in Australian museums as a historian and archivist.

He has also published widely in the fields of labour and industrial history and material culture studies. He is the co-author, with Anne Stephen, of Badges of Labour, Banner of Pride and the author of Up from the Underworld: Mineworkers and Community in Wonthaggi, 1909-1968.

Andrew is a member of the Governance and Strategy Committee.

## MEMBERS APPOINTED BY COUNCIL

### Mr George Joseph Fong

BA (Honours) Law, Anglia Ruskin University; Utter Barrister Law, Lincoln's Inn (UK).

**Years on Council** >8

George works as Director of Lateral Plains Pty Ltd. He is a member of various committees, boards, councils and foundations.

He has previously been Barrister at Law and Advocate and Solicitor in Singapore, lecturer at the Ballarat College of Advanced Education (1987–1996) in Tax and Business Law, co-founder of the first Regional Internet Service Provider in Australia (NetConnect Communications), Chair of Internet Australia, and Chair of Central Highlands Regional Partnership Committee.

George is a member of the Resources Committee.

### Mr Steven Davies (Deputy Chancellor)

BSc (Honours) Computer Systems Engineering, University of Kent; Institution of Engineering and Technology (UK); Project Management Institute (USA).

**Years on Council** >7

Steve is employed by IBM Australia and leads the CAS Manage Service Line and has previously led the IBM Client Innovation Centre in Ballarat, Victoria. He has an extensive background in the IT industry, having worked in a variety of technical, management and leadership roles.

Steve is a member of the Governance and Strategy and Nominations Committees, Federation College P-TECH Steering Committee, and is on the board of the Internet Commerce Security Laboratory.

### Mr Anthony Stone

MBA (International Management), RMIT; GradDipBus (Marketing), Swinburne Institute of Technology.

**Years on Council** >7

Tony has a wealth of experience in the franchising, manufacturing, automotive and building materials sectors, having held senior management positions in the US, Asia and Australia. He currently serves as the Community Representative for the Victoria Police Western Region Leadership Team, and in an advisory role for a number of private companies.

Tony is the current Chair of the Resources Committee and a member of the Governance and Strategy and Senior Appointments and Remuneration Committees.

### Ms Jane Smith AM

PostGradDipCrim, University of Melbourne; BA (Psychology and History), Flinders University.

**Years on Council** 5

Jane is currently the Director of the Shiny World and the inaugural director of the Museum of Australian Democracy (M.A.D.E) now known as the Eureka Centre.

Jane has over 25 years of experience in the broadcast media industry, having held senior roles in organisations such as the ABC, Seed Australia, and the NSW Film and TV Office. She has held a number of board positions and is currently serving as Co-Vice-President of the JOY 9 board.

In June 2018, Jane was awarded the Order of Australia, Member in the General Division (AM) for her services to the industry.

Jane is a member of the Audit and Risk Management Committee.

## EXTERNALLY APPOINTED CHAIR OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

### Mr Des Pearson AO

BBus, GradDipMgt, HonDBus, from Central Queensland University.

**Years as Chair Audit and Risk Management Committee** <2

**Years on Council** <1

Des is the former Auditor General for the Victorian Auditor General's Office (VAGO) and is a former member of Council for Central Queensland University. He has also served as Executive Director for the PeterMac Cancer Centre and has been an Honorary Fellow for several universities.

In June 2014, Des was awarded the Officer of the Order of Australia for distinguished service to public sector governance in the areas of public accountability and management, and to the development of innovative financial sustainability measures.

Des is the Chair of the Audit and Risk Management Committee, a member of the Governance and Strategy Committee and effective 13 October 2020 Des joined the Council as a full member.

## ELECTED MEMBERS OF COUNCIL

### Professor Iqbal Gondal (staff)

BEE, Masters in Electrical and Electronics Engineering, PhD, FIEAust, GAICD.

**Years on Council** 1

Iqbal was elected as Staff Member of Council in January 2019 and has been employed by the university since 2014. He is currently the Director of the Internet Commerce Security Laboratory (ICSL) specialising in cybersecurity research and supporting PhD students. Iqbal was previously at Monash University where he served in the capacity of Director of postgraduate studies for six years, was a member of the faculty board, a member of Monash academic board and Director of ICT Strategy for the faculty.

Before joining Federation University Australia, he worked in the capacity of a research fellow and a senior software systems engineer for seven years in Singapore and Australia with Delphi (GM), Singapore Manufacturing Technology (SimTech) and other industries.

Iqbal is a member of the Resources Committee.

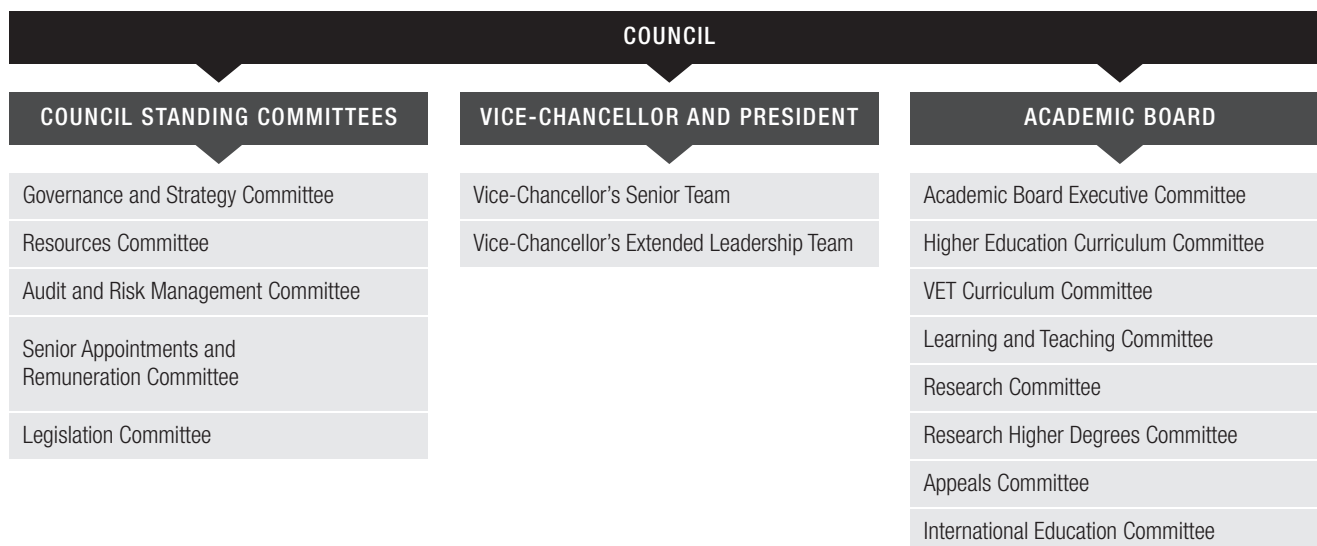
### Mr M. Saleem Malik (student)

Currently studying a PhD in Information Technology at Federation University Australia.

**Years on Council** 1

Saleem is a current higher degree research candidate, a member of the Student Senate and is the Higher Degree Research Student Representative on the FedUni Research, FedUni Human Research Ethics and Research Committees for the School of Science, Engineering & Information Technology. He is also a member of the IEEE, and IEEE Computer Society and the FedUni IEEE Student Chair

# COUNCIL AND COMMITTEE STRUCTURE



## COUNCIL AND COMMITTEE STRUCTURE FROM 1 JANUARY – 31 DECEMBER 2020

COUNCIL MEMBER	COMMITTEE MEMBER AND MEETING ATTENDANCE									
	Council		Governance and Strategy		Audit and Risk Management		Resources		Senior Appointments and Remuneration	
	No. of meetings held during the first half of year	3	3	3	3	1	M	A	M	A
Mr Terry Moran AC	•	5	•	7			•	7	•	2
Professor Duncan Bentley <sup>(1)</sup>	•	2	•	3			•	2		
Professor Helen Bartlett <sup>(2)</sup>	•	3	•	4			•	4		
Associate Professor Elisa Zentveld	•	5								
Mr Steve Davies	•	5	•	6			•	6		
Ms Rhonda Whitfield <sup>(5)</sup>	•	5	•	7			•	7	•	2
Ms Pauline Buckland	•	5			•	7				
Mr George Fong	•	5			•	5	•	2		
Ms Nicola Pero <sup>(3)</sup>	•	5								
Professor Andrew Reeves	•	5	•	6						
Mr Michael Ryan	•	4					•	7		
Ms Jane Smith AM	•	5			•	7				
Mr Tony Stone	•	5	•	7			•	7	•	2
Professor Iqbal Gondal	•	5					•	7		
Mr M. Saleem Malik <sup>(3)</sup>	•	5								
Mr Des Pearson AO <sup>(4)</sup>	•	2	•	7	•	7				

**M = Member A = No. of meetings attended**

- (1) Professor Duncan Bentley was appointed as Vice-Chancellor and to the Council and the Governance and Strategy Committee effective 24 August 2020;
- (2) Professor Helen Bartlett resigned as Vice-Chancellor and member of Council effective 3 July 2020;
- (3) Ms Nicola Pero and Mr M. Saleem Malik were appointed to Council effective 1 January 2020;
- (4) Mr Des Pearson AO was appointed to Council effective 13 October 2020;
- (5) Ms Rhonda Whitfield was appointed as Deputy Chancellor effective 1 January 2020.

## COUNCIL COMMITTEES

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The Council, by resolution, may create and appoint such committees as it thinks fit. A committee appointed by the Council must report to the Council on its activities at such times, and in such manner as the council directs.

For the following committees, we have listed what their responsibilities are to Council, and any other roles they carry out.

### Governance and Strategy Committee

Responsible for:

- Exploring strategic opportunities, major planning initiatives and the development of University Master Plans;
- Conducting business between meetings of the Council (generally deemed to be urgent) or seeing to specific business and with such authority as is delegated to it by the Council;
- Acting as a legislation, naming, honorary degree and nominations committee; and
- Advising on matters relating to the terms and memberships of Council committees and University ceremonies.

### Audit and Risk Management Committee

Responsible for:

- The scope of work, performance and independence of internal audit, and of the external auditor;
- Reviewing the annual financial statements and making a recommendation to Council whether to approve the statements;
- The operation and implementation of the risk management framework;
- Matters of accountability and internal control affecting the running of the university; and
- The university's process for monitoring compliance with laws, regulations and codes of financial practice.

### Resources Committee

Responsible for:

- Annual budget consideration and recommendation to the Council;
- Monitoring our continual financial viability using key indicators;
- Considering financial reports and forecasts at regular intervals and reporting to the Council on the general financial situation of the university, drawing attention to any significant variations;
- Monitoring infrastructure development and asset management under University Master Plans and approval for project procurement and expenditure; and
- Oversight of our companies, trusts, profile and performance agreements, and other major commercial activities.

### Senior Appointments and Remuneration Committee

Responsible for:

- Reviewing and setting of performance goals for the Vice-Chancellor;
- Determining the remuneration package of the Vice-Chancellor and senior executive staff; and

- Approve the appointment of, and contractual renewal for, senior executive staff.

### Legislation Committee

Responsible for:

- Reviewing university statutes and regulations to ensure they are comprehensive, relevant and effective.

## ACADEMIC BOARD AND ITS COMMITTEES

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### Academic Board

The Academic Board is the principal academic body of the university. In 2020, the Board comprised 34 members, 22 of whom were ex-officio members who represented senior academic and teaching staff, members of the senior management team, and 12 elected members from teaching and general staff and students.

Responsible for:

- Academic oversight of all academic programs and courses of study, and related legislation and policy; and
- Quality assurance framework for learning, teaching and research.

The Board, by resolution, may create and appoint such committees as it thinks fit. A committee appointed by the Board must report to the Board on its activities at such times, and in such manner as the Board directs

### Academic Board Executive Committee

Responsible for:

- Assisting the Academic Board on matters relating to academic governance;
- Making decisions on the Board's behalf (as delegated); and
- Managing the Board's agenda and schedule of business, initiatives and commissions papers on major issues of educational importance.

## STANDING COMMITTEES

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The following committees assist the Academic Board on matters of quality assurance and academic integrity across our learning, teaching and research activities.

### Academic Board Executive Committee

Responsible for:

- Assist Academic Board to perform its functions;
- Make decisions on behalf of Academic Board between the scheduled meetings of Academic Board and report back;
- Advise and facilitate the flow of business to Academic Board; and
- Plan the annual program of business for Academic Board, including topics for strategic discussions.

### Higher Education Curriculum Committee

Responsible for:

- The broad domain of new coursework;
- Reviewing and accrediting our programs;
- Integrity of academic offerings in Higher Education; and
- Reporting to the Board on our programs in accordance with the Australian Qualifications Framework and current Commonwealth regulations.

## Learning and Teaching Committee

Responsible for:

- The enhancement and quality assurance of learning and teaching – across the Higher Education, and VET sectors of the university; and
- Developing and monitoring our Learning, Teaching and Student Success Plan 2018 – 2020, including reports to the Board on its implementation.

## Research Higher Degrees Committee

Responsible for:

- The quality and compliance of research higher degree engagement; and
- Developing strategies to enhance the culture, training and experience of researchers.

## Research Committee

Responsible for:

- The enhancement and quality assurance of research;
- Developing and monitoring our Strategic Research Plan; and
- Overseeing compliance with national codes of conduct in research.

## VET Curriculum and Quality Committee

Responsible for:

- The broad domain of new courses;
- Reviewing and accrediting our programs;
- Integrity of education offerings in VET; and
- Reporting to the Board on our programs' accordance with all aspects of VET regulations, including relevant Commonwealth and State regulations.

## Appeals Committee

Responsible for:

- Hearings to determine appeals from students relating to their study experience, including exclusion or disputes about academic results; and
- Reporting regularly to the Academic Board on the origins, numbers and outcomes of appeals.

## International Education Committee

Responsible for:

- Make recommendations to the Academic Board on the academic governance and quality assurance arrangements;
- Oversee the maintenance of CRICOS Registration;
- Ensure compliance with the National Code of Practice for Providers of Education and Training to Overseas Students 2018;
- Monitor compliance with the Higher Education Standards Framework and Standards for Registered Training Organisations; and
- Monitor compliance and receive regular performance reports in relation to Australian student visa frameworks.

## MANAGEMENT STRUCTURE

### The Vice-Chancellor's Senior Team

The Vice-Chancellor is the university's Chief Executive Officer and is responsible for overall management and policy implementation. This includes financial, property and academic development, in accordance with university legislation. The Vice-Chancellor advises, receives recommendations from, and is accountable to the Council.

The Deputy Vice-Chancellor (Academic), Deputy Vice-Chancellor (Research and Innovation) and Chief Operating Officer/Chief Financial Officer are members of the Vice-Chancellor's senior team. Each of these roles provides specialised support, has the authority to create and fill other positions across the university, and is accountable to the Vice-Chancellor.

## REVIEWING AND REPORTING

### Our Review System

- Each year, Council members are required to assess the performance of the Council and its committees;
- An external review is conducted every five years.

The Council and Academic Board were both reviewed externally in 2015, and an action plan was approved to guide their development;

- The Senior Appointments and Remuneration Committee sets annual performance goals for the Vice-Chancellor, reviews progress against these goals, and appoints salaries and remuneration for the university's senior executive officers;
- The Vice-Chancellor is responsible for setting and reviewing performance goals for the Deputy Vice-Chancellors and Chief Operating Officer/Chief Financial Officer; and
- Key performance indicators for those in management roles are determined annually.

### Reporting

At Council meetings in 2020:

- Senior members from across the university reported comprehensively on priorities outlined in the 2018-2022 Strategic Plan – allowing the Council to generate new strategic initiatives for the future;
- The Senior Team together with Council collaborated on the new *Strategic Plan 2021–2025* which was successfully launched after extensive discussion with the wider university community;
- The Vice-Chancellor presented written reports about developments, overall operations and the achievements of the university; and
- In compliance with the Voluntary Code of Best Practice, the Council received regular reports on:
  - > The financial position of the university;
  - > The operations of the Academic Board and various committees;
  - > The operations and achievements of the controlled entities of the university; and
  - > Other matters at their request. For example, the implementation of budget, policies, plans or similar.

The university's monitoring and reporting framework is subject to independent external audits, with all findings reported to the Council. Our Annual Report also includes externally audited financial statements, a governance report and relevant achievements and is presented to the Victorian Government each year.

## ROLE OF COUNCIL AND DUTIES OF COUNCIL MEMBERS

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### The Council

The Council is the university's governing body, responsible for guiding operations in accordance with the *Federation University Australia Act 2010* (the Act).

The Council's duties are to:

- Provide clear strategic direction, vision and mission statements for the university and monitor progress against set goals;
- Evaluate its own performance;
- Appoint and assess the Vice-Chancellor as the Chief Executive Officer;
- Monitor compliance with statutory and regulatory obligations;
- Establish and implement key policies that are consistent with legal requirements and community spirit;
- Ensure responsibilities and authorities are clearly defined for the university's Vice-Chancellor, managing bodies, Academic Board and other committees;
- Establish and maintain effective risk-management procedures;
- Approve and monitor commercial ventures, including training, research and consultancy;
- Assess the university's performance against key financial indicators – this includes approving and monitoring budgets, ensuring resources are properly managed, and monitoring controlled entities; and
- Manage its own operations – this includes appointing a Chancellor, selecting new members, and ensuring members are fulfilling their duties.

### Council Members

As part of the Council, members have a responsibility to:

- Always act in the best interest of the university – and to prioritise this above any other appointed duties;
- Act in good faith, honestly and with proper purpose;
- Exercise proper care and diligence in their role – not using their position to unfairly benefit themselves or others; and
- Disclose and avoid conflicts of interest.

## CONFLICTS OF INTEREST

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Under the Act, Council members must take reasonable steps to avoid all conflicts of interest and are required to declare any possible conflicts of interest as they arise. In these cases, the following procedure applies:

1. A member who has a conflict of interest in a matter being considered (or about to be considered) by the Council must, as soon as is practical after becoming aware of the conflict, declare the nature of their interest – either at a meeting, or in writing to the Chair of the Council.
2. If the Chair receives a written declaration, they must report it at the next meeting.
3. The person presiding over a meeting where a declaration is made must record the declaration in the minutes of the meeting.
4. After a member makes a declaration:
  - a. They must not be present for deliberations relating to the matter (unless otherwise directed by the body);
  - b. They can't vote on the matter; and
  - c. If the member does vote on the matter, it must be rejected.
5. The Council may remove a member from office if they fail to disclose financial or other conflicts of interest, as outlined here.

In addition:

- Council members are required to disclose private interests and related party interests on an annual basis. Related parties include immediate family members, and any other relations that are likely impact on the member's ability to be impartial – for example matrimonial, de-facto, sexual, financial or business partners;
- Under the *Financial Management Act 1994* and the Australian Accounting Standards, Council members are required to disclose the transactions that they (or their related parties) had with the university or its controlled entities at the end of each financial reporting period. This information is reported in the Federation University Australia Annual Report; and
- If a Council member recognises a potential conflict of interest in another member, the member should raise the matter with the Chancellor (or if not the Chancellor then the Deputy Chancellor), the Council will address the matter at the next meeting

## RISK MANAGEMENT

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The university is committed to managing risks efficiently and with integrity – and to maintaining the highest standards of contemporary governance, including accountable and sustainable financial management.

Our risk management framework, along with our internal compliance policies, were strategically reviewed in 2020.

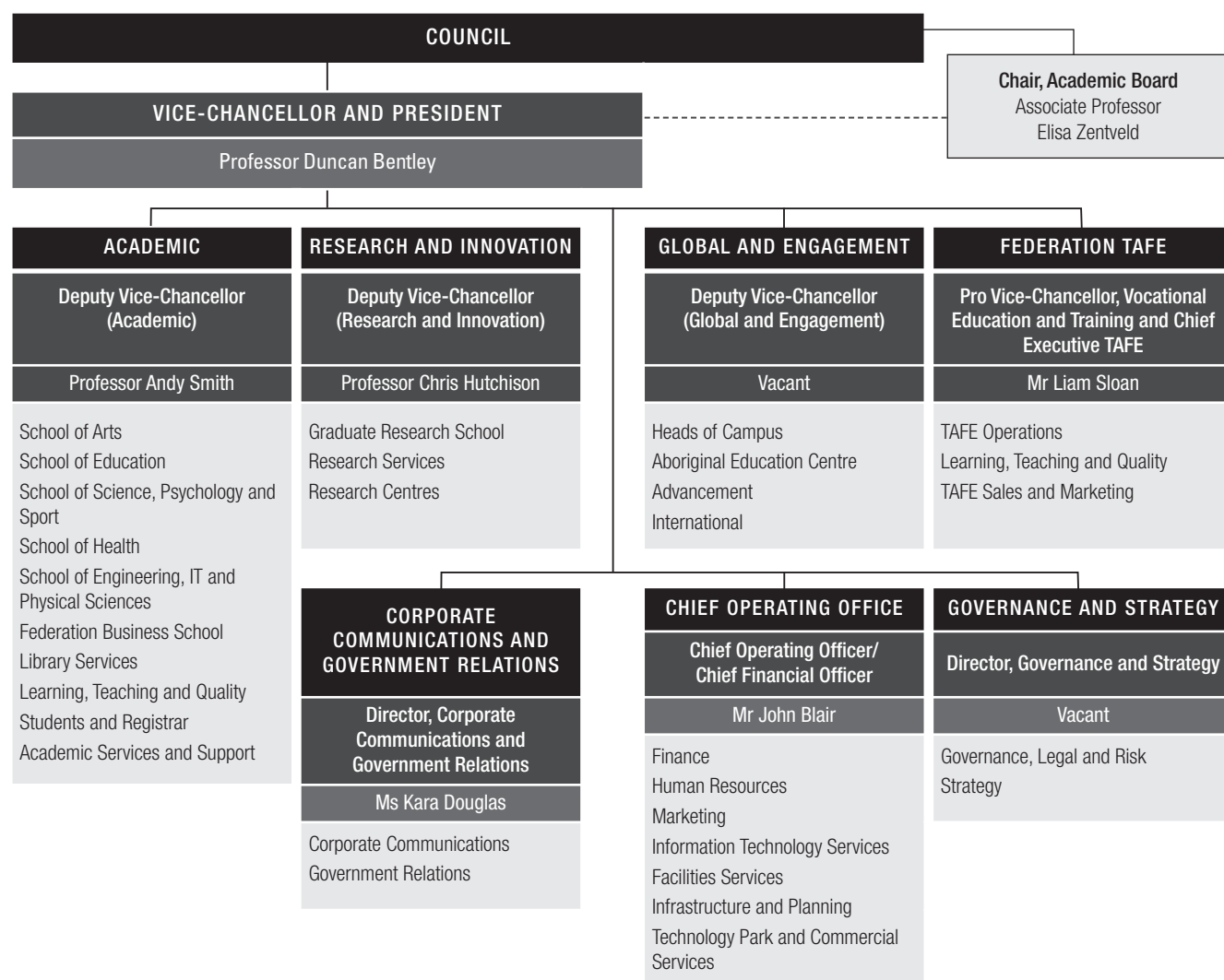
Where applicable, the university follows the Victorian Government Risk Management Framework, and applies the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*.

# ORGANISATIONAL AND REGULATORY INFORMATION

1870  
FOUNDERS  
THEATRE

# OUR WORKFORCE

## OUR ORGANISATION



## STAFF CODE OF CONDUCT

Federation University's enabling principles underpin the Code of Conduct.

### The University's enabling principles

THE UNIVERSITY'S ENABLING PRINCIPLES	
VALUE	DESCRIPTION
Excellent	We pursue continuous improvement and excellence in everything.
Relevant	We regularly renew our activities to ensure their relevance.
Inclusive	We champion access, diversity and inclusion for all, acknowledging our Aboriginal and Torres Strait Islander heritage, culture and knowledge.
Empowering	We create an environment of opportunities, trust, fairness and respect, taking informed risks in pursuit of shared goals.
Innovative and agile	We innovate to transform. We are agile and responsive to emerging opportunities.

Federation University's values guide how we behave towards our students, and the wider community. These principles are what we stand for and we will bring these principles to life in everything we do.

This Code of Conduct confirms that commitment and outlines the expectations of all staff members of the university and is designed to promote a culture of fair, respectful and ethical behaviour and to ensure the university meets its obligations under state and commonwealth legislation.

The Code will assist the university to safeguard public trust and confidence in the integrity and professionalism of its staff by ensuring that all staff:

- Maintain appropriate standards of conduct;
- Exhibit fairness, impartiality, honesty and equity in decision making; and
- Foster and protect the reputation of the university.

Staff can expect that members of the University Council and senior management will lead by example in actively promoting and complying with the Code.

All staff are expected to act with integrity, which includes being aware of and acting within the laws that apply to their conduct.

Essentially the Code is a public statement about how the university expects to be perceived and, ultimately, judged. All staff are required to comply with the Code.

All roles covered by Federation enterprise agreements have been classified consistently with the Federation University Australia Union Enterprise Agreement – Academic and General Staff Employees (2019-2021) and the Federation University Australia – TAFE Teaching Staff Agreement (2019). The University's policies and practices are consistent with employment standards and provide for transparent operational governance, fair treatment and a commitment to a culture of integrity and professionalism.

## OCCUPATIONAL HEALTH AND SAFETY

There were no fatalities reported in 2018, 2019 or 2020 at the university.

OHS PERFORMANCE INDICATORS			
	2018	2019	2020
Number of hazards/injuries reported by staff per 100 full-time equivalent staff members	8.19	6.04	4.85
Number of 'lost time' standard claims per 100 full-time equivalent staff members	0.53	1.03	0.32
Average cost per claim (including payments to date and estimated outstanding claim costs)	\$61,636	\$37,998	\$26,687

## WORKFORCE DISCLOSURES

December 2019 – December 2020

	DECEMBER 2019							DECEMBER 2020						
	ALL EMPLOYEES		ONGOING			FIXED-TERM AND CASUAL		ALL EMPLOYEES		ONGOING			FIXED-TERM AND CASUAL	
	NO. (headcount)	FTE*	FULL-TIME (headcount)	PART-TIME (headcount)	FTE*	NO. (headcount)	FTE*	NO. (headcount)	FTE*	FULL-TIME (headcount)	PART-TIME (headcount)	FTE*	NO. (headcount)	FTE*
<b>GENDER</b>								<b>GENDER</b>						
Women executives	15.0	15.0	2.0	0.0	2.0	13.0	13.0	15.0	14.5	2.0	0.0	2.0	13.0	12.5
Women (total staff)	1,049.0	756.5	486.0	228.0	617.0	335.0	139.5	1,002.0	740.1	443.0	267.0	613.2	292.0	126.9
Men executives	18.0	18.0	0.0	0.0	0.0	18.0	18.0	16.0	15.8	1.0	0.0	1.0	15.0	14.8
Men (total staff)	651.0	501.0	354.0	57.0	388.9	240.0	112.1	616.0	498.1	350.0	52.0	382.1	214.0	116.0
Self-described	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>AGE</b>								<b>AGE</b>						
15–24	60.0	22.1	11.0	5.0	13.7	44.0	8.4	38.0	11.1	6.0	3.0	7.7	29.0	3.4
25–34	290.0	199.2	132.0	40.0	150.6	118.0	48.6	256.0	187.4	119.0	47.0	149.4	90.0	38.0
35–44	430.0	316.8	195.0	80.0	239.2	155.0	77.5	423.0	314.8	195.0	96.0	253.1	132.0	61.7
45–54	441.0	360.1	255.0	67.0	298.1	119.0	62.0	442.0	363.3	242.0	77.0	291.7	123.0	71.6
55–64	373.0	291.2	205.0	69.0	248.0	99.0	43.2	370.0	301.7	198.0	77.0	248.5	95.0	53.2
Over 64	106.0	68.2	42.0	24.0	56.3	40.0	11.9	89.0	59.8	33.0	19.0	44.9	37.0	14.9
<b>Total employees</b>	<b>1,700.0</b>	<b>1,257.5</b>	<b>840.0</b>	<b>285.0</b>	<b>1,005.9</b>	<b>575.0</b>	<b>251.6</b>	<b>1,618.0</b>	<b>1,238.1</b>	<b>793.0</b>	<b>319.0</b>	<b>995.3</b>	<b>506.0</b>	<b>242.9</b>

\*FTE does not include casuals/sessionals.

Census date is 31 December each year.

Does not include staff employed by third party providers.

Probationary staff are included in the ongoing staff statistics.



# FEDERATION AT A GLANCE

	HIGHER EDUCATION				TAFE			
	STUDENTS		EFTSL		STUDENTS		EFTSL <sup>1</sup>	
	2019	2020	2019	2020	2019	2020	2019	2020
<b>GENDER</b>								
Female	9,668	8,938	7,138	6,453	1,691	1,399	850	666
Male	8,998	7,624	6,296	5,286	4,135	3,547	1,107	909
Unspecified	43	55	28	35	9	10	3	2
<b>Total</b>	<b>18,709</b>	<b>16,617</b>	<b>13,462</b>	<b>11,774</b>	<b>5,835</b>	<b>4,956</b>	<b>1,960</b>	<b>1,576</b>
<b>BY STUDENT ATTENDANCE<sup>2</sup></b>								
Full-Time	10,138	8,779	9,763	8,444	799	550	862	597
Part-Time	8,571	7,838	3,699	3,330	5,036	4,406	1,098	979
<b>Total</b>	<b>18,709</b>	<b>16,617</b>	<b>13,462</b>	<b>11,774</b>	<b>5,835</b>	<b>4,956</b>	<b>1,960</b>	<b>1,576</b>
<b>BY ENROLMENT STATUS<sup>3</sup></b>								
Commencing	7,996	5,485	5,511	3,657	4,263	2,991	1,368	847
Continuing	10,803	11,214	7,951	8,117	1,982	2,214	592	730
<b>BY NATIONALITY<sup>4</sup></b>								
Domestic	8,439	8,155	5,997	5,685	5,805	4,944	1,955	1,575
International	10,271	8,467	7,464	6,089	30	12	5	1
<b>BY FUNDING SOURCE<sup>5</sup></b>								
Govt-Funded	7,842	7,590	5,691	5,432	3,447	3,163	1,671	1,340
Domestic Fee-Paying	366	341	149	104	947	454	58	31
International Student	10,271	8,467	7,464	6,089	–	–	–	–
Research Training Program	246	246	158	149	–	–	–	–
Corrections Victoria	–	–	–	–	1,097	922	119	102
Vet in School	–	–	–	–	445	477	112	103
<b>BY LEVEL OF COURSE<sup>6</sup></b>								
Associate degree / Diploma	252	260	183	181	698	679	477	451
Graduate Diploma / Graduate Certificate	379	468	154	207	–	–	–	–
Bachelor Degree	11,157	10,243	8,028	7,487	–	–	–	–
Masters Degree by coursework	6,346	4,947	4,745	3,536	–	–	–	–
Cross-Institutional / Non-award	417	380	156	136	898	499	192	103
Undergraduate Certificate	–	93	–	38	–	–	–	–
Research Degree	286	293	195	189	–	–	–	–
Certificates	–	–	–	–	4,489	3,918	1,292	1,023
<b>BY CAMPUS<sup>7 &amp; 8</sup></b>								
Ballarat campuses	4,848	4,280	3,471	3,118	3,804	3,499	1,583	1,279
Berwick	2,252	2,376	1,743	1,794	–	–	–	–
Churchill	1,741	1,666	1,183	1,136	–	–	–	–
Horsham	16	11	12	6	411	370	185	165
Brisbane	431	332	304	251	–	–	–	–
Online	2,763	2,868	816	937	–	–	–	–
Domestic Partner Providers	193	96	84	35	–	–	–	–
Onshore International Partner Providers	7,195	5,437	5,303	3,988	–	–	–	–
Offshore International Partner Providers	1,003	1,033	546	509	–	–	–	–
Workplace delivery	–	–	–	–	1,709	1,231	193	132

## HIGHER EDUCATION ENROLMENTS BY SCHOOL

	STUDENTS		EFTSL	
	2019	2020	2019	2020
<b>SCHOOLS <sup>9</sup></b>				
Federation Business School	3,864	2,698	2,457	1,654
School of Arts	1,650	1,527	1,188	1,051
School of Education	1,911	1,848	1,352	1,278
School of Engineering, IT and Physical Sciences	7,092	6,147	5,219	4,438
School of Health	2,648	2,798	2,060	2,202
School of Science, Psychology and Sport	1,709	1,675	1,185	1,151

## TAFE ENROLMENTS BY EDUCATION DEPARTMENTS <sup>10</sup>

<b>EDUCATION DEPARTMENTS <sup>9</sup></b>				
Building & Construction	1,489	1,372	455	406
Business & IT	313	343	141	126
Commercial	290	223	10	8
Community & Childrens Services	259	302	175	171
Federation College	1,567	1,103	327	204
Food & Rural Sciences	384	358	215	151
Health	384	354	268	248
Learning and Teaching	265	60	40	15
Manufacturing, Engineering & Automotive	531	457	150	121
Service Industries	566	445	180	127

Note :

1. EFTSL = Equivalent Full-time Study Load (For TAFE student contact hours divided by 720).
2. Full-time = an annual study load of 6 standard units or more, or a study load of 3 standard units or more over half a year.
3. Students can enrol into multiple programs therefore be both a commencing and continuing student simultaneously.
4. International students can become domestic with approved permanent residency.
5. Students with multiple program enrolments can generate multiple funding sources.
6. Students can enrol in multiple program levels if studying more than one qualification.
7. Students can study at multiple campus locations depending on their unit enrolment choices.
8. Whilst students studied online due to COVID-19 restrictions, their enrolment were recorded at their primary campus location.
9. Students may enrol in multiple program levels, delivery locations or schools.
- 10 Education Departments refer to the teaching departments within the TAFE portfolio.

# COMPLIANCE

## FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* gives members of the public the right to access documents held by the university. The purpose of the Act is to grant the community access to information held by government departments, local councils, ministers and other bodies.

Under the Act, applicants can ask for access to documents created by, or supplied to the university from external sources. This can include maps, films, microfiche, photographs, computer printouts and electronic records. For more information about the type of material included under the Act, visit the Freedom of Information section of the university website.

The Act also allows the university to refuse partial or full access to certain material – this could include internal working documents, law enforcement documents, documents covered by legal professional privilege, personal information about other people or information provided to the university in confidence.

If the applicant isn't satisfied with the university's decision to withhold information, they can request a review from the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving the decision letter.

### Additional information available on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by the university and are available upon request, subject to the provisions of the *Freedom of Information Act 1982*:

- a. statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- b. details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- c. details of publications produced by the university about the university and how these can be obtained;
- d. details of changes in prices, fees, charges, rates and levies charged by the university;
- e. details of any major external reviews carried out on the university;
- f. details of major research and development activities undertaken by the university;
- g. details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- h. details of major promotional, public relations and marketing activities undertaken by the university to develop community awareness of the university and the services it provides;
- i. details of assessments and measures undertaken to improve the occupational health and safety of employees;
- j. a general statement on industrial relations within the university and details of time lost through industrial accidents and disputes;
- k. a list of major committees sponsored by the university, the purposes of each committee and the extent to which the purposes have been achieved; and
- l. details of all consultants/contractors engaged, the services provided and the expenditure committed for each engagement.

Requests should include a clear description of the desired document and must be made in writing to:

Freedom of Information Officer, Federation University Australia, PO Box 663, Ballarat VIC 3353

There is an application fee of \$29.60, which may be waived in some cases. Additional access charges may also apply to cover photocopying or search charges. Applications made in accordance with the Act must be processed within 30 to 45 days.

### In 2020

The university received two applications under the Act in relation to employment. The university provided access to the documents requested within the 30-day time limit.

On several occasions, the university also provided informal access to information for applications that fell outside the Act without requiring payment of an application fee.

During the 2020 reporting period, there were no decisions subject to review or complaint.

## PUBLIC INTEREST DISCLOSURE ACT 2012

The *Public Interest Disclosure Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters to be disclosed and rectifying action taken.

The university does not tolerate improper conduct by its employees, officers or members, or the taking of reprisals against those who come forward to disclose such conduct. The university is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The university will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. The university will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

### Reporting improper conduct

Improper conduct disclosures must be made to:

The Independent Broad-Based Anti-Corruption Commission (IBAC), Level 1, North Tower, 459 Collins Street, Melbourne VIC 3000 GPO Box 24234, Melbourne VIC 3001

Phone: 1300 735 135 | Website: [www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

While the university cannot receive protected disclosure reports, our Public Interest Disclosure Coordinator is available to discuss issues that do not warrant an official report.

You can find the university's procedure for dealing with disclosures on our website.

## NATIONAL COMPETITION POLICY

The university adheres to competition laws and applies the principles of the National Competition Policy and Victorian Competitive Neutrality Policy (where applicable). Our Competition and Consumer Law Compliance Manual (available on the university website) is based on the *Competition and Consumer Act 2010*, and included in the induction pack for all new staff members. When providing commercial services, the university uses a costing model that adopts competitive neutrality.

## CARERS RECOGNITION ACT 2012

The university complies with the *Carers Recognition Act 2012* (where applicable).

## EDUCATIONAL SERVICES FOR OVERSEAS STUDENTS (ESOS) ACT

The university endeavours to offer the same experiences for both international and domestic students. Our international student policies are compliant with the *National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2018*.

## BUILDING ACT 1993

To the best of our knowledge and having undertaken all reasonable enquiries and due diligence, we confirm the university has met compliance with the building and maintenance provisions of the *Building Act 1993*.

Our maintenance, capital works and annual compliance systems and processes ensure signed statements of compliance are obtained where required.

The university holds all building plans and documents that have been lodged for approval by the appropriate building surveyors. Once construction is complete, we obtain Certificates of Occupancy along with practical completion certificates from the relevant architects and surveyors.

## OUR BUILDING ASSURANCE PROGRAMS

### Certification of Building Compliance.

We conducted Essential Safety Measure inspections at all our campuses in 2019. The university is currently working to rectify issues identified during those inspections.

### Building Maintenance.

The university has an ongoing maintenance program that calls on staff and specialised external contractors to manage the upkeep of existing buildings.

## CONSULTANCIES

In 2020 there were 19 consultancies of \$10,000 or more totalling \$2,214,097.

There were eight consultancies of less than \$10,000 during 2020. The total value of these were \$52,336.

Further details regarding the consultancies in excess of \$10,000 can be found on the university's website:

<https://federation.edu.au/staff/governance/plans-publications-policies/organisational-data>

## KEY MANAGEMENT FIGURES (RESPONSIBLE PERSONS)

### Minister

The relevant Minister is The Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education. The Minister's remuneration is disclosed in the financial report of the Department of Premier and Cabinet. Other relevant information is declared in the Register of Member's interests, which is completed by each Member of Parliament.

### Responsible Persons and Executive Officers

The Hon. Gayle Tierney MP, Minister for Training and Skills and the Minister for Higher Education	01/01/2020–31/12/2020
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### 2020 Council Members for Federation University Australia:

Mr Terrence Francis Moran AC (Chancellor)	01/01/2020–31/12/2020
Professor Duncan Bentley (Vice-Chancellor)	24/08/2020 – 31/12/2020
Professor Helen Bartlett (Vice-Chancellor)	01/01/2020–03/07/2020
Mr Steve Davies (Deputy Chancellor)	01/01/2020–31/12/2020
Ms Rhonda Whitfield (Deputy Chancellor)	01/01/2020–31/12/2020
Ms Pauline Buckland (Ministerial Appointee)	01/01/2020–31/12/2020
Mr George Fong	01/01/2020–31/12/2020
Professor Iqbal Gondal	01/01/2020–31/12/2020
Mr M. Saleem Malik	01/01/2020–31/12/2020
Mr Des Pearson AO	13/10/2020–31/12/2020
Ms Nicola Pero	01/01/2020–31/12/2020
Professor Andrew Reeves	01/01/2020–31/12/2020
Mr Michael Walter Ryan	01/01/2020–31/12/2020
Ms Jane Smith AM	01/01/2020–31/12/2020
Mr Anthony Stone	01/01/2020–31/12/2020
Associate Professor Elisa Zentveld	01/01/2020–31/12/2020

### Other Key Management Figures

These people also had authority and responsibility for planning, directing and controlling the activities of Federation University Australia during the 2020 financial year.

Professor Andy Smith, (Deputy Vice Chancellor, Academic)	01/01/2020–31/12/2020
Professor Chris Hutchison, (Deputy Vice Chancellor, Research and Innovation)	01/01/2020–31/12/2020
Mr John Blair, (Chief Operating Officer/Chief Financial Officer)	01/01/2020–31/12/2020

For details about executives of controlled entities, refer to the respective financial statements of those entities.

## STATEMENT ON COMPULSORY NON-ACADEMIC FEES FOR THE YEAR ENDING 31 DECEMBER 2020

In compliance with the *Education and Training Reform Act 2006*, Federation University Australia levied an amenities and student services fee in accordance with the *Higher Education Support (Student Services and Amenities) Act 2010 (Cth)*.

The fee per Study Load was as follows:

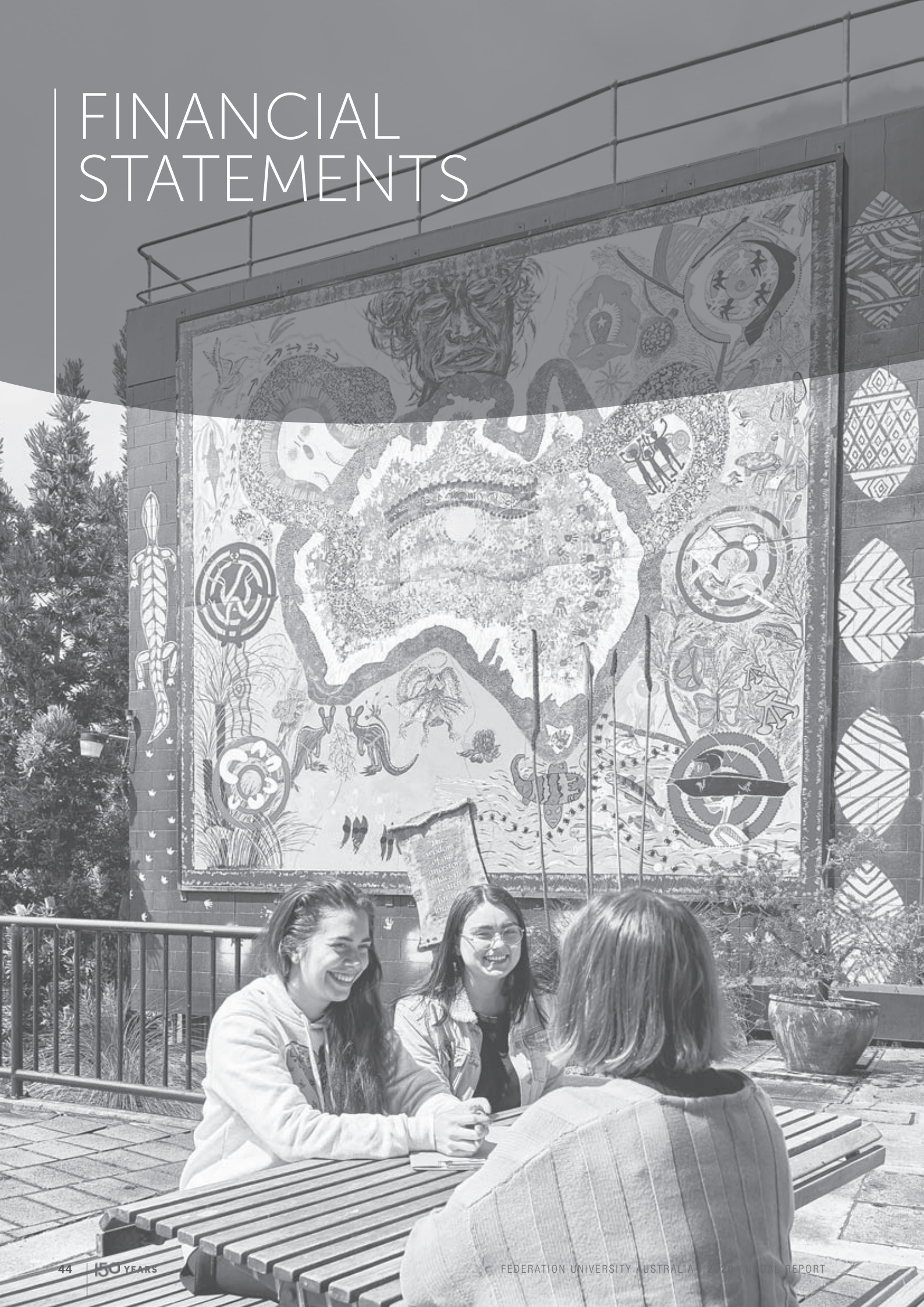
	2020	2019
	\$	\$
<b>Flexible</b>		
Less than 0.125 EFTSL	–	–
0.125 EFTSL up to 0.750 EFTSL	230	224
0.750 EFTSL and above	308	303
<b>Online Learning</b>		
Less than 0.125 EFTSL	–	–
0.125 EFTSL and above	115	112

	2020	2019
	\$	\$
Carry forward from prior year	597,301	479,330
Student amenities fee	1,965,326	2,009,569
Total SSAF funds available	2,562,627	2,488,899
Total expenditure	2,245,997	1,891,598
<b>Total unspent SSAF funds 31 December</b>	<b>316,630</b>	<b>597,301</b>

In 2020, SSAF funds were spent of the following student-facing services, projects and activities:

- Student Orientation and Retention Activities (on-campus and virtual)
- Student Events and Activities (on-campus and virtual)
- Supporting Student Clubs and Societies
- Sports and Recreation program: e.g. sport uniforms, promotions and prizes
- Careers and Employment programs: e.g. Career Accelerate Program, Employability Webinars, FedAdvantage, Mentor Advantage program launch, and EDGE deployment (replacement system for CareerHub)
- Student Senate: induction, promotion, merchandise, representatives' stipend
- Student Advisory Service
- Improvement to Student Amenities: (e.g. Mt Helen Student Lounge upgrade)
- Social media promotion of all services
- Student Health and Wellbeing Initiatives: (e.g. COVID support services, counselling, financial aid)

# FINANCIAL STATEMENTS



# FINANCIAL SUMMARY

The consolidated 2020 net operating surplus for Federation University and its subsidiaries was \$3.9 million, mainly driven by positive fair values gains on investments. This was considerably lower than the 2019 surplus of \$36.7 million, which was driven by significant increases of international students than previous years. The 2020 result was a significantly improved position than what was anticipated at the initial announcement of the COVID-19 pandemic.

Whilst the 2020 result is positive, due to COVID-19, the University couldn't meet all of its pre-COVID budget objectives in 2020 and as a consequence of a number of interventions, have managed to maintain required liquidity. A summary of the key changes we experienced are:

1. Total revenue of \$343.3 million was lower than the budgeted target by 12.9 per cent, mainly due to COVID-19's impact on a number of areas of the University including significant decline in international student income, commercial property income and student accommodation. However, there were increases in government support as both Commonwealth and State government provided special assistance packages for universities during this time.
2. Expenditure of \$339.4 million was lower than the budgeted target by 12.9 per cent. However, this was due to many factors. There were decreases due to lower teaching related expenses for international students and a number of projects were paused, however there were increases in termination payments for staff as a result of a voluntary redundancy scheme and a number of restructures.
3. Cash and liquid investment balances for the Group ended the year at \$208.8 million, versus an estimated \$190.3 million, due to delay in non-critical capital projects.

Australian Government financial assistance – including HECS HELP and VET Student Loans – increased to \$134.3 million from \$124.9 million. Commonwealth Government provided support in the way of providing funding to the maximum, despite actual enrolments being lower to provide valuable support. State Government funding for Vocational Education and Training totalled \$23.8 million, an increase of \$1.1 million on 2019. Similarly, to Commonwealth, the State government provided funding in line with anticipated activity levels, despite the reduction in delivery due to restrictions that were forced upon us due to COVID-19.

International fee-paying student revenue decreased by \$58.1 million to \$125.2 million, or 32 per cent.

IT expenditure (business as usual, excluding projects) was \$17.0 million in 2020, slightly higher than the 2019 expenditure of \$15.9 million, due to increase in IT licenses. IT project expenditure was \$3.2 million (\$3.0 million operational expenditure and \$0.2 million capital expenditure), higher than 2019 by \$0.7 million, mainly due to spend in enhanced online academic learning system. In addition to increases in IT expenditure, repairs and maintenance was \$9.3 million compared to the previous year of \$7.5 million, driven by critical building maintenance works.

The operating result attributed to VET was a loss of \$7.7 million, down on the previous year's loss of \$4.3 million. Revenue decreased by \$3.0 million to \$32.2 million, driven by decrease in fee for service revenue and investment property valuations. Total expenses increased by \$0.4 million to \$39.9 million, mainly due to increase in leave provisions.

The net value of property, plant and equipment (PP&E) has increased by a net \$3.5 million. This was largely driven by the redevelopment of our Sports Science building at Mt Helen, building modifications on our new Berwick Campus and spend on our new Morwell Innovation Centre to be completed in 2021.

The University does not have any outstanding bank loan facilities at the end of 2020, however during 2020 there was a formal tender released to banks to explore future debt opportunities. However, priorities are currently being assessed and future capital program decisions have not yet been determined.

## Future Outlook

During the year, COVID-19 has had a material impact on the operations of Federation University, and consequently, has resulted in a number of impacts on the performance of the University.

The University moved the majority of undergraduate and post-graduate coursework programs to online delivery from March, and our TAFE offered mixed modes of delivery. With restrictions on non-essential work being undertaken on campus, from late March 2020 we implemented work from home arrangements where appropriate.

Going forward the University is well placed and has a strong financial position, with a robust financial framework to ensure its long-term stability. With COVID-19 and the significant disruption in its traditional operating model, it has allowed us to pause and rethink the long-term strategy. The introduction of the new strategic plan has not changed the values and goals of the University, but has provided opportunity to rethink delivery modes, how students want to study as well as our involvement with the University wider community.

Early signals for domestic students intending to study in 2021 are positive, with initial VTAC offers up from previous years. As experienced across all universities, with the pandemic having caused disruption, domestic students are choosing to study, rather than travel and enter employment from Year 12 studies.

International students remain the greatest challenge in the short term, with borders remaining largely closed and significant restrictions on the volume of international arrivals. The University continues to work with state and federal governments and also with the aggressive rolling out of vaccines and other overseas governments now understanding the pandemic better, the future remains positive.

In the short term, we are working with with existing partners to deliver a range of innovative pathways which feature a blend of online and face to face interactions at overseas locations to ensure that international income is not completely eliminated during this time.

# FIVE YEAR FINANCIAL SUMMARY

	2020	2019	2018	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>					
<b>Revenue from continuing operations</b>					
Commonwealth Government Grants	134,304	124,979	125,155	120,327	119,403
Victorian State Government Grants	32,733	28,176	20,489	30,870	15,610
Other revenue and income	176,272	223,452	185,262	118,972	128,078
<b>Total income</b>	<b>343,309</b>	<b>376,607</b>	<b>330,906</b>	<b>270,169</b>	<b>263,091</b>
<b>Expenses from continuing operations</b>	<b>339,438</b>	<b>339,884</b>	<b>324,291</b>	<b>277,019</b>	<b>262,577</b>
<b>Net result for the year</b>	<b>3,871</b>	<b>36,723</b>	<b>6,615</b>	<b>(6,850)</b>	<b>514</b>
<b>BALANCE SHEET</b>					
<b>Current Assets</b>					
Cash and cash equivalents	78,919	64,173	55,637	52,878	62,103
Receivables	10,018	16,943	17,491	15,812	14,375
Contract assets	1808	928	–	–	–
Other financial assets	–	45,757	67,505	65,000	81,498
Other assets	8405	9,550	6,654	4,741	3,633
<b>Total Current Assets</b>	<b>99,150</b>	<b>137,351</b>	<b>147,287</b>	<b>138,431</b>	<b>161,609</b>
<b>Non-Current Assets</b>					
Receivables	64,739	63,435	59,173	58,550	59,785
Property, plant and equipment	417,704	414,175	408,366	307,342	304,600
Investment property	83,420	86,690	72,630	68,040	66,165
Other	191,529	142,624	118,266	91,078	73,387
<b>Total Non-Current Assets</b>	<b>757,392</b>	<b>706,924</b>	<b>658,435</b>	<b>525,010</b>	<b>503,937</b>
<b>TOTAL ASSETS</b>	<b>856,542</b>	<b>844,275</b>	<b>805,722</b>	<b>663,441</b>	<b>665,546</b>
<b>Current Liabilities</b>					
Payables	8,792	7,869	9,626	9,884	10,219
Borrowings and other liabilities from financing activities	2,557	1,952	–	–	–
Provisions	41,079	38,153	43,046	37,611	39,182
Other liabilities	1,666	1,229	30,888	11,203	8,668
Contract liabilities	17,266	25,735	–	–	–
<b>Total Current Liabilities</b>	<b>71,360</b>	<b>74,938</b>	<b>83,560</b>	<b>58,698</b>	<b>58,069</b>
<b>Non-Current Liabilities</b>					
Trade and other payables	1,757	–	–	–	–
Borrowings and other liabilities from financing activities	13,851	13,158	–	–	–
Provisions	70,021	67,853	61,433	61,661	62,718
Contract liabilities	7,939	–	–	–	–
Other liabilities	–	–	2,970	–	–
<b>Total Non-Current Liabilities</b>	<b>93,568</b>	<b>81,011</b>	<b>64,403</b>	<b>61,661</b>	<b>62,718</b>
<b>TOTAL LIABILITIES</b>	<b>164,928</b>	<b>155,949</b>	<b>147,963</b>	<b>120,359</b>	<b>120,787</b>
<b>NET ASSETS</b>	<b>691,614</b>	<b>688,326</b>	<b>657,759</b>	<b>543,082</b>	<b>544,759</b>
<b>TOTAL EQUITY</b>	<b>691,614</b>	<b>688,326</b>	<b>657,759</b>	<b>543,082</b>	<b>544,759</b>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020



# DECLARATION

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## DECLARATION BY CHANCELLOR, VICE CHANCELLOR AND CHIEF FINANCIAL OFFICER

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We certify that the attached financial report for Federation University Australia has been prepared in accordance with Standing Direction 5.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions issued under that legislation, the *Higher Education Support Act 2003*, the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to and forming part of the financial report, presents true and fair financial transactions during the year ended 31 December 2020 and financial position of the University as at 31 December 2020.

At the date of signing this financial report, we are not aware of any circumstance that would render any particulars included in the financial report to be misleading or inaccurate.

There are reasonable grounds to believe that the University will be able to pay its debts as and when they became due and payable.

Commonwealth Financial assistance expended during the reporting period was expended in accordance with the purposes for which it was provided.

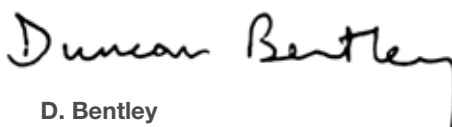
Federation University Australia charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act.

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.

The Chancellor, Vice Chancellor and Chief Financial Officer sign this declaration as delegates of, and in accordance with a resolution of, the Council of Federation University Australia.



**T. Moran**  
Chancellor



**D. Bentley**  
Vice-Chancellor



**J. Blair**  
Chief Operating Officer,  
Chief Financial Officer

Mount Helen.  
Dated: 16 March, 2021

# Independent Auditor's Report

## To the Council of Federation University Australia

<b>Opinion</b>	<p>I have audited the consolidated financial report of Federation University Australia (the university) and its controlled entities (together the consolidated entity) which comprises the:</p> <ul style="list-style-type: none"><li>• consolidated entity and university statements of financial position as at 31 December 2020</li><li>• consolidated entity and university statements of income and statements of comprehensive income for the year then ended</li><li>• consolidated entity and university statements of changes in equity for the year then ended</li><li>• consolidated entity and university statements of cash flows for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• declaration by Chancellor, Vice Chancellor and Chief Financial Officer.</li></ul> <p>In my opinion the financial report is in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> including:</p> <ul style="list-style-type: none"><li>• giving a true and fair view of the financial position of the university and the consolidated entity as at 31 December 2020 and their financial performance and cash flows for the year then ended</li><li>• complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2013</i>.</li></ul>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the university and the consolidated entity in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>

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**Council's responsibilities for the financial report** The Council of the university is responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards, the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Council determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council are responsible for assessing the university and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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

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

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

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**Auditor's responsibilities for the audit of the financial report (continued)**

- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the university and the consolidated entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the university and the consolidated entity. I remain solely responsible for my audit opinion.

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

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

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MELBOURNE  
20 March 2021



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

# STATEMENT OF INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>					
Australian Government financial assistance	3.1	134,304	124,979	134,304	124,979
State and local government financial assistance	3.2	32,733	28,176	32,733	28,176
HECS-HELP – Student payments		2,934	2,626	2,934	2,626
Fees and charges	3.3	143,145	178,138	143,145	178,081
Consultancy and contracts	3.4	5,740	4,877	5,740	4,877
Other revenue	3.5/3.6	1,325	2,143	1,325	2,143
Other income	3.5/3.6	455	271	455	271
Net investment income	4	21,474	35,397	21,474	35,397
Net gains on disposal of assets		1,199	–	1,199	–
<b>Total income</b>		<b>343,309</b>	<b>376,607</b>	<b>343,309</b>	<b>376,550</b>
<b>EXPENSES</b>					
Employee related expenses	5	178,352	159,584	178,352	159,584
Depreciation and amortisation	12/13	24,352	22,321	24,352	20,862
Repairs and maintenance		9,271	7,532	9,271	7,532
Borrowing and financing costs	15.1	830	649	830	348
Other expenses	6	126,633	149,790	126,633	151,492
Net losses on disposal of assets		–	8	–	8
<b>Total expenses</b>		<b>339,438</b>	<b>339,884</b>	<b>339,438</b>	<b>339,826</b>
<b>Net result for the year</b>		<b>3,871</b>	<b>36,723</b>	<b>3,871</b>	<b>36,724</b>

THE ABOVE INCOME STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Net result for the year		3,871	36,723	3,871	36,724
<b>Items that will not be reclassified to profit or loss</b>					
Loss on revaluation of artwork	12	(314)	–	(314)	–
Loss on value of equity instruments designated at fair value through other comprehensive income		(269)	(184)	(269)	(184)
<b>Superannuation:</b>					
Increase in deferred government contribution		1,300	3,650	1,300	3,650
Increase in deferred government employee benefits		(1,300)	(3,650)	(1,300)	(3,650)
<b>Total other comprehensive income</b>		<b>(583)</b>	<b>(184)</b>	<b>(583)</b>	<b>(184)</b>
<b>Total comprehensive income</b>		<b>3,288</b>	<b>36,539</b>	<b>3,288</b>	<b>36,540</b>

THE ABOVE STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

# STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	78,919	64,173	78,919	64,173
Receivables	8	10,018	16,943	12,618	19,547
Contract assets	8	1,808	928	1,808	924
Other financial assets	9	–	45,757	–	45,757
Other non-financial assets	10	8,405	9,550	8,405	9,550
<b>Total current assets</b>		<b>99,150</b>	<b>137,351</b>	<b>101,750</b>	<b>139,951</b>
<b>Non-current assets</b>					
Receivables	8	64,739	63,435	64,739	63,435
Other financial assets	9	189,530	141,624	189,530	141,624
Property, plant and equipment	12	417,704	414,175	417,704	414,175
Investment properties	11	83,420	86,690	83,420	86,690
Intangible assets	13	1,999	1,000	1,999	1,000
<b>Total non-current assets</b>		<b>757,392</b>	<b>706,924</b>	<b>757,392</b>	<b>706,924</b>
<b>Total assets</b>		<b>856,542</b>	<b>844,275</b>	<b>859,142</b>	<b>846,875</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	14	8,792	7,869	8,792	7,869
Borrowings and other liabilities from financing activities	15	2,557	1,952	2,557	1,952
Provisions	16	41,079	38,153	41,079	38,153
Other liabilities	17	1,666	1,229	1,666	1,229
Contract liabilities	14	17,266	25,735	17,266	25,735
<b>Total current liabilities</b>		<b>71,360</b>	<b>74,938</b>	<b>71,360</b>	<b>74,938</b>
<b>Non-current liabilities</b>					
Trade and other payables	14	1,757	–	1,757	–
Borrowings and other liabilities from financing activities	15	13,851	13,158	13,851	13,158
Provisions	16	70,021	67,853	70,021	67,853
Contract liabilities	14	7,939	–	7,939	–
<b>Total non-current liabilities</b>		<b>93,568</b>	<b>81,011</b>	<b>93,568</b>	<b>81,011</b>
<b>Total liabilities</b>		<b>164,928</b>	<b>155,949</b>	<b>164,928</b>	<b>155,949</b>
<b>Net assets</b>		<b>691,614</b>	<b>688,326</b>	<b>694,214</b>	<b>690,926</b>
<b>EQUITY</b>					
Accumulated surplus	18	420,690	416,819	423,290	419,419
Reserves	18	270,924	271,507	270,924	271,507
<b>Total equity</b>		<b>691,614</b>	<b>688,326</b>	<b>694,214</b>	<b>690,926</b>

THE ABOVE STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Australian Government grants		134,403	124,843	134,403	124,843
HECS-HELP – Student payments		2,934	2,626	2,934	2,626
OS-HELP (net)	28(e)	376	(12)	376	(12)
Superannuation supplementation		3,396	4,288	3,396	4,288
Rent received from investment properties		5,814	6,311	5,814	6,311
Dividends received		9,225	6,307	9,225	6,307
Interest received		2,422	3,949	2,422	3,949
User fees and charges received		150,844	196,391	150,811	198,473
State Government grants		23,027	22,793	23,027	22,793
State Government contributions – specific projects		8,850	5,500	8,850	5,500
Payments to suppliers and employees		(316,479)	(363,944)	(316,436)	(365,612)
GST recovered		14,519	16,884	14,476	16,698
GST paid		(5,247)	(4,665)	(5,247)	(4,665)
Borrowing and finance costs		( 830)	(649)	( 830)	(348)
<b>Net cash provided by operating activities</b>	19	<b>33,254</b>	<b>20,622</b>	<b>33,221</b>	<b>21,151</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Payments for property, plant and equipment	12	(24,759)	(27,012)	(24,759)	(27,012)
Proceeds from sale of property, plant and equipment		2,906	303	2,906	303
Payments for intangible assets	13	(1,500)	( 1,000)	(1,500)	( 1,000)
Proceeds from sale of financial assets		34,139	125,871	34,139	125,871
Payments for financial assets		( 27,021)	(108,324)	( 27,021)	(108,324)
Loans to related parties		–	–	33	(1,606)
<b>Net cash used in investing activities</b>		<b>(16,235)</b>	<b>(10,162)</b>	<b>(16,202)</b>	<b>(11,768)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of lease liabilities	15.1	( 2,273)	( 1,923)	( 2,273)	( 847)
<b>Net cash used in financing activities</b>		<b>( 2,273)</b>	<b>( 1,923)</b>	<b>( 2,273)</b>	<b>( 847)</b>
<b>Net increase in cash and cash equivalents</b>		<b>14,746</b>	<b>8,536</b>	<b>14,746</b>	<b>8,536</b>
Cash and cash equivalents at the beginning of the financial year		64,173	55,637	64,173	55,637
<b>Cash and cash equivalents at the end of the financial year</b>	7	<b>78,919</b>	<b>64,173</b>	<b>78,919</b>	<b>64,173</b>

THE ABOVE STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

CONSOLIDATED		2020			2019		
		RESERVES	ACCUMULATED SURPLUS	TOTAL	RESERVES	ACCUMULATED SURPLUS	TOTAL
NOTES		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial year</b>		271,507	416,819	688,326	271,691	386,068	657,759
Adoption of AASB 15 & AASB 1058 through profit and loss to retained earnings		–	–	–	–	(5,972)	(5,972)
<b>Total equity at the beginning of the financial year (restated)</b>		<b>271,507</b>	<b>416,819</b>	<b>688,326</b>	<b>271,691</b>	<b>380,096</b>	<b>651,787</b>
Net result for the year		–	3,871	3,871	–	36,723	36,723
Loss on revaluation of artwork		(314)	–	(314)	–	–	–
Loss on equity instruments designated at fair value through other comprehensive income		(269)	–	(269)	(184)	–	(184)
<b>Total equity at the end of the financial year</b> 18		<b>270,924</b>	<b>420,690</b>	<b>691,614</b>	<b>271,507</b>	<b>416,819</b>	<b>688,326</b>

UNIVERSITY		2020			2019		
		RESERVES	ACCUMULATED SURPLUS	TOTAL	RESERVES	ACCUMULATED SURPLUS	TOTAL
NOTES		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial year</b>		271,507	419,419	690,926	271,691	388,667	660,358
Adoption of AASB 15 & AASB 1058 through profit and loss to retained earnings		–	–	–	–	(5,972)	(5,972)
<b>Total equity at the beginning of the financial year (restated)</b>		<b>271,507</b>	<b>419,419</b>	<b>690,926</b>	<b>271,691</b>	<b>382,695</b>	<b>654,386</b>
Net result for the year		–	3,871	3,871	–	36,724	36,724
Loss on revaluation of artwork		(314)	–	(314)	–	–	–
Loss on equity instruments designated at fair value through other comprehensive income		(269)	–	(269)	(184)	–	(184)
<b>Total equity at the end of the financial year</b> 18		<b>270,924</b>	<b>423,290</b>	<b>694,214</b>	<b>271,507</b>	<b>419,419</b>	<b>690,926</b>

THE ABOVE STATEMENT OF CHANGES IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

## Note 1 | Summary of Significant Accounting Policies

The financial report includes separate financial statements for Federation University Australia and the consolidated entity consisting of the University and its subsidiaries, referred to as the Group.

The Group's financial statements are presented in a simplified layout providing information that is more streamlined and relevant to users. Financial statement notes are grouped together where they are similar in nature, with related principal accounting policies, key estimates and judgements included directly below.

The principal accounting policies adopted by the Group for the year ended 31 December 2020 are set out within these financial statements. These policies have been consistently applied to each year presented unless otherwise stated.

The principal address of Federation University Australia is University Drive, Mt Helen, Victoria, 3350.

### (A) BASIS OF PREPARATION

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The Group's general purpose financial statements are prepared as follows:

- These financial statements have been prepared under the historical cost convention, except for debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or profit or loss, certain classes of property, plant and equipment and investment properties;
- Prepared in accordance with Australian Accounting Standards, the *Higher Education Support Act 2003*, *Financial Management Act 1994* and *Australian Charities and Not-for-profits Commission Act 2012*;
- Some of the requirements for not-for-profit entities are inconsistent with IFRS requirements to comply with the not-for-profit requirements of Australian Accounting Standards;
- Prepared on a going-concern basis, which assumes the continuity of normal operations;
- Presented in Australian dollars, which is the Group's functional and presentation currency;
- Rounded to the nearest thousand dollars unless otherwise specified; and
- Comparative amounts have been restated, where applicable, to conform with the current period presentation.

Refer to Note 30 for disclosures on the effect of COVID-19 on the Group's basis of preparation.

### Date of authorisation for issue

The financial statements were authorised for issue by the Council members of Federation University Australia on March 16 2021.

### (B) TAXATION

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The Group is exempt from income tax pursuant to Division 50.1 of the *Income Tax Assessment Act 1997*.

Income and expenses are recognised net of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

In these circumstances the GST is recognised 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 ATO 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 ATO, are presented as operating cash flows.

### (C) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of financial statements in conformity with Australian Accounting Standards requires use of critical accounting estimates. Estimates and judgements are continually evaluated by management and based on historical experience and other factors, including expectations of future events that may have financial impact on the Group and believed to be reasonable under the circumstances. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

#### Estimates

- Impairment (Note 8)
- Receivables (Note 8)
- Valuation of investments (Note 11)
- Property, plant and equipment (Note 12)
- Right-of-use assets (Note 12.1)
- Borrowings and other liabilities from financing activities (Note 15)
- Provisions (Note 16)
- Other liabilities (Note 17)
- Fair value of other financial instruments (Note 26 & 27)

#### Judgements

- Government income (Note 3)
- Impairment (Note 8)
- Receivables (Note 8)
- Valuation of investments (Note 11)
- Property, plant and equipment (Note 12)
- Right-of-use assets (Note 12.1)
- Borrowings and other liabilities from financing activities (Note 15)
- Other liabilities (Note 17)
- Subsidiaries (Note 25)

### (D) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The following standards have been issued but are not mandatory for 31 December 2020 reporting periods. The Group has elected not to early adopt any of these standards.

STANDARD/AMENDMENT		APPLICATION DATE	IMPLICATIONS
AASB 2020-1 and 2020-6	Amendments to Australian Accounting Standards – Classification of Liabilities as current or non-current and Amendments to Australian Accounting Standards – Classification of Liabilities as current or non-current – Deferral of Effective Date	1 January 2023	No significant impact
AASB 2020-3	Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022	No significant impact
AASB 2020-4	Amendments to Australian Accounting Standards – COVID-19-related Rent Concessions	1 January 2021	No significant impact
AASB 2020-8	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2	1 January 2021	No significant impact

### (E) INITIAL APPLICATION OF AAS

Australian Accounting Standard AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity. The standard applies to annual reporting periods beginning on or after 1 January 2020. The Group has adopted this standard from 1 January 2020. However, as the Group has no service concession arrangements, there is no effect on the financial report.

The following interpretations and amending standards have also been adopted:

STANDARD/AMENDMENT		IMPLICATIONS
AASB 2018-6	Amendments to Australian Accounting Standards – Definition of a Business	No significant impact
AASB 2019-3	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	No significant impact
AASB 2018-7	Amendments to Australian Accounting Standards – Definition of Material	No significant impact

## Note 2 | Disaggregated Information

### A) GEOGRAPHICAL INFORMATION

	REVENUE		RESULTS		ASSETS	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	340,231	373,386	3,563	36,407	859,142	846,875
Americas	–	185	–	19	–	–
Asia	3,065	2,932	307	293	–	–
Europe	4	38	–	4	–	–
Other	9	9	1	1	–	–
<b>Total</b>	<b>343,309</b>	<b>376,550</b>	<b>3,871</b>	<b>36,724</b>	<b>859,142</b>	<b>846,875</b>

### B) INDUSTRY — PARENT ENTITY

#### OPERATING RESULTS: Higher Education and VET Operations

Operating revenues and operating expenses for Higher Education and VET Operations of the University are shown in the following tables. The figures refer only to the University – consolidated totals are not included. Discrete sets of accounts are maintained for the two divisions for the recording of their separate revenues and expenses. Some central administrative expenses are proportioned between them on bases agreed at the time of establishing budgets. Depreciation is distributed in accordance with relative asset values.

#### STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	HIGHER EDUCATION	VET	TOTAL PARENT	HIGHER EDUCATION	VET	TOTAL PARENT
	2020			2019		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>						
Australian Government financial assistance	133,773	531	134,304	123,884	1,095	124,979
State and local government financial assistance	9,259	23,474	32,733	5,854	22,322	28,176
HECS-HELP – Student payments	2,934	–	2,934	2,626	–	2,626
Fees and charges	135,713	7,432	143,145	168,107	9,974	178,081
Consultancy and contracts	5,733	7	5,740	4,866	11	4,877
Other revenue	1,325	–	1,325	2,143	–	2,143
Other income	330	125	455	76	195	271
Net investment income	22,141	(667)	21,474	33,744	1,653	35,397
Net gains on disposal of assets	–	1,251	1,251	–	–	–
<b>Total income</b>	<b>311,208</b>	<b>32,153</b>	<b>343,361</b>	<b>341,300</b>	<b>35,250</b>	<b>376,550</b>
<b>EXPENSES</b>						
Employee related expenses	153,934	24,418	178,352	135,297	24,287	159,584
Depreciation and amortisation	19,559	4,793	24,352	16,208	4,654	20,862
Repairs and maintenance	7,862	1,409	9,271	6,373	1,159	7,532
Borrowing and financing costs	830	–	830	348	–	348
Other expenses	117,382	9,251	126,633	142,061	9,431	151,492
Net losses on disposal of assets	52	–	52	8	–	8
<b>Total expenses</b>	<b>299,619</b>	<b>39,871</b>	<b>339,490</b>	<b>300,295</b>	<b>39,531</b>	<b>339,826</b>
<b>Net result for the year</b>	<b>11,589</b>	<b>(7,718)</b>	<b>3,871</b>	<b>41,005</b>	<b>(4,281)</b>	<b>36,724</b>

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	HIGHER EDUCATION	VET	TOTAL PARENT	HIGHER EDUCATION	VET	TOTAL PARENT
	2020			2019		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net result for the year	11,589	(7,718)	3,871	41,005	(4,281)	36,724
<b>Items that will not be reclassified to profit or loss</b>						
Loss on revaluation of artwork	(314)	–	(314)	–	–	–
Loss on value of equity instruments designated at fair value through other comprehensive income	(269)	–	(269)	(184)	–	(184)
Superannuation:						
Increase in deferred government contribution	1,300	–	1,300	3,650	–	3,650
Increase in deferred government employee benefits	(1,300)	–	(1,300)	(3,650)	–	(3,650)
<b>Total other comprehensive income</b>	<b>(583)</b>	<b>–</b>	<b>(583)</b>	<b>(184)</b>	<b>–</b>	<b>(184)</b>
<b>Total comprehensive income</b>	<b>11,006</b>	<b>(7,718)</b>	<b>3,288</b>	<b>40,821</b>	<b>(4,281)</b>	<b>36,540</b>

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	HIGHER EDUCATION	VET	TOTAL PARENT	HIGHER EDUCATION	VET	TOTAL PARENT
	2020			2019		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	105,185	( 26,266)	78,919	89,643	( 25,470)	64,173
Receivables	11,524	1,094	12,618	18,331	1,216	19,547
Contract assets	370	1,438	1,808	513	411	924
Other financial assets	–	–	–	45,757	–	45,757
Other non-financial assets	7,953	452	8,405	7,788	1,762	9,550
<b>Total current assets</b>	<b>125,032</b>	<b>( 23,282)</b>	<b>101,750</b>	<b>162,032</b>	<b>( 22,081)</b>	<b>139,951</b>
<b>NON-CURRENT ASSETS</b>						
Receivables	64,739	–	64,739	63,435	–	63,435
Other financial assets	189,530	–	189,530	141,624	–	141,624
Property, plant and equipment	320,147	97,557	417,704	311,014	103,161	414,175
Investment properties	63,810	19,610	83,420	66,070	20,620	86,690
Intangible assets	1,999	–	1,999	1,000	–	1,000
<b>Total non-current assets</b>	<b>640,225</b>	<b>117,167</b>	<b>757,392</b>	<b>583,143</b>	<b>123,781</b>	<b>706,924</b>
<b>TOTAL ASSETS</b>	<b>765,257</b>	<b>93,885</b>	<b>859,142</b>	<b>745,175</b>	<b>101,700</b>	<b>846,875</b>
<b>CURRENT LIABILITIES</b>						
Trade and other payables	8,638	154	8,792	7,697	172	7,869
Borrowings and other liabilities from financing activities	2,557	–	2,557	1,952	–	1,952
Provisions	34,850	6,229	41,079	32,401	5,752	38,153
Other liabilities	1,666	–	1,666	1,229	–	1,229
Contract liabilities	15,192	2,074	17,266	23,053	2,682	25,735
<b>Total current liabilities</b>	<b>62,903</b>	<b>8,457</b>	<b>71,360</b>	<b>66,332</b>	<b>8,606</b>	<b>74,938</b>
<b>NON-CURRENT LIABILITIES</b>						
Trade and other payables	1,757	–	1,757	–	–	–
Borrowings and other liabilities from financing activities	13,851	–	13,851	13,158	–	13,158
Provisions	69,043	978	70,021	66,927	926	67,853
Contract liabilities	7,939	–	7,939	–	–	–
<b>Total non-current liabilities</b>	<b>92,590</b>	<b>978</b>	<b>93,568</b>	<b>80,085</b>	<b>926</b>	<b>81,011</b>
<b>TOTAL LIABILITIES</b>	<b>155,493</b>	<b>9,435</b>	<b>164,928</b>	<b>146,417</b>	<b>9,532</b>	<b>155,949</b>
<b>NET ASSETS</b>	<b>609,764</b>	<b>84,450</b>	<b>694,214</b>	<b>598,758</b>	<b>92,168</b>	<b>690,926</b>
<b>EQUITY</b>						
Accumulated surplus	375,522	47,768	423,290	363,933	55,486	419,419
Reserves	234,242	36,682	270,924	234,825	36,682	271,507
<b>TOTAL EQUITY</b>	<b>609,764</b>	<b>84,450</b>	<b>694,214</b>	<b>598,758</b>	<b>92,168</b>	<b>690,926</b>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	HIGHER EDUCATION	VET	TOTAL PARENT	HIGHER EDUCATION	VET	TOTAL PARENT
	2020			2019		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Australian Government grants	133,872	531	134,403	123,748	1,095	124,843
HECS-HELP – student payments	2,934	–	2,934	2,626	–	2,626
OS-HELP (net)	376	–	376	(12)	–	(12)
Superannuation supplementation	3,396	–	3,396	4,288	–	4,288
Rent received from investment properties	4,783	1,031	5,814	4,658	1,653	6,311
Dividends received	9,225	–	9,225	6,307	–	6,307
Interest received	3,089	(667)	2,422	3,949	–	3,949
User fees and charges received	144,278	6,533	150,811	188,877	9,596	198,473
State Government grants	(544)	23,571	23,027	558	22,235	22,793
State Government contributions – specific projects	8,850	–	8,850	5,500	–	5,500
Payments to suppliers and employees (inclusive of GST)	(282,449)	(33,987)	(316,436)	(331,019)	(34,593)	(365,612)
GST recovered	14,476	–	14,476	16,698	–	16,698
GST paid	(5,247)	–	(5,247)	(4,665)	–	(4,665)
Borrowing and finance costs	(830)	–	(830)	(348)	–	(348)
<b>Net cash provided by/(used in) operating activities</b>	<b>36,209</b>	<b>(2,988)</b>	<b>33,221</b>	<b>21,165</b>	<b>(14)</b>	<b>21,151</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Payments for property, plant and equipment	(24,450)	(309)	(24,759)	(25,216)	(1,796)	(27,012)
Proceeds from sale of property, plant and equipment	405	2,501	2,906	303	–	303
Payments for intangible assets	(1,500)	–	(1,500)	(1,000)	–	(1,000)
Proceeds from sale of financial assets	34,139	–	34,139	125,871	–	125,871
Payments for financial assets	(27,021)	–	(27,021)	(108,324)	–	(108,324)
Loans to related parties	33	–	33	(1,606)	–	(1,606)
<b>Net cash (used in)/provided by investing activities</b>	<b>(18,394)</b>	<b>2,192</b>	<b>(16,202)</b>	<b>(9,972)</b>	<b>(1,796)</b>	<b>(11,768)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Repayment of lease liabilities	(2,273)	–	(2,273)	(847)	–	(847)
<b>Net cash used in financing activities</b>	<b>(2,273)</b>	<b>–</b>	<b>(2,273)</b>	<b>(847)</b>	<b>–</b>	<b>(847)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>15,542</b>	<b>(796)</b>	<b>14,746</b>	<b>10,346</b>	<b>(1,810)</b>	<b>8,536</b>
Cash and cash equivalents at the beginning of the financial year	89,643	(25,470)	64,173	79,297	(23,660)	55,637
<b>Cash and cash equivalents at the end of the financial year</b>	<b>105,185</b>	<b>(26,266)</b>	<b>78,919</b>	<b>89,643</b>	<b>(25,470)</b>	<b>64,173</b>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

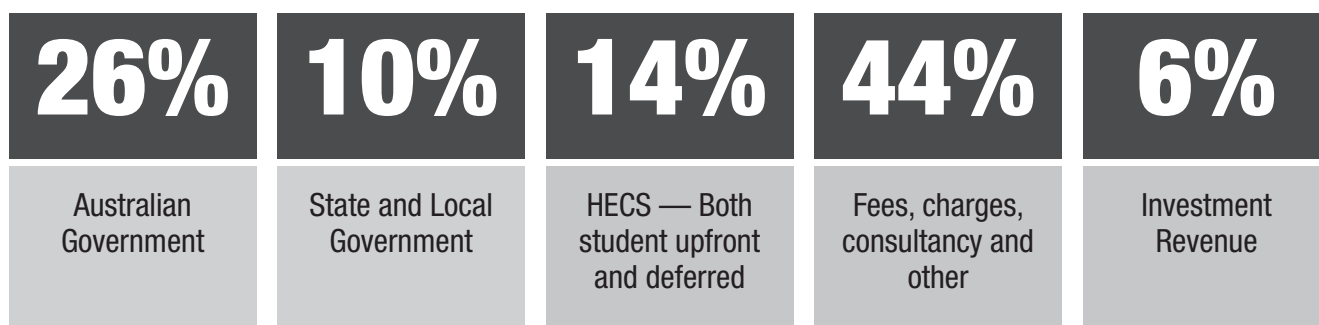
	HIGHER EDUCATION					
	RESERVES	ACCUMULATED SURPLUS	TOTAL	RESERVES	ACCUMULATED SURPLUS	TOTAL
	2020			2019		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial year</b>	234,825	363,933	598,758	235,009	328,775	563,784
Adoption of AASB 15 & AASB 1058 through profit and loss to retained earnings	–	–	–	–	(5,847)	(5,847)
<b>Total equity at the beginning of the financial year (restated)</b>	<b>234,825</b>	<b>363,933</b>	<b>598,758</b>	<b>235,009</b>	<b>322,928</b>	<b>557,937</b>
Net result for the year	–	11,589	11,589	–	41,005	41,005
Loss on revaluation of artwork	(314)	–	(314)	–	–	–
Loss on equity instruments designated at fair value through other comprehensive income	(269)	–	(269)	(184)	–	(184)
<b>Total equity at the end of the financial year</b>	<b>234,242</b>	<b>375,522</b>	<b>609,764</b>	<b>234,825</b>	<b>363,933</b>	<b>598,758</b>

	VET					
	RESERVES	ACCUMULATED SURPLUS	TOTAL	RESERVES	ACCUMULATED SURPLUS	TOTAL
	2020			2019		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the financial year</b>	36,682	55,486	92,168	36,682	59,892	96,574
Adoption of AASB 15 & AASB 1058 through profit and loss to retained earnings	–	–	–	–	(125)	(125)
<b>Total equity at the beginning of the financial year (restated)</b>	<b>36,682</b>	<b>55,486</b>	<b>92,168</b>	<b>36,682</b>	<b>59,767</b>	<b>96,449</b>
Net result for the year	–	(7,718)	(7,718)	–	(4,281)	(4,281)
<b>Total equity at the end of the financial year</b>	<b>36,682</b>	<b>47,768</b>	<b>84,450</b>	<b>36,682</b>	<b>55,486</b>	<b>92,168</b>



## HOW WE ARE FUNDED

This shows that during 2020, the Group's major income sources were:



To enable an understanding of the funding, key estimates, judgements and accounting policies specific to each funding source are outlined within the relevant notes.

### Note 3 | Revenue and Income

Notes 3.1 to 3.5 disclose the revenue and income received during the period according to the mandatory disclosures required by the department. The disclosures as per AASB 15 and AASB 1058 are included in the note 3.6 and a reconciliation is included in note 3.7.

Refer to note 30 for disclosures on the effect of COVID-19 on the Group's revenue and income.

#### NOTE 3.1 | AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP)

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Scheme and other grants	28(a)	87,710	75,352	87,710	75,352
Higher Education Loan Programs	28(b)	41,470	44,723	41,470	44,723
Scholarships	28(c)	2,196	2,124	2,196	2,124
Education – Research	28(c)	1,451	1,501	1,451	1,501
Australian Research Council	28(d)	168	199	168	199
Other Australian Government financial assistance		1,309	1,080	1,309	1,080
<b>Total Australian government financial assistance</b>		<b>134,304</b>	<b>124,979</b>	<b>134,304</b>	<b>124,979</b>

#### NOTE 3.2 | STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>NON-CAPITAL</b>				
Recurrent grants	16,358	14,325	16,358	14,325
Other grants	7,525	8,351	7,525	8,351
	<b>23,883</b>	<b>22,676</b>	<b>23,883</b>	<b>22,676</b>
<b>CAPITAL</b>				
State capital grants	8,850	5,500	8,850	5,500
<b>Total state and local government financial assistance</b>	<b>32,733</b>	<b>28,176</b>	<b>32,733</b>	<b>28,176</b>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

### NOTE 3.3 | FEES AND CHARGES

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
<b>COURSE FEES AND CHARGES</b>					
Fee-paying overseas students (onshore)		122,134	149,667	122,134	149,667
Fee-paying overseas students (offshore)		3,091	1,942	3,091	1,942
Continuing education		3	39	3	39
Fee-paying domestic postgraduate students		2,014	3,333	2,014	3,333
Fee-paying domestic non-award students		205	68	205	68
Other student fees		1,705	1,846	1,705	1,846
Fee for service		3,770	5,550	3,770	5,550
<b>Total course fees and charges</b>		<b>132,922</b>	<b>162,445</b>	<b>132,922</b>	<b>162,445</b>
<b>OTHER NON-COURSE FEES AND CHARGES</b>					
Rent/use of facilities charges		3,767	7,139	3,767	7,082
Commercial activities		5,654	7,280	5,654	7,280
Student Services and Amenities Fees from students	28(g)	226	177	226	177
Other		576	1,097	576	1,097
<b>Total other fees and charges</b>		<b>10,223</b>	<b>15,693</b>	<b>10,223</b>	<b>15,636</b>
<b>Total fees and charges</b>		<b>143,145</b>	<b>178,138</b>	<b>143,145</b>	<b>178,081</b>

#### Accounting policy

Scholarships to international students are considered to be variable consideration under AASB 15 and as a result have been offset against fees and charges. These scholarship were previously shown within other expenses. The 2019 comparative figures have been restated (2019: \$31.7m).

### NOTE 3.4 | CONSULTANCY AND CONTRACTS

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Consultancy	664	1,080	664	1,080
Contract research	5,076	3,797	5,076	3,797
<b>Total consultancy and contracts</b>	<b>5,740</b>	<b>4,877</b>	<b>5,740</b>	<b>4,877</b>

### NOTE 3.5 | OTHER REVENUE AND INCOME

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Donations and bequests	454	266	454	266
Sponsorship	23	73	23	73
Other	1,303	2,075	1,303	2,075
<b>Total other revenue and income</b>	<b>1,780</b>	<b>2,414</b>	<b>1,780</b>	<b>2,414</b>

**Basis for disaggregation**

Revenue streams disclosed below are for illustrative purposes and considered to be different in nature, amount, timing and uncertainty.

**Sources of funding**

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

**Revenue and income streams**

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

- i. Education: the Group has domestic and overseas students enrolled in a variety of programs for different qualification levels (from certificates to doctoral degrees). Whilst the number of domestic students is affected by national economic factors as interest rates or unemployment, the overseas students are impacted by changes in the immigration policies and current travel restrictions due to COVID-19.
- ii. Research: the Group performs research activities in different fields such as health, engineering, education and science. The Group enters into many different types of research agreements with different counterparties, such as with private sector customers and Government agencies that award research grants. Each grant agreement needs to be assessed as to whether it is an enforceable arrangement and contains sufficiently specific promises to transfer outputs from the research to the customer (or at the direction of the customer). Judgement is required in making this assessment. The Group has concluded that some research agreements represent a contract with a customer whereas other research grants are recognised as income when the Group obtains control of the research funds.
- iii. Non-course fees and charges: these correspond to the complementary services provided by the Group such as parking and catering services.

**A) DISAGGREGATION**

The Group derives revenue and income from:

**CONSOLIDATED**

**For the year ended 31 December 2020**

	SOURCES OF FUNDING								
	Higher Education Loan Program (HELP)	Student Fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial Arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>REVENUE STREAM</b>									
<b>Course fees and charges</b>									
Domestic students – undergraduate	34,543	–	79,307	–	–	–	–	113,850	–
Overseas students (onshore) – undergraduate	–	61,493	–	–	–	–	–	61,493	–
Domestic students – postgraduate	3,324	2,014	7,396	–	–	–	–	12,734	–
Overseas students (onshore) – postgraduate	–	60,105	–	–	–	–	–	60,105	–
Overseas students (offshore) – postgraduate	–	3,091	–	–	–	–	–	3,091	–
Domestic non-award students	–	205	–	–	–	–	–	205	–
Overseas students (onshore) non-award students	–	291	–	–	–	–	–	291	–
Continuing education	–	3	–	–	–	–	–	3	–
Other student fees	1,863	1,950	509	–	–	–	–	4,322	–
Fee for service	–	3,770	–	–	–	–	–	3,770	–
<b>Total course fees and charges</b>	<b>39,730</b>	<b>132,922</b>	<b>87,212</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>259,864</b>	<b>–</b>
<b>Research</b>									
Research goods and services [AASB 15]	–	–	811	–	–	–	5,266	6,077	–
Research income [AASB 1058]	–	–	3,647	–	–	–	473	–	4,120
<b>Total research</b>	<b>–</b>	<b>–</b>	<b>4,458</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,739</b>	<b>6,077</b>	<b>4,120</b>
<b>Recurrent government grants</b>									
	–	–	–	16,358	–	–	–	16,358	–
<b>Non-course fees and charges</b>									
Rent/use of facilities charges	–	–	–	–	3,767	–	–	3,767	–
Parking fees	–	–	–	–	50	–	–	50	–
Childcare	–	–	–	–	4,965	–	–	4,965	–
Catering	–	–	–	–	689	–	–	689	–
Student Services and Amenities Fees	1,740	–	–	–	226	–	–	1,966	–
Other	–	–	–	–	526	–	–	526	–
<b>Total non-course fees and charges</b>	<b>1,740</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>10,223</b>	<b>–</b>	<b>–</b>	<b>11,963</b>	<b>–</b>
<b>Capital government grants</b>									
	–	–	–	8,850	–	–	–	–	8,850
<b>Other</b>									
Other [AASB 15]	–	–	666	7,490	–	23	1,302	9,481	–
Other [AASB 1058]	–	–	499	35	–	454	1	–	989
<b>Total other</b>	<b>–</b>	<b>–</b>	<b>1,165</b>	<b>7,525</b>	<b>–</b>	<b>477</b>	<b>1,303</b>	<b>9,481</b>	<b>989</b>
<b>Total revenue from contracts with customers</b>	<b>41,470</b>	<b>132,922</b>	<b>88,689</b>	<b>23,848</b>	<b>10,223</b>	<b>23</b>	<b>6,568</b>	<b>303,743</b>	<b>–</b>
<b>Total income of not-for-profit</b>	<b>–</b>	<b>–</b>	<b>4,146</b>	<b>8,885</b>	<b>–</b>	<b>454</b>	<b>474</b>	<b>–</b>	<b>13,959</b>

## A) DISAGGREGATION (CONTINUED)

### UNIVERSITY

For the year ended 31 December 2020

	SOURCES OF FUNDING								
	Higher Education Loan Program (HELP)	Student Fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial Arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>REVENUE STREAM</b>									
<b>Course fees and charges</b>									
Domestic students – undergraduate	34,543	–	79,307	–	–	–	–	113,850	–
Overseas students (onshore) – undergraduate	–	61,493	–	–	–	–	–	61,493	–
Domestic students – postgraduate	3,324	2,014	7,396	–	–	–	–	12,734	–
Overseas students (onshore) – postgraduate	–	60,105	–	–	–	–	–	60,105	–
Overseas students (offshore) – postgraduate	–	3,091	–	–	–	–	–	3,091	–
Domestic non-award students	–	205	–	–	–	–	–	205	–
Overseas students (onshore) non-award students	–	291	–	–	–	–	–	291	–
Continuing education	–	3	–	–	–	–	–	3	–
Other student fees	1,863	1,950	509	–	–	–	–	4,322	–
Fee for service	–	3,770	–	–	–	–	–	3,770	–
<b>Total course fees and charges</b>	<b>39,730</b>	<b>132,922</b>	<b>87,212</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>259,864</b>	<b>–</b>
<b>Research</b>									
Research goods and services [AASB 15]	–	–	811	–	–	–	5,266	6,077	–
Research income [AASB 1058]	–	–	3,647	–	–	–	473	–	4,120
<b>Total research</b>	<b>–</b>	<b>–</b>	<b>4,458</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,739</b>	<b>6,077</b>	<b>4,120</b>
<b>Recurrent government grants</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>16,358</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>16,358</b>	<b>–</b>
<b>Non-course fees and charges</b>									
Rent/use of facilities charges	–	–	–	–	3,767	–	–	3,767	–
Parking fees	–	–	–	–	50	–	–	50	–
Childcare	–	–	–	–	4,965	–	–	4,965	–
Catering	–	–	–	–	689	–	–	689	–
Student Services and Amenities Fees	1,740	–	–	–	226	–	–	1,966	–
Other	–	–	–	–	526	–	–	526	–
<b>Total non-course fees and charges</b>	<b>1,740</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>10,223</b>	<b>–</b>	<b>–</b>	<b>11,963</b>	<b>–</b>
<b>Capital government grants</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>8,850</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>8,850</b>
<b>Other</b>									
Other [AASB 15]	–	–	666	7,490	–	23	1,302	9,481	–
Other [AASB 1058]	–	–	499	35	–	454	1	–	989
<b>Total other</b>	<b>–</b>	<b>–</b>	<b>1,165</b>	<b>7,525</b>	<b>–</b>	<b>477</b>	<b>1,303</b>	<b>9,481</b>	<b>989</b>
<b>Total revenue from contracts with customers</b>	<b>41,470</b>	<b>132,922</b>	<b>88,689</b>	<b>23,848</b>	<b>10,223</b>	<b>23</b>	<b>6,568</b>	<b>303,743</b>	<b>–</b>
<b>Total income of not-for-profit</b>	<b>–</b>	<b>–</b>	<b>4,146</b>	<b>8,885</b>	<b>–</b>	<b>454</b>	<b>474</b>	<b>–</b>	<b>13,959</b>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

## A) DISAGGREGATION (CONTINUED)

## CONSOLIDATED

For the year ended 31 December 2019

	SOURCES OF FUNDING								
	Higher Education Loan Program (HELP)	Student Fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial Arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>REVENUE STREAM</b>									
<b>Course fees and charges</b>									
Domestic students – undergraduate	36,994	–	69,700	–	–	–	–	106,694	–
Overseas students (onshore) – undergraduate	–	50,722	–	–	–	–	–	50,722	–
Domestic students – postgraduate	2,426	1,942	4,719	–	–	–	–	9,087	–
Overseas students (onshore) – postgraduate	–	98,465	–	–	–	–	–	98,465	–
Overseas students (offshore) – postgraduate	–	3,333	–	–	–	–	–	3,333	–
Domestic non-award students	–	68	–	–	–	–	–	68	–
Overseas students (onshore) non-award students	–	235	–	–	–	–	–	235	–
Continuing education	–	39	–	–	–	–	–	39	–
Other student fees	3,470	2,091	500	–	–	–	–	6,061	–
Fee for service	–	5,550	–	–	–	–	–	5,550	–
<b>Total course fees and charges</b>	<b>42,890</b>	<b>162,445</b>	<b>74,919</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>280,254</b>	<b>–</b>
<b>Research</b>									
Research goods and services [AASB 15]	–	–	962	–	–	–	4,112	5,074	–
Research income [AASB 1058]	–	–	3,625	–	–	–	765	–	4,390
<b>Total research</b>	<b>–</b>	<b>–</b>	<b>4,587</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4,877</b>	<b>5,074</b>	<b>4,390</b>
<b>Recurrent government grants</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14,325</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14,325</b>	<b>–</b>
<b>Non-course fees and charges</b>									
Rent/use of facilities charges	–	–	–	–	7,139	–	–	7,139	–
Parking fees	–	–	–	–	105	–	–	105	–
Childcare	–	–	–	–	5,583	–	–	5,583	–
Catering	–	–	–	–	1,697	–	–	1,697	–
Student Services and Amenities Fees	1,833	–	–	–	177	–	–	2,010	–
Other	–	–	–	–	992	–	–	992	–
<b>Total non-course fees and charges</b>	<b>1,833</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>15,693</b>	<b>–</b>	<b>–</b>	<b>17,526</b>	<b>–</b>
<b>Capital government grants</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,500</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,500</b>
<b>Other</b>									
Other [AASB 15]	–	–	317	8,172	–	73	2,070	10,632	–
Other [AASB 1058]	–	–	433	179	–	266	5	–	883
<b>Total other</b>	<b>–</b>	<b>–</b>	<b>750</b>	<b>8,351</b>	<b>–</b>	<b>339</b>	<b>2,075</b>	<b>10,632</b>	<b>883</b>
<b>Total revenue from contracts with customers</b>	<b>44,723</b>	<b>162,445</b>	<b>76,198</b>	<b>22,497</b>	<b>15,693</b>	<b>73</b>	<b>6,182</b>	<b>327,811</b>	<b>–</b>
<b>Total income of not-for-profit</b>	<b>–</b>	<b>–</b>	<b>4,058</b>	<b>5,679</b>	<b>–</b>	<b>266</b>	<b>770</b>	<b>–</b>	<b>10,773</b>

## A) DISAGGREGATION (CONTINUED)

### UNIVERSITY

For the year ended 31 December 2019

	SOURCES OF FUNDING								
	Higher Education Loan Program (HELP)	Student Fees	Australian Government financial assistance	State and Local Government financial assistance	Commercial Arrangements	Donations, including corporate sponsorship	Others	Total Revenue from contracts with customers	Total Income of not-for-profit entities
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>REVENUE STREAM</b>									
<b>Course fees and charges</b>									
Domestic students – undergraduate	36,994	–	69,700	–	–	–	–	106,694	–
Overseas students (onshore) – undergraduate	–	50,722	–	–	–	–	–	50,722	–
Domestic students – postgraduate	2,426	1,942	4,719	–	–	–	–	9,087	–
Overseas students (onshore) – postgraduate	–	98,465	–	–	–	–	–	98,465	–
Overseas students (offshore) – postgraduate	–	3,333	–	–	–	–	–	3,333	–
Domestic non-award students	–	68	–	–	–	–	–	68	–
Overseas students (onshore) non-award students	–	235	–	–	–	–	–	235	–
Continuing education	–	39	–	–	–	–	–	39	–
Other student fees	3,470	2,091	500	–	–	–	–	6,061	–
Fee for service	–	5,550	–	–	–	–	–	5,550	–
<b>Total course fees and charges</b>	<b>42,890</b>	<b>162,445</b>	<b>74,919</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>280,254</b>	<b>–</b>
<b>Research</b>									
Research goods and services [AASB 15]	–	–	962	–	–	–	4,112	5,074	–
Research income [AASB 1058]	–	–	3,625	–	–	–	765	–	4,390
<b>Total research</b>	<b>–</b>	<b>–</b>	<b>4,587</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4,877</b>	<b>5,074</b>	<b>4,390</b>
<b>Recurrent government grants</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14,325</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14,325</b>	<b>–</b>
<b>Non-course fees and charges</b>									
Rent/use of facilities charges	–	–	–	–	7,082	–	–	7,082	–
Parking fees	–	–	–	–	105	–	–	105	–
Childcare	–	–	–	–	5,583	–	–	5,583	–
Catering	–	–	–	–	1,697	–	–	1,697	–
Student Services and Amenities Fees	1,833	–	–	–	177	–	–	2,010	–
Other	–	–	–	–	992	–	–	992	–
<b>Total non-course fees and charges</b>	<b>1,833</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>15,636</b>	<b>–</b>	<b>–</b>	<b>17,469</b>	<b>–</b>
<b>Capital government grants</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,500</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,500</b>
<b>Other</b>									
Other [AASB 15]	–	–	317	8,172	–	73	2,070	10,632	–
Other [AASB 1058]	–	–	433	179	–	266	5	–	883
<b>Total other</b>	<b>–</b>	<b>–</b>	<b>750</b>	<b>8,351</b>	<b>–</b>	<b>339</b>	<b>2,075</b>	<b>10,632</b>	<b>883</b>
<b>Total revenue from contracts with customers</b>	<b>44,723</b>	<b>162,445</b>	<b>76,198</b>	<b>22,497</b>	<b>15,636</b>	<b>73</b>	<b>6,182</b>	<b>327,754</b>	<b>–</b>
<b>Total income of not-for-profit</b>	<b>–</b>	<b>–</b>	<b>4,058</b>	<b>5,679</b>	<b>–</b>	<b>266</b>	<b>770</b>	<b>–</b>	<b>10,773</b>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

## REVENUE FROM CONTRACTS WITH CUSTOMERS

### B) ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

#### ACCOUNTING POLICY

The Group recognises revenue under AASB 15 when the rights and obligations created under the agreement are enforceable and the performance obligations are sufficiently specific. To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised for the major business activities as follows:

#### COURSE FEES AND CHARGES

Revenue relates to undergraduate programs, graduate and professional degree programs and continuing education and executive programs. Revenue from course fees and charges are recognised over time as and when the course is delivered to the students over the semester. When the courses or trainings have been paid in advance by students or the Group has received the government funding in advance (e.g. before starting the academic period) the Group recognises a contract liability until the services are delivered.

The Group does not have any obligations to return or refund obligations or other similar obligations. There is no significant financing component, as the period from when the student pays and the service is provided is less than 12 months and the consideration is not variable.

#### RESEARCH

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction. The Group recognises research revenue based on its contractual obligations however the Group applies a materiality expedient for research contracts under \$20,000 to be recognised as funding is received.

The following specific research revenue recognition criteria have been applied:

#### Non-government entities funding

The Group enters into research funding agreements with various entities to undertake research activities. Revenue is recognised under AASB 15 when there is an enforceable contract and performance obligations are sufficiently specific. Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies its performance obligations by transferring control of the research to the funding providers. The Group assesses each contract and applies the following methodology which best depicts the Group's performance in transferring control of the research outputs to the entities:

- a) The Group recognises revenue over time when the Group can identify that the intellectual property is transferred to the funding providers throughout the agreement. Revenue is recognised in line with total expenditure or on the direct measurement of the research transferred to the funding providers.
- b) For research funding where it cannot be identified that control is transferred over time, the Group recognises revenue on the satisfaction of the performance obligations or upon the completion of the research project.

Funding is received as outlined within the funding agreement and is generally provided throughout the contract term based on performance measurements. If the Group receives consideration for performance obligations yet to be satisfied, the Group recognises a contract liability until performance obligations have been met. Conversely, if the Group satisfies a performance obligation before it receives consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due ie. the completion of milestones or reporting requirements.

Due to the nature of research funding, consideration can be variable. For reciprocal funding agreements the group has an obligation to return any unspent monies to the funding providers at the conclusion of the contract. At the reporting date, the Group assesses agreements for any funding that is expected to be repaid and recognises a refund liability until the funds are returned to the funding providers.

#### NON-COURSE FEES AND CHARGES

Non-course fees and charges revenue relates to student services and amenities fees, parking fees, childcare services, catering, rent and use of facilities and other non-course fees and charges. The Group generally receives payment either as the transaction occurs or within 30 days of invoicing the customer. Revenue is recognised when control of the goods has transferred to the customer or when the service is provided at an amount that reflects the consideration to which the Group expects to be entitled. For goods or services that are provided over time such as student accommodation, student services and amenities fees and childcare services the Group recognises revenue as the services are provided to the students/children. Revenue for non-course fees and charges where control is transferred at a point in time is recognised as the good or service is provided to the customer, i.e. catering and hairdressing services.

#### OTHER

Other revenue primarily consists of grants received from the Australian and State Government to assist the Group in delivering courses to students. Revenue is recognised as the Group utilises these funds to provide services to the students as reference to total expenditure or as the services are delivered to the students. When the Group receives funds in advanced the Group recognises a contract liability until the funding is spent.

### C) UNSATISFIED PERFORMANCE OBLIGATIONS

Remaining performance obligations relates to services the Group has promised to provide to customers under research funding agreements and course fees and charges yet to be delivered. In determining the transaction price allocated to the remaining performance obligations in the Group's contracts with customers, the Group allocated the expected amounts to be recognised as referenced to the funding agreements and expected expenditure.

For customer contracts with terms of one year or less, or where revenue is recognised using the 'right to invoice' method of recognising revenue, as permitted under AASB 15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations. Further, the amounts disclosed below do not include variable consideration which has been constrained.



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

	WITHIN 1 YEAR	FROM 1 TO 5 YEARS	AFTER 5 YEARS	TOTAL
	\$'000	\$'000	\$'000	\$'000
<b>CONSOLIDATED</b>				
Australian Government unspent financial assistance	2,654	–	–	2,654
Student fees	10,964	–	–	10,964
Other revenue	4,946	1,609	36	6,591
	<b>18,564</b>	<b>1,609</b>	<b>36</b>	<b>20,209</b>
<b>UNIVERSITY</b>				
Australian Government unspent financial assistance	2,654	–	–	2,654
Student fees	10,964	–	–	10,964
Other revenue	4,946	1,609	36	6,591
	<b>18,564</b>	<b>1,609</b>	<b>36</b>	<b>20,209</b>

## INCOME OF NOT-FOR-PROFIT

### D) ACCOUNTING POLICIES AND SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

#### ACCOUNTING POLICY

Income is recognised under AASB 1058 for the major business activities as follows:

#### GRANTS

##### Higher Education Disability Support Program

The Group receives grant funding to assist the Group in providing support to students with disabilities and to implement strategies to attract and support domestic students with a disability. There are no specific performance obligations attached to the funding and therefore the Group recognises income immediately when the Group has the contractual right to receive the grant.

##### Indigenous Student Success Program

The Group receives supplementary funding to help lift the number of Aboriginal and Torres Strait Islander people who enrol in and successfully progress and graduate through university. The Group chooses how to best utilise these funds in tailoring their services to these students needs and therefore there are no specific performance obligations. The Group recognises income immediately when the Group has the contractual right to receive the grant.

#### RESEARCH FUNDING

##### Department of Education funding

The Group receives funding in relation to the Research Training Program (RTP) and Research Support Program (RSP). As the Group can choose what the grant is used for in accordance to the criteria within the guidelines and as the performance obligations are not sufficiently specific, the Group recognises income immediately when the Group has the contractual right to receive the grant.

##### Australian Research Council (ARC) funding

The Group receives research funding as part of the ARC Discovery Program and the ARC Linkage Program. As the performance obligations are not sufficiently specific, the Group recognises income immediately when the Group has the contractual right to receive the funding.

##### National Health and Medical Research Council (NHMRC) funding

NHMRC awards grants through several funding schemes to advance health and medical knowledge to improve the health status of all Australians. As the performance obligations are not sufficiently specific, the Group recognises income immediately when the Group has the contractual right to receive the funding.

##### Non-government entities funding

When the Group receives funding for research where the performance obligations are not sufficiently specific or the research agreement is below \$20,000, the Group recognises revenue when the Group has the contractual right to receive the funding.

#### CAPITAL GRANTS

The Group received capital grant funding from the State Government as a reimbursement for the costs incurred in constructing the Gippsland High Tech Precinct.

Income is recognised as the asset is constructed.

#### OTHER REVENUE

The Group recognises donations when received unless there are specific performance obligations attached to the donation.

## NOTE 3.7 | RECONCILIATION REVENUE AND INCOME

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Total Australian Government financial assistance including Australian Government loan programs (HELP)	3.1	134,304	124,979	134,304	124,979
Total State and Local Government financial assistance	3.2	32,733	28,176	32,733	28,176
Total fees and charges	3.3	143,145	178,138	143,145	178,081
Total consultancy and contract fees	3.4	5,740	4,877	5,740	4,877
Total other revenue and income	3.5	1,780	2,414	1,780	2,414
<b>Total</b>		<b>317,702</b>	<b>338,584</b>	<b>317,702</b>	<b>338,527</b>
Total revenue from contracts with customers as per AASB 15	3.6	303,743	327,811	303,743	327,754
Total income of not-for-profit as per AASB 1058	3.6	13,959	10,773	13,959	10,773
<b>Total revenue and income from continuing operations</b>		<b>317,702</b>	<b>338,584</b>	<b>317,702</b>	<b>338,527</b>

## Note 4 | Net Investment Income

		CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Interest		1,845	3,759	1,845	3,759
Dividends		7,818	3,988	7,818	3,988
Net fair value gains from financial assets at FVTPL		9,267	19,157	9,267	19,157
Rental income from investment properties	11	5,814	6,311	5,814	6,311
Fair value gain/(loss) on investment properties	11	(3,270)	2,182	(3,270)	2,182
<b>Total net investment income</b>		<b>21,474</b>	<b>35,397</b>	<b>21,474</b>	<b>35,397</b>

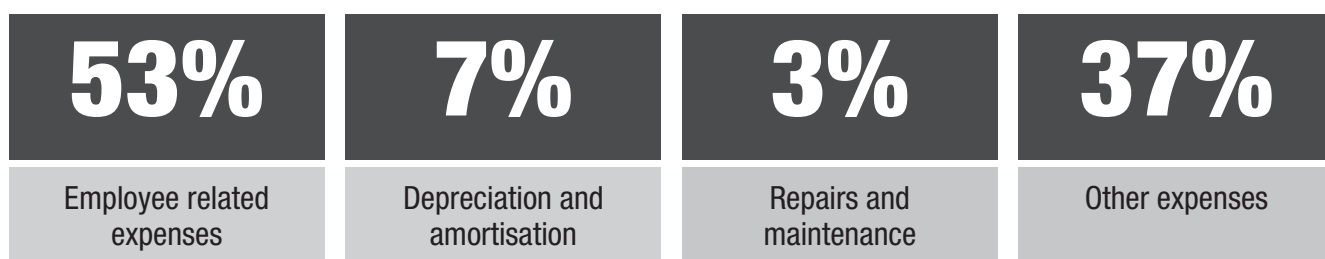
### ACCOUNTING POLICY

Interest is recognised on an accrual basis, taking into account effective interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

For accounting policy on lease income, refer to note 10.1 which details the policy for the Group as a lessor for 2020.

## COMPOSITION OF EXPENDITURE



To enable an understanding of how funding is allocated, key estimates, judgements and accounting policies specific to each expenditure type are outlined within the relevant notes.

Refer to note 30 for disclosures on the effect of COVID-19 on the Group's expenditure.

### Note 5 | Employee Related Expenses

#### ACADEMIC

Salaries
Contributions to funded superannuation and pension schemes
Payroll tax
Worker's compensation
Movement in provisions:
Annual leave
Long service leave
Other employee entitlements

#### Total academic

#### NON-ACADEMIC

Salaries
Contributions to funded superannuation and pension schemes
Payroll tax
Worker's compensation
Movement in provisions:
Annual leave
Long service leave
Other employee entitlements

#### Total non-academic

#### Total employee related expenses

CONSOLIDATED		UNIVERSITY	
2020	2019	2020	2019
\$'000	\$'000	\$'000	\$'000
74,068	69,486	74,068	69,486
10,318	9,781	10,318	9,781
1,822	1,941	1,822	1,941
415	583	415	583
1,012	431	1,012	431
763	(1,836)	763	(1,836)
(34)	6	(34)	6
<b>88,364</b>	<b>80,392</b>	<b>88,364</b>	<b>80,392</b>
74,394	67,262	74,394	67,262
11,284	10,222	11,284	10,222
1,843	1,866	1,843	1,866
415	566	415	566
1,169	505	1,169	505
836	(1,154)	836	(1,154)
47	(75)	47	(75)
<b>89,988</b>	<b>79,192</b>	<b>89,988</b>	<b>79,192</b>
<b>178,352</b>	<b>159,584</b>	<b>178,352</b>	<b>159,584</b>

#### ACCOUNTING POLICY

##### Salaries

Expenditure for salaries is expensed as incurred.

##### Payroll tax

Payroll tax is recognised and included in employee benefit costs when the employee benefits to which they relate are recognised.

##### Annual leave

Annual leave expenses are part of the salary costs. Annual leave is calculated at the nominal value of expected payments to be made in respect of services provided by employees up to the reporting date. Where employees have significant annual leave balances, an estimate is made of the probability of leave to be taken wholly within 12 months and beyond 12 months.

##### Long service leave

Long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

### Other employee entitlements

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after the end of the reporting period are discounted to present value.

Refer to note 16 for additional information of accounting policies on employee benefits.

## Note 6 | Other Expenses

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Advertising, marketing and promotional expenses		7,924	7,880	7,924	7,880
Audit fees, bank charges, legal costs, insurance and taxes		2,288	2,503	2,288	2,503
Contract and other services		12,592	11,867	12,592	11,867
Copying, printing, stationery and consumables		3,066	3,229	3,066	3,229
Cost of sale of goods including ancillary trading		574	1,103	574	1,103
External education services		61,994	82,579	61,994	82,579
Impairment of receivables	8	2,635	2,912	2,635	2,912
Independent contractors		4,725	5,579	4,725	5,579
Motor vehicle running costs		299	455	299	455
Non-capitalised equipment		3,284	4,924	3,284	4,924
Operating lease and rental expenses		208	390	208	374
Recruitment costs		382	851	382	851
Scholarships, grants and prizes		9,536	8,021	9,536	8,021
Subscriptions, library materials and licence fees		8,326	6,955	8,326	6,955
Telecommunications		543	318	543	318
Travel, staff development and entitlements		601	2,508	601	2,508
Utilities		4,735	5,155	4,735	4,766
Miscellaneous expenses		2,921	2,561	2,921	4,668
<b>Total other expenses</b>		<b>126,633</b>	<b>149,790</b>	<b>126,633</b>	<b>151,492</b>

### ACCOUNTING POLICY

Other expenses are recognised on an accrual basis.

Scholarships to international students are considered to be variable consideration under AASB 15 and as a result have been offset against fees and charges. These scholarship were previously shown within other expenses. The 2019 comparative figures have been restated (2019: \$31.7m).

# ASSETS

Assets are resources controlled by the Group from which future economic benefits are expected to be realised. Assets held by the Group at reporting date were:

<b>9%</b>	<b>9%</b>	<b>22%</b>	<b>49%</b>	<b>10%</b>	<b>1%</b>
Cash and cash equivalents	Receivables	Other financial assets	Property, plant and equipment	Investment properties	Other non-financial assets

To enable an understanding of asset categories, key estimates, judgements and accounting policies specific to each asset type are outlined within the relevant notes.

## Note 7 | Cash and Cash Equivalents

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	4,608	3,186	4,608	3,186
Deposits at call	72,303	40,987	72,303	40,987
Short term deposits	2,008	20,000	2,008	20,000
<b>Total cash and cash equivalents</b>	<b>78,919</b>	<b>64,173</b>	<b>78,919</b>	<b>64,173</b>

### ACCOUNTING POLICY

Cash and cash equivalents include cash on hand and at bank, at-call deposits and fixed-term investments with a maturity of 90 days or less.

## Note 8 | Receivables and Contract Assets

RECEIVABLES	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Trade receivables	6,605	14,560	9,205	17,194
Sundry debtors	2,916	2,219	2,916	2,189
Expected credit loss allowance – trade receivables	(3,512)	(3,849)	(3,512)	(3,849)
	6,009	12,930	8,609	15,534
Deferred Government contributions for superannuation	4,009	4,013	4,009	4,013
<b>Total current receivables</b>	<b>10,018</b>	<b>16,943</b>	<b>12,618</b>	<b>19,547</b>
<b>Non-current</b>				
Deferred Government contributions for superannuation	64,739	63,435	64,739	63,435
<b>Total non-current receivables</b>	<b>64,739</b>	<b>63,435</b>	<b>64,739</b>	<b>63,435</b>
<b>Total receivables</b>	<b>74,757</b>	<b>80,378</b>	<b>77,357</b>	<b>82,982</b>

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

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Refer to note 30 for disclosures on the effect of COVID-19 on the Group's trade receivables.

## CONTRACT ASSETS

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Current				
Contract assets	1,808	928	1,808	924
Total contract assets	1,808	928	1,808	924

The contract assets are associated with government grants and consultancy and contract research income that has been earned but not yet received.

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

## EXPECTED CREDIT LOSS ALLOWANCE (ECL) – TRADE RECEIVABLES & CONTRACT ASSETS

### Movement in ECL relating to trade receivables & contract assets

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January	3,849	2,225	3,849	2,225
Provision recognised during year	2,635	2,912	2,635	2,912
Receivables written off during the year as uncollectable	(2,972)	(1,288)	(2,972)	(1,288)
Balance as at 31 December	3,512	3,849	3,512	3,849

Information about the credit exposures are disclosed in note 26 Financial risk management.

## ACCOUNTING POLICY

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal or debt instruments where a FVOCI option has been elected. At initial recognition trade receivables are measured at their transaction price and subsequently these are classified and measured as debt instruments at amortised cost. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Contract assets are associated with research funding where the revenue the Group is entitled to is greater than funding received. The classification of contract assets as current was made on the basis that the period in which the Group expects to receive payment is less than 12 months.

While a receivable is the Group's right to consideration that is unconditional, a contract asset is the Group's right to consideration in exchange for goods or services that the Group has transferred to the customer when that right is conditioned on something other than the passage of time such as the achievement of milestones and reporting obligations.

## KEY ESTIMATES AND JUDGEMENTS

For trade receivables and contract assets the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## DEFERRED GOVERNMENT CONTRIBUTIONS TO SUPERANNUATION

The Group has a number of employees who are members of the State Employees Retirement Benefits Scheme and the State Superannuation Fund administered by the Government Superannuation Office. These schemes are State super schemes and are not available to future employees of the Group. Funding to meet payments incurred will be provided to Federation University by the Australian Government. The cost is shared between the State of Victoria and the Australian Government under the *States Grants (General Revenue) Amendment Act 1987*. The Group's obligation is limited to what is required to be paid for that year. This is refunded from the Australian Government on an emerging cost basis.

At 31 December 2020, the State Superannuation Fund was carrying total liabilities for member benefits greater than the value of the net market value of the plan's assets, based on an actuarial valuation. As a result, an unfunded superannuation liability exists and is recognised in the financial statements of the Scheme. The Group recognises a receivable from the Australian Government in respect of unfunded superannuation schemes operated by the State Government, which offsets the deferred Government superannuation present obligation recognised in the financial statements. As at 31 December 2020 the Group's total unfunded superannuation liability determined by the Victorian Government Superannuation Office amounted to \$68.748million (2019: \$67.448million). Refer to note 16 for the liability recorded. The increase/decrease in the asset and liability are disclosed in the Statement of Comprehensive Income.

## Note 9 | Other Financial Assets

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>CURRENT</b>				
<b>Financial assets at amortised cost</b>				
Term deposits	–	40,000	–	40,000
Corporate bonds	–	5,757	–	5,757
<b>Total current other financial assets</b>	<b>–</b>	<b>45,757</b>	<b>–</b>	<b>45,757</b>
<b>NON-CURRENT</b>				
<b>Financial assets at amortised cost</b>				
Corporate bonds	11,096	17,553	11,096	17,553
Hybrid securities	67,235	70,087	67,235	70,087
<b>Financial assets at fair value through profit or loss</b>				
Shares – Unlisted	50,092	40,293	50,092	40,293
Shares – Listed	5,197	3,883	5,197	3,883
Managed investment scheme	46,371	–	46,371	–
<b>Investments in equity instruments designated at fair value through other comprehensive income</b>				
Shares – Unlisted	9,539	9,808	9,539	9,808
<b>Total non-current other financial assets</b>	<b>189,530</b>	<b>141,624</b>	<b>189,530</b>	<b>141,624</b>
<b>Total other financial assets</b>	<b>189,530</b>	<b>187,381</b>	<b>189,530</b>	<b>187,381</b>

Changes in fair values of other financial assets at fair value through profit or loss are recorded in other income in the income statement (note 4 – net investment income).

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

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'Solely Payments of Principal and Interest (SPPI)' on the principal amount outstanding.

This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

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

### FINANCIAL ASSETS AT AMORTISED COST

Financial assets are measured at amortised cost if both of the following conditions are met:

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

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

## FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

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

## INVESTMENTS IN EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Upon initial recognition, the Group has irrevocably elected to classify these equity investments as equity instruments designated at fair value through OCI as they have met the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading. The classification has been determined on an instrument-by-instrument basis.

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

Equity instruments designated at fair value through OCI are not subject to impairment assessment.

## Note 10 | Other Non-Financial Assets

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>CURRENT</b>				
Prepayments	8,059	7,713	8,059	7,713
Inventories	346	603	346	603
Assets held for sale	–	1,234	–	1,234
<b>Total other non-financial assets</b>	<b>8,405</b>	<b>9,550</b>	<b>8,405</b>	<b>9,550</b>

## ACCOUNTING POLICY

### Prepayments

The Group recognises a prepayment as an asset when payments for goods or services have been made in advance of the Group obtaining a right to access those goods or services.

### Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### Assets held for sale

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

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

Assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

In 2018, the Group decided that it would dispose of its Mt Rowan property located on the corner of Rosehill Rd and Midland Highway. The sale of the property was finalised on 20 October 2020, and a gain was recognised on disposal.



## NOTE 10.1 | THE GROUP AS LESSOR

The Group leases commercial property and office premises to tenants under non-cancellable operating lease arrangements.

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>OPERATING LEASES</b>				
Lease income	5,862	6,368	5,862	6,311

Amounts included in the income statement relating to operating leases disclosed above includes income from subleasing right-of-use assets of \$48k.

### OPERATING LEASES AS A LESSOR

#### Leasing arrangements

The future minimum lease payments receivable from tenants under non-cancellable operating leases in the aggregate and for each of the following periods:

Not later than one year	5,352	5,647	5,352	5,647
Later than one year and not later than five years	12,972	14,322	12,972	14,322
Later than five years	1,034	3,553	1,034	3,553
<b>Total undiscounted lease payments receivable</b>	<b>19,358</b>	<b>23,522</b>	<b>19,358</b>	<b>23,522</b>

### THE GROUP AS A LESSOR

When the Group acts as a lessor, it determines at inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers indicators such as whether the lease is for the major part of the economic life of the asset. The Group reassesses the lease classification only if there is a lease modification. Changes in estimates (e.g. changes in estimates of the economic life or of the residual value of the underlying asset), or changes in circumstances (e.g. default by the lessee), do not give rise to a new classification of a lease for accounting purposes.

When the Group is an intermediate lessor in a sublease, it accounts for its interests in the head lease and the sublease separately as two separate contracts. The Group assesses the lease classification as a lessor in the sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the short-term lease exemption as described in the policy where the Group is a lessee, then the sublease is classified as an operating lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

Where the lease is classified as a finance lease, the Group recognises assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. Subsequently, the Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. The Group does not have any finance leases.

## Note 11 | Investment Properties

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>AT FAIR VALUE</b>				
Opening balance at 1 January	86,690	72,630	86,690	72,630
Transfers from property, plant and equipment	–	11,878	–	11,878
Revaluation (decrement)/increment	(3,270)	2,182	(3,270)	2,182
<b>Closing balance at 31 December</b>	<b>83,420</b>	<b>86,690</b>	<b>83,420</b>	<b>86,690</b>
<b>AMOUNTS RECOGNISED IN PROFIT OR LOSS FOR INVESTMENT PROPERTIES</b>				
Rental income	5,814	6,311	5,814	6,311
Movement in fair value of investment properties	(3,270)	2,182	(3,270)	2,182
	<b>2,544</b>	<b>8,493</b>	<b>2,544</b>	<b>8,493</b>
Direct operating expenses of rent generating properties	(2,844)	(2,556)	(2,844)	(2,556)
<b>Total recognised in profit or loss</b>	<b>(300)</b>	<b>5,937</b>	<b>(300)</b>	<b>5,937</b>

Refer to note 27 for detailed disclosures regarding the fair value measurement of the Group's investment properties.

Refer to Note 30 for disclosures on the effect of COVID-19 on the Group's investment properties.

### ACCOUNTING POLICY

Investment properties exclude properties held to meet service delivery objectives of the Group.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Group. Where an investment property is acquired at no cost or for nominal consideration, its cost shall be deemed to be its fair value as at the date of acquisition.

Subsequent to initial recognition at cost, investment property is carried at fair value, which is based on active market prices of similar properties, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. These valuations are reviewed on an annual basis by Leader Property Practice (2019 Leader Property Practice), a member of the Australian Property Institute. Changes in fair values are recorded in the statement of income as part of net investment income.

Rental revenue from the leasing of investment properties is recognised in the income statement in the periods in which it is receivable, as this represents the pattern of service rendered through the provision of the properties. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease.

The Group has recognised lease incentive as a reduction in rent payable and will be brought to account over the remaining term of the lease.

## Note 12 | Property, Plant and Equipment

### CONSOLIDATED

	LAND	BUILDINGS	WORK IN PROGRESS	LEASE OF LAND	L'HOLD IMPROV	PLANT AND EQUIPMENT	MOTOR VEHICLES	LIBRARY	WORKS OF ART	RIGHT OF USE ASSETS	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>AT 1 JANUARY 2019</b>											
Cost	–	–	21,574	–	5,396	16,690	4,051	22,128	–	–	69,839
Valuation	43,113	316,534	–	2,000	4,191	–	–	–	1,363	–	367,201
Accumulated depreciation	–	(120)	–	–	(902)	(10,239)	(2,629)	(14,784)	–	–	(28,674)
<b>Net book amount</b>	<b>43,113</b>	<b>316,414</b>	<b>21,574</b>	<b>2,000</b>	<b>8,685</b>	<b>6,451</b>	<b>1,422</b>	<b>7,344</b>	<b>1,363</b>	<b>–</b>	<b>408,366</b>
<b>YEAR ENDED 31 DECEMBER 2019</b>											
Opening net book amount	43,113	316,414	21,574	2,000	8,685	6,451	1,422	7,344	1,363	–	408,366
Adoption of AASB 16	–	–	–	–	–	–	–	–	–	9,740	9,740
Additions	–	–	21,083	–	–	3,176	864	1,889	–	3,581	30,593
Disposals	–	–	–	–	–	(16)	(297)	(14)	–	–	(327)
Transfers	(600)	377	(11,655)	–	–	–	–	–	–	–	(11,878)
Capitalised	–	1,346	(6,917)	–	4,732	841	–	–	–	–	2
Depreciation expense	–	(15,835)	–	–	(1,267)	(1,892)	(490)	(1,278)	–	(1,559)	(22,321)
<b>Closing net book amount</b>	<b>42,513</b>	<b>302,302</b>	<b>24,085</b>	<b>2,000</b>	<b>12,150</b>	<b>8,560</b>	<b>1,499</b>	<b>7,941</b>	<b>1,363</b>	<b>11,762</b>	<b>414,175</b>
<b>AT 31 DECEMBER 2019</b>											
Cost	–	–	24,085	–	10,127	20,690	3,923	15,402	–	13,321	87,548
Valuation	42,513	318,252	–	2,000	4,192	–	–	–	1,363	–	368,320
Accumulated depreciation	–	(15,950)	–	–	(2,169)	(12,130)	(2,424)	(7,461)	–	(1,559)	(41,693)
<b>Net book amount</b>	<b>42,513</b>	<b>302,302</b>	<b>24,085</b>	<b>2,000</b>	<b>12,150</b>	<b>8,560</b>	<b>1,499</b>	<b>7,941</b>	<b>1,363</b>	<b>11,762</b>	<b>414,175</b>
<b>YEAR ENDED 31 DECEMBER 2020</b>											
Opening net book amount	42,513	302,302	24,085	2,000	12,150	8,560	1,499	7,941	1,363	11,762	414,175
Additions	–	–	19,372	–	–	3,167	634	1,586	–	3,590	28,349
Disposals	–	–	–	–	–	(143)	(272)	(57)	(6)	–	(478)
Revaluation	–	–	–	–	–	–	–	–	(308)	–	(308)
Capitalised	–	17,539	(22,873)	–	5,242	92	–	–	–	–	–
Expensed	–	–	–	–	–	(183)	–	–	–	–	(183)
Depreciation expense	–	(15,862)	–	–	(1,867)	(1,954)	(482)	(1,437)	–	(2,249)	(23,851)
<b>Closing net book amount</b>	<b>42,513</b>	<b>303,979</b>	<b>20,584</b>	<b>2,000</b>	<b>15,525</b>	<b>9,539</b>	<b>1,379</b>	<b>8,033</b>	<b>1,049</b>	<b>13,103</b>	<b>417,704</b>
<b>AT 31 DECEMBER 2020</b>											
Cost	–	17,539	20,584	–	15,370	23,104	3,692	16,178	–	16,911	113,378
Valuation	42,513	317,301	–	2,000	4,191	–	–	–	1,049	–	367,054
Accumulated depreciation	–	(30,861)	–	–	(4,036)	(13,565)	(2,313)	(8,145)	–	(3,808)	(62,728)
<b>Net book amount</b>	<b>42,513</b>	<b>303,979</b>	<b>20,584</b>	<b>2,000</b>	<b>15,525</b>	<b>9,539</b>	<b>1,379</b>	<b>8,033</b>	<b>1,049</b>	<b>13,103</b>	<b>417,704</b>

**UNIVERSITY**

	LAND	BUILDINGS	WORK IN PROGRESS	LEASE OF LAND	L'HOLD IMPROV	PLANT AND EQUIPMENT	MOTOR VEHICLES	LIBRARY	WORKS OF ART	RIGHT OF USE ASSETS	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>AT 1 JANUARY 2019</b>											
Cost	–	–	21,574	–	–	16,690	4,051	22,128	–	–	64,443
Valuation	43,113	316,534	–	2,000	4,191	–	–	–	1,363	–	367,201
Accumulated depreciation	–	(120)	–	–	–	(10,239)	(2,629)	(14,784)	–	–	(27,772)
<b>Net book amount</b>	<b>43,113</b>	<b>316,414</b>	<b>21,574</b>	<b>2,000</b>	<b>4,191</b>	<b>6,451</b>	<b>1,422</b>	<b>7,344</b>	<b>1,363</b>	<b>–</b>	<b>403,872</b>
<b>YEAR ENDED 31 DECEMBER 2019</b>											
Opening net book amount	43,113	316,414	21,574	2,000	4,191	6,451	1,422	7,344	1,363	–	403,872
Adoption of AASB 16	–	–	–	–	–	–	–	–	–	6,947	6,947
Additions	–	–	21,083	–	–	3,176	864	1,889	–	3,581	30,593
Disposals	–	–	–	–	–	(16)	(297)	(14)	–	–	(327)
Transfers	(600)	377	(11,655)	–	3,595	–	–	–	–	2,234	(6,049)
Capitalised	–	1,346	(6,917)	–	4,731	841	–	–	–	–	1
Depreciation expense	–	(15,835)	–	–	(367)	(1,892)	(490)	(1,278)	–	(1,000)	(20,862)
<b>Closing net book amount</b>	<b>42,513</b>	<b>302,302</b>	<b>24,085</b>	<b>2,000</b>	<b>12,150</b>	<b>8,560</b>	<b>1,499</b>	<b>7,941</b>	<b>1,363</b>	<b>11,762</b>	<b>414,175</b>
<b>AT 31 DECEMBER 2019</b>											
Cost	–	–	24,085	–	10,127	20,690	3,923	15,402	–	13,321	87,548
Valuation	42,513	318,252	–	2,000	4,191	–	–	–	1,363	–	368,319
Accumulated depreciation	–	(15,950)	–	–	(2,168)	(12,130)	(2,424)	(7,461)	–	(1,559)	(41,692)
<b>Net book amount</b>	<b>42,513</b>	<b>302,302</b>	<b>24,085</b>	<b>2,000</b>	<b>12,150</b>	<b>8,560</b>	<b>1,499</b>	<b>7,941</b>	<b>1,363</b>	<b>11,762</b>	<b>414,175</b>
<b>YEAR ENDED 31 DECEMBER 2020</b>											
Opening net book amount	42,513	302,302	24,085	2,000	12,150	8,560	1,499	7,941	1,363	11,762	414,175
Additions	–	–	19,372	–	–	3,167	634	1,586	–	3,590	28,349
Disposals	–	–	–	–	–	(143)	(272)	(57)	(6)	–	(478)
Revaluation	–	–	–	–	–	–	–	–	(308)	–	(308)
Capitalised	–	17,539	(22,873)	–	5,242	92	–	–	–	–	–
Expensed	–	–	–	–	–	(183)	–	–	–	–	(183)
Depreciation expense	–	(15,862)	–	–	(1,867)	(1,954)	(482)	(1,437)	–	(2,249)	(23,851)
<b>Closing net book amount</b>	<b>42,513</b>	<b>303,979</b>	<b>20,584</b>	<b>2,000</b>	<b>15,525</b>	<b>9,539</b>	<b>1,379</b>	<b>8,033</b>	<b>1,049</b>	<b>13,103</b>	<b>417,704</b>
<b>AT 31 DECEMBER 2020</b>											
Cost	–	17,539	20,584	–	15,370	23,104	3,692	16,178	–	16,911	113,378
Valuation	42,513	317,301	–	2,000	4,191	–	–	–	1,049	–	367,054
Accumulated depreciation	–	(30,861)	–	–	(4,036)	(13,565)	(2,313)	(8,145)	–	(3,808)	(62,728)
<b>Net book amount</b>	<b>42,513</b>	<b>303,979</b>	<b>20,584</b>	<b>2,000</b>	<b>15,525</b>	<b>9,539</b>	<b>1,379</b>	<b>8,033</b>	<b>1,049</b>	<b>13,103</b>	<b>417,704</b>

**(A) VALUATIONS OF LAND AND BUILDINGS**

An independent valuation of land and buildings (including leasehold improvements) was carried out as at 31 December 2018 by Leader Property Practice Pty Ltd. The next valuation is due at the end of 2021.

In order to ascertain if the Group's land and buildings should be impaired due to the impact of COVID-19, we engaged our valuers, Leader Property Practice Pty Ltd, to undertake a desktop valuation of the Mount Helen Campus in 2020. It was found that the value of the campus was actually 4.7% higher than the carrying amount in our ledger, and therefore no impairment was recorded. It was also determined that due to no material movement, a managerial nor full revaluation was therefore required.

**(B) ASSETS HELD IN THE NAME OF THE MINISTER**

The University is carrying property in its financial report where the title to the property is in the name of the Minister for Education.

As at 31 December 2020, the value of land and buildings at written down value in the University's books attributed to the Crown amounts to \$41.5million (2019 \$43.1million).

## (C) FAIR VALUE DISCLOSURE

Refer to note 27 for detailed disclosures regarding the fair value measurement of the Group's property, plant and equipment.

## (D) TRANSFER OF LEASEHOLD IMPROVEMENTS

Leases for the subsidiary Brisbane Education Services Pty Ltd, and subsequently the leasehold improvement asset, were transferred to the University in December 2019.

### Key estimates and judgements

Management establishes the useful life of buildings based on advice from external independent valuers. Useful lives of other property, plant and equipment are established according to the guidelines provided by the Department of Treasury and Finance, the Australian Taxation Office and Australian Accounting Standards.

Assets are reviewed annually at a class level and this includes making an assessment of the useful life and residual value. Any adjustments to useful lives are then made to a selection of assets within those classes.

Land and works of art are not depreciated. Depreciation of other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

DEPRECIABLE ASSETS	2020	2019
Buildings	1–45 years	1–45 years
Leasehold improvements	2–30 years	2–30 years
Plant and equipment	1–20 years	1–20 years
Motor vehicles	3–15 years	3–15 years
Library	5–8 years	5–8 years
Right-of-use assets	4–7 years	4–7 years

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

Right-of-use assets (under AASB 16) and leasehold improvements are depreciated/amortised over the shorter of the lease term and the useful life of the asset.

## ACCOUNTING POLICY

Property, plant and equipment costing \$5,000 or more is capitalised. Items under \$5,000 are expensed, with exception to works of art and other collections, and library collections which are capitalised. There has been no change to the capitalisation threshold in 2020.

Each class of property, plant and equipment is carried at cost or fair value less any accumulated depreciation and impairment losses.

In accordance with the not-for-profit requirements of AASB 116, revaluation increments are recognised in the asset revaluation reserve. Revaluation reserves are not transferred to retained earnings on derecognition of the relevant asset, but retained within the asset revaluation reserve except to the extent an increment reverses a revaluation decrement in respect of that class of asset, previously recognised as an expense in the net result.

### Land and buildings

Land and buildings are initially recorded at cost, which is considered to equate to fair value. Subsequent to initial recognition, land and buildings are recorded at fair value. At the date of revaluation any accumulated depreciation is eliminated against the gross carrying amount of the asset. Net value is then restated to the revalued amount of the asset.

Formal revaluations are performed every three to five years by independent valuers dependent on changes in market values. In addition, desktop valuations are undertaken in intervening years to mitigate the risk of any material change. The carrying value of land and buildings is reviewed annually to assess whether there has been a material change in the valuation of land and buildings required to be recorded in the financial statements.

### Works of art and other collections

Works of art and other collections are measured at fair value and are valued on a cyclical basis. A rolling valuation plan is in place for valuing these collections.

### Library collection

The library collection is recorded at cost less any accumulated depreciation.

### Plant and equipment

Plant and equipment, is recorded in the Statement of Financial Position at cost less depreciation and, where applicable, any impairment losses.

### Motor vehicles

Motor vehicles are recorded in the Statement of Financial Position at cost less depreciation and, where applicable, any impairment losses.

### Leasehold improvements

Leasehold improvements are recorded at cost less amortisation and, where applicable, any impairment losses. Subsequent to initial recognition, leasehold improvements are recorded at fair value. At the date of revaluation any accumulated depreciation is eliminated against the gross carrying amount of the asset. Net value is then restated to the revalued amount of the asset.

### Construction in progress

Construction in progress is recorded in the Statement of Financial Position at cost. Capital expenditure relating to the refurbishment of buildings, which adds value rather than maintaining the value of the buildings, is included in construction in progress. When construction projects are completed, the balance within construction in progress is transferred to buildings.

### Subsequent costs

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group. The costs of servicing property, plant and equipment are expensed in the period they are incurred.

## NOTE 12.1 | RIGHT-OF-USE ASSETS

The Group has entered into leasing arrangements for commercial buildings and office premises. Lease agreements for the subsidiary Brisbane Education Services Pty Ltd were transferred to the University in December 2019. Information about leases where the Group is a lessee is presented below:

### Buildings

At 1 January

Additions of right-of-use assets

Transfer of right-of-use asset from subsidiary

Depreciation charge

At 31 December

CONSOLIDATED		UNIVERSITY	
2020	2019	2020	2019
\$'000	\$'000	\$'000	\$'000
11,762	9,740	11,762	6,947
3,590	3,581	3,590	3,581
–	–	–	2,234
(2,249)	(1,559)	(2,249)	(1,000)
<b>13,103</b>	<b>11,762</b>	<b>13,103</b>	<b>11,762</b>

### ASSESSMENT OF WHETHER A CONTRACT IS, OR CONTAINS, A LEASE

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

- The contract involves the use of an identified asset – The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the substantive right to substitute the asset throughout the period of use.
- The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The customer has the right to direct the use of the asset throughout the period of use – The customer is considered to have the right to direct the use of the asset only if either:
  - The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use; or
  - The relevant decisions about how and for what purposes the asset is used is predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

### ACCOUNTING FOR LEASES – THE GROUP AS LESSEE

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

## RIGHT-OF-USE ASSET

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

A right-of-use asset associated with land and buildings is subsequently measured at fair value. All other property, plant and equipment are measured at cost as described in the accounting policy for property, plant and equipment in note 12.

## CONCESSIONARY (PEPPERCORN) LEASES

Leased assets arising from significantly below market leases are measured at fair value at the inception of the lease whereas the lease liability is recognised at present value of peppercorn lease payment amounts. The Group has elected to measure a class (or classes) of right-of-use assets arising under 'concessionary leases' at initial recognition at cost, in accordance with AASB 16 paragraphs 23–25, which incorporates the amount of the initial measurement of the lease liability. The combined impact of these leases is immaterial to the Group's financial report.

## Note 13 | Intangible Assets

CONSOLIDATED	2020			2019		
	DEVELOPMENT COSTS	COURSE CONTENT	TOTAL	DEVELOPMENT COSTS	COURSE CONTENT	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Year ended 31 December</b>						
Opening net book amount	–	1,000	1,000	–	–	–
Additions	–	1,500	1,500	–	1,000	1,000
Amortisation charge	–	(501)	(501)	–	–	–
<b>Closing net book amount</b>	<b>–</b>	<b>1,999</b>	<b>1,999</b>	<b>–</b>	<b>1,000</b>	<b>1,000</b>
<b>At 31 December</b>						
Cost	10,813	2,500	13,313	10,813	1,000	11,813
Accumulated amortisation and impairment	(10,813)	(501)	(11,314)	(10,813)	–	(10,813)
<b>Net book amount</b>	<b>–</b>	<b>1,999</b>	<b>1,999</b>	<b>–</b>	<b>1,000</b>	<b>1,000</b>
<b>UNIVERSITY</b>						
<b>Year ended 31 December</b>						
Opening net book amount	–	1,000	1,000	–	–	–
Additions	–	1,500	1,500	–	1,000	1,000
Amortisation charge	–	(501)	(501)	–	–	–
<b>Closing net book amount</b>	<b>–</b>	<b>1,999</b>	<b>1,999</b>	<b>–</b>	<b>1,000</b>	<b>1,000</b>
<b>At 31 December</b>						
Cost	10,813	2,500	2,500	10,813	1,000	11,813
Accumulated amortisation and impairment	(10,813)	(501)	(501)	(10,813)	–	(10,813)
<b>Net book amount</b>	<b>–</b>	<b>1,999</b>	<b>1,999</b>	<b>–</b>	<b>1,000</b>	<b>1,000</b>

## ACCOUNTING POLICY

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite, the Group does not have any intangible assets with indefinite useful lives.

### INTANGIBLE ASSETS WITH FINITE LIVES

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets. Licence fees are amortised over the life of the agreement.

### DISPOSAL

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

### DEVELOPMENT

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- (a) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- (b) Its intention to complete and its ability and intention to use or sell the asset;
- (c) How the asset will generate future economic benefits;
- (d) The availability of resources to complete the asset; and
- (e) The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit.

Amortisation is recorded in profit or loss. During the period of development, the asset is tested for impairment annually.



# LIABILITIES AND EQUITY

Liabilities are present obligations of the Group which are expected to result in an outflow of future economic benefits.

Equity is the residual interest in assets of the Group after deducting all of its liabilities.

Liabilities and equity of the Group as at reporting date are:

LIABILITIES				EQUITY	
<b>21%</b>	<b>1%</b>	<b>67%</b>	<b>11%</b>	<b>39%</b>	<b>61%</b>
Trade and other payables	Other liabilities	Provisions	Borrowings and other liabilities from financing activities	Reserves	Accumulated surplus

To enable an understanding of liabilities and equity categories, key estimates, judgements and accounting policies specific to each asset type are outlined within the relevant notes.

## Note 14 | Trade and Other Payables

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
<b>CURRENT</b>					
Trade creditors		2,030	1,666	2,030	1,666
Accrued expenses		6,252	6,069	6,252	6,069
OS-HELP liability to Australian Government	28(e)	510	134	510	134
<b>Total current trade and other payables</b>		<b>8,792</b>	<b>7,869</b>	<b>8,792</b>	<b>7,869</b>
<b>NON-CURRENT</b>					
Trade creditors		1,757	–	1,757	–
<b>Total non-current trade and other payables</b>		<b>1,757</b>	<b>–</b>	<b>1,757</b>	<b>–</b>
<b>Total trade and other payables</b>		<b>10,549</b>	<b>7,869</b>	<b>10,549</b>	<b>7,869</b>

### ACCOUNTING POLICY

Payables represent liabilities for goods and services provided to the Group prior to the end of financial year, which are unpaid. The current amounts are unsecured and are usually paid within 30 days commencing from the month following recognition. The non-current payables relate to a deferral of payroll tax payments by the State Government due to COVID-19.

Accrued expenses relate to expenses incurred not yet invoiced.

## A) CONTRACT LIABILITIES

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>CURRENT</b>				
Australian Government unspent financial assistance	2,654	254	2,654	254
Student fees received in advance	10,964	19,251	10,964	19,251
Other contract liabilities	3,648	6,230	3,648	6,230
<b>Total contract liabilities – current</b>	<b>17,266</b>	<b>25,735</b>	<b>17,266</b>	<b>25,735</b>
<b>NON-CURRENT</b>				
Australian Government unspent financial assistance	7,939	–	7,939	–
<b>Total contract liabilities – non-current</b>	<b>7,939</b>	<b>–</b>	<b>7,939</b>	<b>–</b>
<b>Total contract liabilities</b>	<b>25,205</b>	<b>25,735</b>	<b>25,205</b>	<b>25,735</b>

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$22.7m. Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods (e.g. changes in transaction price) was Nil.

### CONTRACT LIABILITIES

Contract liabilities are associated with revenue received for contract research activities with performance obligations yet to be satisfied and course fees and charges for educational services yet to be delivered. The classification of contract liabilities as current was made on the basis that the period in which the Group expects to satisfy its outstanding performance obligations is less than 12 months.

### ACCOUNTING POLICY

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

## Note 15 | Borrowings and Other Liabilities from Financing Activities

The Group leases properties in Brisbane, Berwick and Ballarat. For further details on lease terms see note 15.1 the Group as lessee. The Group uses its incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>CURRENT</b>				
Lease liabilities	2,557	1,952	2,557	1,952
<b>Total current borrowings and other liabilities from financing activities</b>	<b>2,557</b>	<b>1,952</b>	<b>2,557</b>	<b>1,952</b>
<b>NON-CURRENT</b>				
Lease liabilities	13,851	13,158	13,851	13,158
<b>Total non-current borrowings and other liabilities from financing activities</b>	<b>13,851</b>	<b>13,158</b>	<b>13,851</b>	<b>13,158</b>
<b>Total borrowings and other liabilities from financing activities</b>	<b>16,408</b>	<b>15,110</b>	<b>16,408</b>	<b>15,110</b>

### A) FINANCING ARRANGEMENTS

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>CREDIT STANDBY ARRANGEMENTS</b>				
<b>Total facilities</b>				
Bank overdrafts	150	150	150	150
Other – credit card facilities	3,000	3,000	3,000	3,000
Bank guarantee	5,000	5,000	5,000	5,000
Encashment facility	70	70	70	70
	<b>8,220</b>	<b>8,220</b>	<b>8,220</b>	<b>8,220</b>
<b>Used at reporting date</b>				
Other – credit card facilities	147	246	147	246
Bank guarantee	3,735	2,651	3,735	2,651
	<b>3,882</b>	<b>2,897</b>	<b>3,882</b>	<b>2,897</b>
<b>Unused at reporting date</b>				
Bank overdrafts	150	150	150	150
Other – credit card facilities	2,853	2,754	2,853	2,754
Bank guarantee	1,265	2,349	1,265	2,349
Encashment facility	70	70	70	70
	<b>4,338</b>	<b>5,323</b>	<b>4,338</b>	<b>5,323</b>

### B) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2019	CASH FLOWS	NON-CASH CHANGES		2020
			ACQUISITION/ DISPOSAL	OTHER	
	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	15,110	(2,273)	2,824	747	16,408
<b>Total liabilities from financing activities</b>	<b>15,110</b>	<b>(2,273)</b>	<b>2,824</b>	<b>747</b>	<b>16,408</b>

## NOTE 15.1 THE GROUP AS LESSEE

### AMOUNTS RECOGNISED IN THE INCOME STATEMENT

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	830	649	830	348
Expenses relating to short-term leases and low value assets	190	373	190	372
Income from subleasing right-of-use assets	(48)	(57)	(48)	–
	<b>972</b>	<b>965</b>	<b>972</b>	<b>720</b>

### MATURITY ANALYSIS – UNDISCOUNTED CONTRACTUAL CASH FLOWS

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Less than one year	3,299	3,006	3,299	3,006
One to five years	13,064	12,705	13,064	12,705
More than 5 years	2,515	5,565	2,515	5,565
<b>Total undiscounted contractual cash flows</b>	<b>18,878</b>	<b>21,276</b>	<b>18,878</b>	<b>21,276</b>
<b>Lease liabilities recognised in the statement of financial position</b>				
Current	2,557	1,952	2,557	1,952
Non-current	13,851	13,158	13,851	13,158
<b>Total lease liabilities recognised in the statement of financial position</b>	<b>16,408</b>	<b>15,110</b>	<b>16,408</b>	<b>15,110</b>

Operating lease commitments include contracted amounts for commercial buildings, office premises and plant and equipment under as non-cancellable operating leases. Lease terms vary with further options to extend, as discussed further below. Leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The Group is not exposed to any variable lease payment arrangements however fixed CPI increases have been included within our calculations.

### EXPOSURE FROM EXTENSION OPTIONS AND TERMINATION OPTIONS

The Group's lease agreements contain extension and termination options. These terms are used to maximise operational flexibility in terms of managing contracts. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminate). The assessment is reviewed if a significant event or a significant change in circumstances occurs that is within the control of the lessee that affects the assessment.

### KEY ESTIMATES, JUDGEMENTS AND ACCOUNTING POLICY

Commitments are disclosed exclusive of GST.

### AMOUNTS RECOGNISED IN STATEMENT OF CASH FLOWS

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Total cash outflow for leases</b>	<b>(2,273)</b>	<b>(1,923)</b>	<b>(2,273)</b>	<b>(847)</b>

Policy on assessment of whether a contract is, or contains, a lease is detailed in note 12.1 above.

## LEASE LIABILITY

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used. Lease payments included in the measurement of lease liabilities comprise:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI);
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the income statement. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate with a corresponding adjustment to the right-of-use asset, when there is a change in a lease term or a change in the assessment of an option to purchase the underlying asset. The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within property, plant and equipment in note 12 and lease liabilities are presented as borrowings in note 15.

## SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

## CONCESSIONARY LEASES

The Group leases a number of properties where the leases have significantly below-market terms. Aus 59.1 amendments to AASB 16 provide an option for not-for-profit lessees to not initially fair value right-of-use assets arising from below-market leases when AASB 1058 and AASB 16 became effective from 1 January 2019. The Group opted to apply this relief. The relief provides that right-of-use assets arising from below-market leases should be valued at the present value of the payments required. The annual lease payments of the Group's below-market leases are immaterial and therefore no lease liability or right-of-use assets have been recognised in relation to below-market leases upon transition to AASB 16.

## Note 16 | Provisions

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Current provisions expected to be settled within 12 months</b>				
<b>Employee benefits</b>				
Annual leave	7,793	6,535	7,793	6,535
Long service leave	2,836	2,837	2,836	2,837
Defined contribution obligation	4,009	4,013	4,009	4,013
Other employee benefits	307	294	307	294
	<b>14,945</b>	<b>13,679</b>	<b>14,945</b>	<b>13,679</b>
<b>Current provisions expected to be settled after more than 12 months</b>				
Annual leave	5,805	4,882	5,805	4,882
Long service leave	20,329	19,592	20,329	19,592
	<b>26,134</b>	<b>24,474</b>	<b>26,134</b>	<b>24,474</b>
<b>Total current provisions</b>	<b>41,079</b>	<b>38,153</b>	<b>41,079</b>	<b>38,153</b>
<b>Non-current</b>				
Long service leave	5,282	4,418	5,282	4,418
Defined contribution obligation	64,739	63,435	64,739	63,435
<b>Total non-current provisions</b>	<b>70,021</b>	<b>67,853</b>	<b>70,021</b>	<b>67,853</b>
<b>Total provisions</b>	<b>111,100</b>	<b>106,006</b>	<b>111,100</b>	<b>106,006</b>

### KEY ESTIMATES, JUDGEMENTS AND ACCOUNTING POLICY

#### Employee benefits

Provision is made for employee benefit liabilities including annual leave and long service leave, arising from services rendered by employees at the reporting date.

Employee benefits expected to be settled wholly within 12 months are measured at the amounts expected to be paid when the liability is settled plus related on-costs. Employee benefits not expected to be settled wholly within 12 months are measured at present value of the estimated future cash flows for those benefits.

An estimate based on past experience is made of the probability of leave to be taken within 12 months and beyond 12 months.

#### Long service leave

Liabilities for long service leave are discounted to determine present value of expected future payments to be made in respect of services provided by employees up to the reporting date. The discount rates used are those advised by the Assistant Treasurer as at the reporting date. The wage inflation rate used is an alternative rate, and not the rate advised by the Assistant Treasurer as at the reporting date. The use of an alternative rate was approved by the Assistant Treasurer on 3 December 2019.

#### Deferred Government superannuation obligation

Employee contributory superannuation funds managed outside of the Group exist to provide benefits for the Group's employees and their dependents on retirement, disability or death of the employee. The contributions made to these funds are recorded in the Statement of Income.

#### Other employee benefits

Maternity leave return to work bonus has been calculated on an individual liability basis based on salary rates when the leave is expected to be taken as per AASB 119 'Employee Benefits' and includes related on-costs. Provision made in respect of these benefits expected to be settled within 12 months are measured at their nominal values using the salary rate and related on-cost expected to apply at the time of settlement.

Refer to note 30 for disclosures on the effect of COVID-19 on the Group's employee provisions.

## Note 17 | Other Liabilities

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>CURRENT</b>				
Scholarships payable	1,518	1,223	1,518	1,223
Refund liabilities	148	6	148	6
<b>Total current other liabilities</b>	<b>1,666</b>	<b>1,229</b>	<b>1,666</b>	<b>1,229</b>
<b>Total other liabilities</b>	<b>1,666</b>	<b>1,229</b>	<b>1,666</b>	<b>1,229</b>

### REFUND LIABILITIES

The refund liabilities are associated with reciprocal research funding agreements where the Group has an obligation to return any unspent monies to the funding providers at the conclusion of the contract. The classification of refund liabilities as current was made on the basis that the period in which the Group expects to refund the funding providers is less than 12 months.

### ACCOUNTING POLICY

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

## Note 18 | Reserves and Accumulated Surplus

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>COMPOSITION OF RESERVES</b>				
<b>Asset revaluation reserve</b>				
Land	43,481	43,481	43,481	43,481
Buildings	217,914	217,914	217,914	217,914
Works of art	499	813	499	813
<b>Total asset revaluation reserve</b>	<b>261,894</b>	<b>262,208</b>	<b>261,894</b>	<b>262,208</b>
<b>INVESTMENTS IN EQUITY INSTRUMENTS DESIGNATED AT FVOCI</b>				
Equity instruments designated at fair value through OCI	9,030	9,299	9,030	9,299
<b>Total Investments in equity instruments designated at FVOCI</b>	<b>9,030</b>	<b>9,299</b>	<b>9,030</b>	<b>9,299</b>
<b>Total reserves</b>	<b>270,924</b>	<b>271,507</b>	<b>270,924</b>	<b>271,507</b>
<b>MOVEMENT IN RESERVES</b>				
Balance at beginning of year	271,507	271,691	271,507	271,691
Loss on revaluation of artwork	(314)	–	(314)	–
Loss on equity instruments designated at fair value through other comprehensive income	(269)	(184)	(269)	(184)
<b>Balance at end of year</b>	<b>270,924</b>	<b>271,507</b>	<b>270,924</b>	<b>271,507</b>

### ASSET REVALUATION RESERVE

Arises from the revaluation of specific asset classes of land, buildings, other collections and works of art.

### EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH OCI

Arises from the revaluation of equity instruments designated at fair value through other comprehensive income.

### MOVEMENT IN RETAINED EARNINGS

Balance at beginning of year	416,819	386,068	419,419	388,667
Adoption of AASB 15 & AASB 1058 through profit and loss to retained earnings	–	(5,972)	–	(5,972)
Net result for the year	3,871	36,723	3,871	36,724
<b>Balance at end of year</b>	<b>420,690</b>	<b>416,819</b>	<b>423,290</b>	<b>419,419</b>



## Note 19 | Reconciliation of Net Result to Net Cash from Operating Activities

	NOTES	CONSOLIDATED		UNIVERSITY	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
<b>Net result for the period</b>		3,871	36,723	3,871	36,724
Depreciation and amortisation	12/12.1/13	24,352	22,321	24,352	20,862
Transfer of lease from subsidiary		–	–	–	2,137
Other non cash items		(106)	–	(106)	–
Net loss/(gain) on revaluation of investment properties	11	3,270	(2,182)	3,270	(2,182)
Net (gain)/loss on sale of non-current assets		(1,199)	8	(1,199)	8
Net gain on investments		(9,267)	(19,156)	(9,267)	(19,157)
Decrease/(increase) in trade debtors		5,621	(3,714)	5,592	(3,730)
Increase in contract assets		(880)	(817)	(884)	(817)
Increase in other non financial assets		(89)	(2,896)	(89)	(3,031)
Increase/(decrease) in trade creditors		2,680	(1,773)	2,680	(1,771)
Decrease in contract liabilities		(530)	(10,957)	(530)	(10,957)
Increase in employee entitlements		5,094	1,527	5,094	1,527
Increase in other operating liabilities		437	1,538	437	1,538
<b>Net cash provided by operating activities</b>		<b>33,254</b>	<b>20,622</b>	<b>33,221</b>	<b>21,151</b>

## Note 20 | Commitments

### A) CAPITAL COMMITMENTS

Capital expenditure in relation to property, plant and equipment contracted for at the reporting date but not recognised as liabilities is as follows:

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Within one year	769	11,993	769	11,993
Between one and five years	132	–	132	–
	<b>902</b>	<b>11,993</b>	<b>902</b>	<b>11,993</b>

### KEY ESTIMATES, JUDGEMENTS AND ACCOUNTING POLICY

Commitments are disclosed exclusive of GST.

## Note 21 | Contingencies

CONTINGENT LIABILITIES	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Bank guarantees	3,735	2,651	3,735	2,651

There are also two legal matters that are considered to be contingent liabilities as at 31 December 2020. The copyright agency claim will most likely be resolved by 30 September 2021. The Red Consulting (Malaysia) claim will potentially go to arbitration and will hopefully be settled by 30 November 2021.

### CONTINGENT ASSETS

There are no contingent assets.

### ACCOUNTING POLICY

Contingent liabilities and assets are not recognised in the statement of financial position, but are disclosed, and if quantifiable, are measured at nominal value. They are presented inclusive of GST.

## Note 22 | Remuneration of Auditors

During the year, the following fees were paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	CONSOLIDATED		UNIVERSITY	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>AUDIT OF THE FINANCIAL STATEMENTS</b>				
Victorian Auditor General's Office	130	125	130	125
<b>Total paid for audit</b>	<b>130</b>	<b>125</b>	<b>130</b>	<b>125</b>
<b>OTHER AUDIT AND ASSURANCE SERVICES</b>				
Barker and Jennings	12	8	12	7
Pitcher Partners	199	148	199	148
Higher Ed Services	–	70	–	70
Australian Skills Quality Authority	–	2	–	–
<b>Total other audit and assurance services</b>	<b>211</b>	<b>228</b>	<b>211</b>	<b>225</b>

## Note 23 | Key Management Personnel Disclosures

### RESPONSIBLE PERSONS

#### Names of Responsible persons during 2020 were:

Mr Terence Francis Moran AC ( Chancellor)	Ms Jane Smith AM
Professor Helen Bartlett (Vice-Chancellor) 01/01/2020 – 03/07/2020	Ms Rhonda Whitfield
Professor Duncan Bentley (Vice-Chancellor) 24/08/2020 – 31/12/2020	Mr Anthony Stone
Ms Pauline Buckland (Ministerial Appointee)	Mr Steve Davies
Professor Iqbal Gondal	Professor Andrew Reeves
Associate Professor Elisa Zentveld	Ms Nicola Pero
Mr George Fong	Mr M. Saleem Malik
Mr Michael Walter Ryan	Mr Des Pearson AO 13/10/2020 – 31/12/2020

## REMUNERATION OF RESPONSIBLE PERSONS

The number of University Council members and their remuneration for the reporting period is shown in the table below in their relevant income bands. The remuneration of responsible persons only relates to remuneration for acting in the capacity as a member of Council.

Staff of the University are not eligible to be remunerated for acting in the capacity as a member of Council.

## REMUNERATION OF KEY MANAGEMENT PERSONNEL

Nil  
 Less than \$10,000  
 \$10,000 to \$19,999  
 \$20,000 to \$29,999  
 \$30,000 to \$39,999  
 \$70,000 to \$79,999  
 \$80,000 to \$89,999  
 \$320,000 to \$329,999  
 \$550,000 to \$559,999  
 \$880,000 to \$889,999

CONSOLIDATED	
2020	2019
\$'000	\$'000
2	2
1	2
–	2
8	9
1	–
1	–
1	1
1	–
1	–
–	1
<b>16</b>	<b>17</b>

Income paid or payable, or otherwise made available to Members of the University Council, excluding executive members, in connection with management of affairs of the University is outlined below.

Short-term employee benefits  
 Post-employment benefits  
 Other long term benefits  
 Termination benefits  
**Total responsible persons compensation**

CONSOLIDATED	
2020	2019
\$'000	\$'000
1,108	1,076
153	149
17	16
5	–
<b>1,283</b>	<b>1,241</b>

## REMUNERATION OF EXECUTIVE OFFICERS

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

Short-term employee benefits  
 Post-employment benefits  
 Other long term benefits  
**Total executive officers remuneration**

Total number of executive officers  
 Total annualised employee equivalents

CONSOLIDATED	
2020	2019
\$'000	\$'000
1,206	1,310
199	211
27	31
<b>1,432</b>	<b>1,552</b>
4	5
4	4

### (i) Minister

The relevant Minister for the reporting period was the Hon Gayle Tierney, Minister for Training and Skills and Minister for Higher Education. Remuneration of the Minister is disclosed in the financial report of the Department of Parliamentary Services. Other relevant interests are declared in the Register of Members' Interests, which each Member of Parliament completes.

## OTHER TRANSACTIONS

Other related transactions and loans requiring disclosure under the Directions of the Assistant Treasurer have been disclosed in note 24.

## Note 24 | Related Parties

### A) PARENT ENTITY

The ultimate parent entity within the Group is Federation University Australia.

### B) SUBSIDIARIES

Interests in subsidiaries are set out in note 25.

### C) KEY MANAGEMENT PERSONNEL

Disclosures relating to responsible persons and executive officers are set out in note 23. Both responsible persons and executive officers are considered key management personnel of the Group.

### D) TRANSACTIONS WITH RELATED PARTIES

During the financial year, all transactions between the University and its related parties were in the ordinary course of business and on normal arm's length commercial terms and conditions. Transactions were not considered material for disclosure purposes.

## Note 25 | Subsidiaries

The *Federation University Australia Act 2010*, Section 48 permits the University to form limited liability companies. The consolidated financial statements of the Group incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described below.

ENTITY		PRINCIPAL PLACE OF BUSINESS	OWNERSHIP INTEREST	
			2020	2019
Inskill Pty Ltd	Deregistered	Australia	100%	100%
The School of Mines and Industries Ballarat Ltd	Inactive	Australia	100%	100%
Datascreen Pty Ltd (a subsidiary of Inskill)	Deregistered	Australia	55.8%	55.8%
Brisbane Educational Services Pty Ltd	Inactive	Australia	100%	100%

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

Deregistration applications were submitted to ASIC for both Inskill Pty Ltd and Datascreen Pty Ltd on 16 December 2020. ASIC confirmed on 18 December 2020 that both applications had been received and that they would publish their intent to deregister the companies. Both companies were deregistered on 18 February 2021.

### ACCOUNTING POLICY AND JUDGEMENTS

Subsidiaries are entities controlled by the Group. The Group assesses whether it has the power to direct the relevant activities of the investee by considering the rights it holds to control decisions, such as the mix between education and research, student fees and target student mix.

The financial statements of subsidiaries that materially impact the Group are included in the consolidated financial statements from the date control commences until the date control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

An assessment of subsidiaries for material impact to the consolidated financial statements is performed annually. The assessment includes both a qualitative and quantitative assessment of materiality. For both 2020 and 2019, Brisbane Education Services Pty Ltd is the only subsidiary incorporated into the financials for consolidation purposes.

Subsidiaries are all those entities (including structured entities) over which the Group has control. The Group has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when the Group has existing rights that give it current ability to direct the relevant activities of the investee.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Returns are not necessarily monetary and can be only positive, only negative, or both positive and negative.

## Note 26 | Financial Risk Management

### FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group is exposed to key financial risks including market risk, price risk, credit risk and liquidity risk. The University's Council has overall responsibility for the establishment and oversight of the Group's risk management framework. The Council has established the:

- Resources Committee, which meets regularly to monitor and evaluate the University's financial management strategies in the context of the most recent economic conditions and forecasts; and
- Audit and Risk Management Committee, which is responsible for monitoring the assessment and management of risk across the University.

### (A) MARKET RISK

Market risk is the risk that changes in market prices will affect the Group's result or the value of its financial assets and liabilities. The key market risks the Group is exposed to are interest rate risk and price risk.

### (B) INTEREST RATE RISK

The Group's exposure to movements in interest rates primarily relates to the Group's interest bearing investments.

The Group manages its interest rate risk by monitoring the interest rate profile of these assets. If interest rates were 1% lower/higher for interest bearing investments than the reporting date rates, with all other variables held constant, the Group's net result for the year would have been \$0.7m lower/higher, reflecting the lower/higher interest income earned on affected balances (2019: \$0.6m lower/higher).

### (C) PRICE RISK

Financial assets at fair value through profit or loss are subject to price risk, with frequent changes in market valuations. Changes in fair value are recorded through the Income Statement as they occur. These investments are also monitored by our Investment Managers, Management and Investment Committee. The investment portfolio is constructed to diversify price risk across the various asset classes.

### (D) CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from financial investments, and the Group's receivables from customers.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Examples of such events include significant financial difficulty or probability of bankruptcy of the borrower, disappearance of active market for that asset that individually or in combination with other factors, indicate that the asset is credit impaired.

### TRADE RECEIVABLES & CONTRACT ASSETS

The Group defines an event of default as when the counterparty has not paid the transaction price (after adjustment on account of any discounts or rebates) or repaid the amounts deposited or lent, as the case may be, within 10-365 days from the due date (maturity) or as per the terms of the agreement, depending on the category of debtor. This definition was selected so as to allow sufficient time for settlement of any specific disputes with the entity (associated with that transaction) and provide for any transit time. The higher the past history of defaults, the higher the provisioning for expected credit losses.

Expected credit losses have been measured on a collective basis by grouping the receivables and contract assets on the basis of debtor category and their past due status. Life time expected credit losses relating to trade receivables and contract assets is estimated by taking into account both the past default history and reasonable forward looking information available from information agencies and other external sources. In general, the higher the number of past instances of default, the higher the amount of provision. No changes have occurred in the estimation technique or significant assumptions used in the estimation process during the reporting period.

During the period, the movement in expected credit loss allowance relating to trade receivables and contract assets was as disclosed in note 8. The contractual amount outstanding on financial assets that were written off during the reporting period and are still subject to enforcement activity is nil.

The Group does not have any material credit risk exposure to any single receivable or group of receivables. The Group's exposure to credit risk is influenced mainly by characteristics of each customer. Receivable balances are monitored on an ongoing basis to ensure that the exposure to bad debts is not significant.

### HYBRID SECURITIES AND CORPORATE BONDS

The Group measures expected credit losses in respect of hybrid securities and corporate bonds by classifying these instruments based on a system of assigning internal credit rating grades representing the credit profile of the investee. The Group only invests in those entities that have been given an AAA: BBB – investment grade rating, and as such is not exposed to a material level of credit risk or loss.

## E) LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

Liquidity risk is managed by University management and overseen by the Resources Committee through maintenance of sufficient liquid assets and borrowing facilities, and active monitoring of cash flow forecasts.

The following table summarises the maturity of the Group's financial assets and financial liabilities:

CONSOLIDATED 31 DECEMBER 2020	FIXED INTEREST MATURITY					TOTAL CARRYING AMOUNT
	AVERAGE INTEREST RATE	VARIABLE INTEREST RATE	LESS THAN 1 YEAR	1 TO 5 YEARS	NON- INTEREST BEARING	
FINANCIAL ASSETS	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash and cash equivalents</b>						
Cash at bank	0.00%	4,608	–	–	–	4,608
Deposits at call	0.58%	72,303	–	–	–	72,303
Short term deposits	0.00%	–	2,008	–	–	2,008
<b>Receivables (excluding deferred government contributions for superannuation)</b>						
Debtors	–	–	–	–	6,009	6,009
<b>Other financial assets</b>						
At amortised cost	3.09%	–	–	78,331	–	78,331
At fair value through profit and loss	3.09%	–	–	–	101,660	101,660
Designated at fair value through other comprehensive income	0.00%	–	–	–	9,539	9,539
<b>Total financial assets</b>		<b>76,911</b>	<b>2,008</b>	<b>78,331</b>	<b>117,208</b>	<b>274,458</b>
<b>FINANCIAL LIABILITIES</b>						
Trade and other payables		–	–	–	10,549	10,549
Lease liabilities	5.00%	16,408	–	–	–	16,408
<b>Total financial liabilities</b>		<b>16,408</b>	<b>–</b>	<b>–</b>	<b>10,549</b>	<b>26,957</b>

CONSOLIDATED 31 DECEMBER 2019	FIXED INTEREST MATURITY					TOTAL CARRYING AMOUNT
	AVERAGE INTEREST RATE	VARIABLE INTEREST RATE	LESS THAN 1 YEAR	1 TO 5 YEARS	NON- INTEREST BEARING	
FINANCIAL ASSETS	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash and cash equivalents</b>						
Cash at bank	0.00%	3,186	–	–	–	3,186
Deposits at call	0.99%	40,987	–	–	–	40,987
Short term deposits	2.02%	–	20,000	–	–	20,000
<b>Receivables (excluding deferred government contributions for superannuation)</b>						
Debtors	–	–	–	–	12,930	12,930
<b>Other financial assets</b>						
At amortised cost	4.02%	–	45,757	87,640	–	133,397
At fair value through profit and loss	4.02%	–	–	–	44,176	44,176
Designated at fair value through other comprehensive income	0.00%	–	–	–	9,808	9,808
<b>Total financial assets</b>		<b>44,173</b>	<b>65,757</b>	<b>87,640</b>	<b>66,914</b>	<b>264,484</b>
<b>FINANCIAL LIABILITIES</b>						
Trade and other payables		–	–	–	7,869	7,869
Lease liabilities	5.00%	15,110	–	–	–	15,110
<b>Total financial liabilities</b>		<b>15,110</b>	<b>–</b>	<b>–</b>	<b>7,869</b>	<b>22,979</b>

## Note 27 | Fair Value Measurements

### A) FAIR VALUE MEASUREMENTS

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The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and liabilities have carrying values that are a reasonable approximation of fair value, and there are no significant differences between carrying amounts and aggregate fair values.

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

- Shares – unlisted, at fair value through profit and loss
- Shares – unlisted, at fair value through other comprehensive income
- Shares – listed
- Land and buildings
- Leasehold – land
- Leasehold – buildings
- Artwork
- Investment properties

The Group has also measured assets and liabilities as fair value on a non-recurring basis as a result of the reclassification of assets as held for sale. The sale of the property held for sale was finalised on 20 October 2020.

### (B) FAIR VALUE HIERARCHY

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The Group categorises assets and liabilities measured at fair value into a hierarchy based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

- 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; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## (i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2020.

31 DECEMBER 2020	NOTES	CONSOLIDATED				UNIVERSITY			
		LEVEL 1	LEVEL 2	LEVEL 3	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>RECURRING FAIR VALUE MEASUREMENTS</b>									
<b>Financial assets</b>									
	9	51,568	–	50,092	101,660	51,568	–	50,092	101,660
	9	–	–	9,539	9,539	–	–	9,539	9,539
		<b>51,568</b>	<b>–</b>	<b>59,631</b>	<b>111,199</b>	<b>51,568</b>	<b>–</b>	<b>59,631</b>	<b>111,199</b>
<b>Non-financial assets</b>									
	12	–	–	42,513	42,513	–	–	42,513	42,513
	12	–	–	303,979	303,979	–	–	303,979	303,979
	12	–	–	2,000	2,000	–	–	2,000	2,000
	12	–	–	15,525	15,525	–	–	15,525	15,525
	12	–	–	1,049	1,049	–	–	1,049	1,049
	11	–	–	83,420	83,420	–	–	83,420	83,420
		<b>–</b>	<b>–</b>	<b>448,486</b>	<b>448,486</b>	<b>–</b>	<b>–</b>	<b>448,486</b>	<b>448,486</b>
		<b>51,568</b>	<b>–</b>	<b>508,117</b>	<b>559,685</b>	<b>51,568</b>	<b>–</b>	<b>508,117</b>	<b>559,685</b>
		<b>51,568</b>	<b>–</b>	<b>508,117</b>	<b>559,685</b>	<b>51,568</b>	<b>–</b>	<b>508,117</b>	<b>559,685</b>

31 DECEMBER 2019		CONSOLIDATED				UNIVERSITY			
		LEVEL 1	LEVEL 2	LEVEL 3	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>RECURRING FAIR VALUE MEASUREMENTS</b>									
<b>Financial assets</b>									
	9	73,970	–	40,293	114,263	73,970	–	40,293	114,263
	9	–	–	9,808	9,808	–	–	9,808	9,808
		<b>73,970</b>	<b>–</b>	<b>50,101</b>	<b>124,071</b>	<b>73,970</b>	<b>–</b>	<b>50,101</b>	<b>124,071</b>
<b>Non-financial assets</b>									
	12	–	–	42,513	42,513	–	–	42,513	42,513
	12	–	–	302,302	302,302	–	–	302,302	302,302
	12	–	–	2,000	2,000	–	–	2,000	2,000
	12	–	–	12,150	12,150	–	–	12,150	12,150
	12	–	–	1,363	1,363	–	–	1,363	1,363
	11	–	–	86,690	86,690	–	–	86,690	86,690
		<b>–</b>	<b>–</b>	<b>447,018</b>	<b>447,018</b>	<b>–</b>	<b>–</b>	<b>447,018</b>	<b>447,018</b>
		<b>73,970</b>	<b>–</b>	<b>497,119</b>	<b>571,089</b>	<b>73,970</b>	<b>–</b>	<b>497,119</b>	<b>571,089</b>
<b>Non-recurring fair value measurements</b>									
	10	–	1,234	–	1,234	–	1,234	–	1,234
		<b>–</b>	<b>1,234</b>	<b>–</b>	<b>1,234</b>	<b>–</b>	<b>1,234</b>	<b>–</b>	<b>1,234</b>
		<b>73,970</b>	<b>1,234</b>	<b>497,119</b>	<b>572,323</b>	<b>73,970</b>	<b>1,234</b>	<b>497,119</b>	<b>572,323</b>

There were no transfers between Levels 1 and 2 for assets measured at fair value during the reporting period (2019: no transfers).

Refer to note 30 for disclosures on the effect of COVID-19 on the fair value of the Group's assets.

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 values of financial assets at amortised cost (term deposits and corporate bonds) that are disclosed in note 9 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.



## C) VALUATION TECHNIQUES USED TO DERIVE LEVEL 2 AND LEVEL 3 FAIR VALUES

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### 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 end of the reporting period; and
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

Investment properties are valued independently in the actual period and freehold land and building (classified as property, plant and equipment) at least 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; and/or
- 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 3.

## D) FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)

### (i) Reconciliation of recurring Level 3 fair value measurements

The following tables provide a reconciliation of Level 3 items for the period ending 31 December 2020 and 2019.

CONSOLIDATED	OTHER INVESTMENTS	NON-FINANCIAL ASSETS
	\$'000	\$'000
<b>Level 3 fair value measurements 2020</b>		
Opening balance	50,101	447,018
Acquisitions	–	22,781
Recognised in profit and loss	9,799	(20,999)
Loss recognised in other comprehensive income	(269)	(314)
<b>Closing balance</b>	<b>59,631</b>	<b>448,486</b>

<b>Level 3 fair value measurements 2019</b>		
Opening balance	32,925	441,511
Acquisitions	–	17,955
Sales	–	3,372
Recognised in profit or loss	17,360	(15,820)
Loss recognised in other comprehensive income	(184)	–
<b>Closing balance</b>	<b>50,101</b>	<b>447,018</b>

UNIVERSITY	OTHER INVESTMENTS	NON-FINANCIAL ASSETS
	\$'000	\$'000
<b>Level 3 fair value measurements 2020</b>		
Opening balance	50,101	447,018
Acquisitions	–	22,781
Recognised in profit or loss	9,799	(20,999)
Loss recognised in other comprehensive income	(269)	(314)
<b>Closing balance</b>	<b>59,631</b>	<b>448,486</b>

<b>Level 3 fair value measurements 2019</b>		
Opening balance	32,925	439,711
Acquisitions	–	17,955
Sales	–	3,372
Recognised in profit or loss	17,360	(14,020)
Loss recognised in other comprehensive income	(184)	–
<b>Closing balance</b>	<b>50,101</b>	<b>447,018</b>

There were no transfers between Levels 2 and 3 for liabilities measured at fair value on a recurring basis during the reporting period (2019: no transfers).

**(ii) Valuation inputs and relationships to fair value**

The following table summarises the quantitative information about the valuation processes and significant unobservable inputs used in Level 3 fair value measurements.

DESCRIPTION	FAIR VALUE AT 31/12/2020 \$'000	VALUATION TECHNIQUE(S)	UNOBSERVABLE INPUTS USED*	RANGE OF INPUTS	ESTIMATED SENSITIVITY OF FAIR VALUE MEASUREMENT TO CHANGES IN UNOBSERVABLE INPUTS
<b>FINANCIAL ASSETS</b>					
Shares – unlisted, at fair value through other comprehensive income	9,539	Net assets base	Net asset base of companies	Net asset base in annual reports	A significant increase or decrease in the net asset of the investment / security would result in a significantly higher or lower fair value
Other financial assets at FVTPL	50,092	Net assets base	Net asset base of companies	Net asset base in annual reports	A significant increase or decrease in the net asset of the investment / security would result in a significantly higher or lower fair value
<b>NON FINANCIAL ASSETS</b>					
Land	42,513	Market approach	Community Service Obligation (CSO) adjustment	10%-35%	A significant increase or decrease in the CSO adjustment would result in a significantly higher or lower fair value
Buildings	303,979	Depreciated replacement cost	Useful life of specialised buildings	1–45 years	A significant increase or decrease in the useful life of the buildings would result in a significantly higher or lower fair value
Leasehold – land	2,000	Market approach	Length and terms of leases	30 years	Any renegotiation of leases may have an impact on the fair value of the land (higher/ lower)
Leasehold – buildings	15,525	Cost	Length and terms of leases	2–7 years	Any renegotiation of leases may have an impact on the fair value of the leasehold improvements (higher/ lower)
Art collection	1,049	Market approach	External market perception of the works	5%–10%	A change in the market perception of the artwork would result in a lower (higher) fair value
Investment properties	83,420	Market approach	Length and terms of leases	1 month to 7 years	Any renegotiation of leases may have an impact on the fair value of the properties (higher/ lower)
<b>Total Level 3</b>	<b>508,117</b>				

There has been no change in the valuation techniques used to calculate the fair values disclosed in the financial statements.

\*There were no significant inter-relationships between unobservable inputs that materially affects fair value.

## Note 28 | Acquittal of Commonwealth Government Financial Assistance

### A) EDUCATION – CGS AND OTHER EDUCATION GRANTS

NOTES	COMMONWEALTH GRANT SCHEME		HE PARTICIPATION FUNDING		DISABILITY SUPPORT FUNDING	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	85,309	72,781	2,197	2,069	101	87
Net accrual adjustments	(408)	(42)	–	–	13	24
Revenue for the period	84,901	72,739	2,197	2,069	114	111
Surplus/(deficit) from the previous year	221	69	–	–	–	(234)
Total revenue including accrued revenue	85,122	72,808	2,197	2,069	114	(123)
Less expenses including accrued expenses	85,122	72,587	2,197	2,125	226	208
<b>Surplus/(deficit) for reporting period</b>	<b>–</b>	<b>221</b>	<b>–</b>	<b>(56)</b>	<b>(112)</b>	<b>(331)</b>

NOTES	INDIGENOUS STUDENT SUCCESS PROGRAM		TOTAL	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	680	619	88,287	75,556
Net accrual adjustments	(182)	(186)	(577)	(204)
Revenue for the period	498	433	87,710	75,352
(Deficit)/surplus from the previous year	(7)	27	214	(138)
Total revenue including accrued revenue	491	460	87,924	75,214
Less expenses including accrued expenses	416	467	87,961	75,387
<b>Surplus/(deficit) for reporting period</b>	<b>75</b>	<b>(7)</b>	<b>(37)</b>	<b>(173)</b>

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

NOTES	HECS – HELP (Australian Government Payments Only)		FEE – HELP		VET FEE – HELP	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash payable/(receivable) at beginning of year	385	252	103	244	8	12
Financial assistance received in cash during the reporting period	45,665	39,350	3,200	2,372	–	(4)
Cash available for period	46,050	39,602	3,303	2,616	8	8
Revenue earned	37,867	39,420	1,332	2,513	–	–
<b>Cash payable at end of year</b>	<b>8,183</b>	<b>182</b>	<b>1,971</b>	<b>103</b>	<b>8</b>	<b>8</b>

NOTES	VET STUDENT LOAN PROGRAM		STUD AMEN – HELP		TOTAL HELPS	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash payable/(receivable) at beginning of year	134	(198)	9	16	639	326
Financial assistance received in cash during the reporting period	686	1,289	2,008	1,826	51,559	44,833
Cash available for period	820	1,091	2,017	1,842	52,198	45,159
Revenue earned	531	957	1,740	1,833	41,470	44,723
<b>Cash payable at end of year</b>	<b>289</b>	<b>134</b>	<b>277</b>	<b>9</b>	<b>10,728</b>	<b>436</b>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

### C) DEPARTMENT OF EDUCATION AND TRAINING RESEARCH

NOTES	RESEARCH TRAINING PROGRAM		RESEARCH SUPPORT PROGRAM		TOTAL	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	2,196	2,124	1,451	1,501	3,647	3,625
Net accrual adjustments	–	–	–	–	–	–
Revenue for the period	2,196	2,124	1,451	1,501	3,647	3,625
(Deficit)/surplus from the previous year	(3,392)	296	–	(13)	(3,392)	283
Total revenue including accrued revenue	(1,196)	2,420	1,451	1,488	255	3,908
Less expenses including accrued expenses	4,416	5,812	1,454	1,546	5,870	7,358
<b>Deficit for reporting period</b>	<b>(5,612)</b>	<b>(3,392)</b>	<b>(3)</b>	<b>(58)</b>	<b>(5,615)</b>	<b>(3,450)</b>

### TOTAL HIGHER EDUCATION PROVIDER RESEARCH TRAINING PROGRAM EXPENDITURE

	TOTAL DOMESTIC STUDENTS	TOTAL OVERSEAS STUDENTS
	\$'000	\$'000
Research Training Program Fees offsets	3,450	16
Research Training Program Stipends	878	–
Research Training Program Allowances	66	6
<b>Total for all types of support</b>	<b>4,394</b>	<b>22</b>

### D) AUSTRALIAN RESEARCH COUNCIL GRANTS

NOTES	DISCOVERY PROJECTS		LINKAGES PROJECTS		TOTAL	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	195	166	45	45	240	211
Net accrual adjustments	(32)	4	(40)	(16)	(72)	(12)
Revenue for the period	163	170	5	29	168	199
Surplus from the previous year	156	160	27	27	183	187
Total revenue including accrued revenue	319	330	32	56	351	386
Less expenses including accrued expenses	134	174	28	29	162	203
<b>Surplus for reporting period</b>	<b>185</b>	<b>156</b>	<b>4</b>	<b>27</b>	<b>189</b>	<b>183</b>

## E) OS-HELP

		2020	2019
	NOTES	\$'000	\$'000
Cash received during the reporting period		376	213
Cash spent during the reporting period		–	225
Net cash received		376	(12)
Cash surplus from the previous period		134	146
<b>Cash surplus for reporting period</b>	<b>14</b>	<b>510</b>	<b>134</b>

## F) HIGHER EDUCATION SUPERANNUATION PROGRAM

	2020	2019
	\$'000	\$'000
Cash received during the reporting period	3,396	4,288
Cash surplus from the previous period	600	336
Cash available for current period	3,996	4,624
Contributions to specified defined benefit funds	3,742	4,024
<b>Cash surplus this period</b>	<b>254</b>	<b>600</b>

## G) STUDENT SERVICES AND AMENITIES FEE

		2020	2019
		\$'000	\$'000
Unspent revenue from previous period		597	479
SA-HELP revenue earned	28(b)	1,740	1,833
Student Services and Amenities Fees direct from students	3.3	226	177
Total revenue expendable in period		2,563	2,489
Student Services expenses during period		2,246	1,892
<b>Unspent Student Services revenue</b>		<b>317</b>	<b>597</b>

## Note 29 | Events Occurring After the End of the Reporting Period

Disclosures for COVID-19 related events can be found in note 30.

Other than mentioned herein, at the date of this report there is no matter or circumstance that has arisen since 31 December 2020 which has or may significantly affect:

- The operation of the Group;
- The results of those operations; or
- The state of affairs of the Group in the financial years subsequent to 31 December 2020.

## Note 30 | COVID-19 Disclosures

### BACKGROUND

COVID -19, known as Coronavirus, an infectious disease was declared a world-wide pandemic by the world Health Organisation on 11 March 2020. On 16 March 2020 a State of Emergency was declared in Victoria due to the global pandemic COVID-19 virus. A State of Disaster was subsequently declared on 2 August 2020.

To contain the spread of the virus and to prioritise the health and safety of our communities, various restrictions were announced and implemented by the State of Victoria, which in turn has impacted the manner in which businesses operate, including Federation University and its subsidiaries (the Group).

During the year, COVID-19 has had a material impact on the operations of the Group, and consequently, has resulted in a number of impacts on the performance of the Group, as well as the judgements and estimates used in assessing balances.

In response to COVID-19, the University established a decision-making body, the 'COVID-19 Transition Control Group', to ensure our pathway forward to on-campus operations is safe and aligns with government health and safety requirements.

Our priority is giving students who need to attend campus to complete practical work and research, the opportunity to do so. The COVID-19 Transition Control Group oversees two streams of action:

- Academic – Academic leadership working directly with Deans and school leadership to identify the order of prioritisation for students gradually transitioning to on-campus activities, and to determine how we continue with online and blended educational delivery
- Corporate – Senior leadership working with leaders of our professional service areas, such as HR, Facilities Services, ITS, Risk Health and Safety, and Corporate Communications, to determine the professional and general staff that are required to support the transition of our students.

The University moved the majority of undergraduate and post-graduate coursework programs to online delivery from Monday 30 March, and our TAFE offered mixed modes of delivery since Wednesday 15 April to reflect the vital practical components of trade education.

With restrictions on non-essential work being undertaken on campus, from late March 2020 we implemented work from home arrangements where appropriate.

### BASIS OF PREPARATION

The Financial Statements have been prepared based upon conditions existing at 31 December 2020. The Group's accounts have been prepared on the basis of a going concern. The Group has a strong financial position, with a robust financial framework and has put measures in place to manage that financial position. To mitigate the financial impact, a range of measures exist which are aimed at keeping our students engaged, ensuring their continued enrolment at the University, increasing the learning content available to students via on-line/digital mechanisms, implementing additional controls on recruitment and reducing discretionary expenditures and enhancing liquidity. This had been shown by our cash and liquid investments starting and finishing the year in approximately the same position, and our investment properties finishing strong during the year by re-signing a number of long-term tenants.

During the year we completed a comprehensive review of our operations and have prepared a five-year forecast assuming minimal international student intakes during the first half of 2021 with the assumption that international students start to flow on campus, after

undergoing any required quarantine from the latter part of 2021. Whilst this remains largely unknown, the University is continuing to work closely with both federal and state governments to facilitate return of international students at the earliest opportunity. For the purposes of modelling, 2022 onwards would then start to see student numbers close to what we had been experiencing in the latter part of 2019. During this period, we estimate that we will be cash positive from our operating activities. During the 2021-2023 years we have an ambitious capital program during which we are looking to borrow funds to carry them out which will in turn maintain our current liquidity levels.

Whilst the above assumptions are predicated that a vaccine will be aggressively rolled out during 2021 and international borders opening during the second half of 2021, the University is working with existing partners to deliver a range of innovative pathways which feature a blend of online and face to face interactions at overseas locations to ensure that international income is not completely eliminated during this time.

The key impacts on the performance as well as various accounting treatments and estimates are summarised below and disclosed in subsequent notes where relevant and material.

The key impacts on the performance are summarised as follows:

### REVENUE AND OTHER INCOME

Federation University's response to the pandemic included both financial and non-financial support to our students. The Federal Department of Education, Skills and Employment continued to provide funding based on our original estimated student numbers, and the excess funds received for the Commonwealth Grant Scheme have been treated as revenue during the year (\$12.8m). Excess funds received from the Commonwealth for Student Fees (HECS) (over the level of actual student numbers) have been treated as a liability (\$7.9m). These HECS funds are to be repaid annually over the next 8 years. The State Department of Education and Training has contributed a COVID-19 Crisis Funding Grant of \$1m.

Compared to our original student number forecasts for the 2020 year, our domestic student numbers (EFTSL) were down approximately 12% and our international students were down approximately 29%.

We granted rent relief in excess of \$0.5m to our tenants in our investment properties.

### EXPENSES

Federation University's daily activities were impacted by the pandemic. In response to the COVID-19 pandemic, the University increased aid and supports to both international and domestic students. Supports included delivering financial aid through Special Assistance Schemes, subsidised accommodation on residence, establishment of five 'Community Pantries' to distribute food, the implementation of a specialised Case Management service to assist students experiencing complex hardship relating to the pandemic, facilitated access to IT including computers and internet access for students to enable them to continue their studies and enhanced careers, engagement and development activities to increase access to employment and our students' emotional wellbeing, as well as fee relief, fee deferrals, special consideration to re-sit exams, no fees for repeating any failed first semester courses.

Similarly, cost reductions have occurred such as reductions in building maintenance and running costs. The University instigated a voluntary redundancy program which saw a number of staff leaving the university before the end of year which will assist in lowering costs in future years.

## EMPLOYEE PROVISIONS

COVID-19 forced the cancellation of instances of planned leave by staff. Additionally, staff have been unable to take leave during the Victorian state lockdown. As a result, the average number of leave days taken declined for both annual and long service leave which increased the provisions of the staff remaining.

## LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Investments are managed by the University and external fund managers (Russell Investments for long term investments) and actively overseen by our Investment Management Sub-Committee and Resources Committee through the receipt of regular management reports ensuring sufficient liquid assets and borrowing facilities are available to ensure our liquidity levels and cash flows are maintained. During 2020 we have been able to maintain our cash and liquid assets at 2019 levels.

The key impacts on accounting treatments and estimates are as follows:

## FAIR VALUE OF NON-FINANCIAL PHYSICAL ASSETS

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with AASB 116. A full revaluation of education assets normally occurs every three years, with this last occurring for the year ended 31 December 2018. Due to COVID-19, there is an increased element of estimation uncertainty with regard to the fair values of the university's non-financial physical assets. To this end we engaged our valuers, Leader Property Practice Pty Ltd, to undertake a valuation of our main campus at Mt Helen and found that overall the valuation was 4.7% greater than what we are carrying in our accounts and as such was not material to undertake a full valuation. We have also undertaken a valuation of our art works and have completed the biennial stocktake of our general plant and equipment.

Investment Properties undergo a revaluation on an annual basis, this year being no different. During the year we saw a decline in the value of 4.1% which is reflected in our Income Statement and Statement of Financial Position. The independent valuer notes that the market that the Gippsland investment property is valued in as at 31 December 2020 is impacted by the uncertainty that the COVID-19 outbreak has caused. The valuer has advised the current market conditions, impacted by COVID-19, create significant valuation uncertainty. The value assessed at 31 December 2020 may therefore change significantly over a relatively short period of time. However, this property only comprises 2.8% of our investment property portfolio, and therefore any change would not significantly affect the value of our investment properties overall. The independent valuers also note that the market conditions for the Ballarat investment properties were not impacted as much by COVID-19, and therefore there is not significant valuation uncertainty regarding these properties.

Receivables undergo an assessment for collectability, and we believe that we have an adequate provision for any doubtful debts that may occur.

The Group's non-cash financial assets are revaluated on a monthly basis and reflect their fair value.

## TRADE RECEIVABLES

After both Commonwealth and State Governments, the Group's main receivables relate to our students. As we do each year, this year being no different, we rigorously go through all outstanding amounts to assess collectability and then provide an amount estimated not able to be collected. In our judgement we believe that the amount provided as doubtful in our Statement of Financial Position reflects the value of our current debts deemed to be doubtful or uncollectable at years end.

## SUBSEQUENT EVENTS

In relation to the global outbreak of the coronavirus and in particular paying close regards to the Victorian Government's recommendations, the Group has been assessing the impact on both current operations as well as modelling future impacts.

The length and extent of the actions being undertaken by the Australian Federal and State Governments will continue to determine the scale of the impact on the finances of the Group.

Our modelling for the 2021 financial year, indicates that we will experience a significant decrease to our International commencing and continuing students, both on our wholly owned University campuses and through our third-party delivery partners.

The Group holds significant readily available cash, which at the time of modelling is sufficient for at least 12-18 months, assuming projects are delivered in line with current plans. Should the operating position significantly worsen from current forecasts we have a portfolio of tradable securities that can be utilised if needed to sustain our operations over a longer period. The Group will ensure the long-term cash reserves and returns are still optimised during this uncertain period and continue to keep tight control on expenditure. The Group has established a Strategic Investment Group (SIG) with Senior Executives. The role of SIG is to consider investment proposals and provide advice to the following strategic groups: Teaching Transformation Group, Academic Program Committee, Commercial and Master Planning and Corporate Business Processes. SIG will make recommendations for VCST consideration and recommendations for the Board. All staffing resource requests are managed by a Recruitment and Resources Committee.

We are continually reviewing and re-prioritising our major projects planned for 2021 and onwards in order to protect critical operational cash levels. Investments made will be directly linked to recovery strategies for 2022.

The Group continues to monitor the COVID-19 pandemic situation and will take further action as necessary to the economic disruption.



# DISCLOSURE INDEX

## Abbreviations

AASB	Australian Accounting Standards Board	FRD	Financial Reporting Directions
ETRA	<i>Education and Training Reform Act 2006</i>	SD	Standing Directions 2018
FMA	<i>Financial Management Act 1994</i>		Under the <i>Financial Management Act 1994</i>

ITEM NO	SOURCE	SUMMARY OF REPORTING REQUIREMENT	PAGE
<b>REPORT OF OPERATIONS</b>			
<b>CHARTER AND PURPOSE</b>			
1.	FRD 22H, 5.4 a	Manner of establishment and the relevant Minister	6, 42, 97
2.	FRD 22H, 5.4 b, 5.5	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements	4–23
3.	FRD 22H, 5.4 c	Nature and range of services provided including communities served	7
<b>MANAGEMENT AND STRUCTURE</b>			
4.	FRD 22H, 5.4 d, 5.6	Organisational chart detailing members of the governing board, Audit Committee, CEO, senior officers and their responsibilities	30–36
<b>FINANCIAL AND OTHER INFORMATION</b>			
5.	FRD 03A	Accounting for Dividends	N/A
6.	FRD 07B	Early adoption of authoritative accounting pronouncements	57
7.	FRD 10A	Disclosure Index	111–112
8.	FRD 17B	Wage inflation and discount rates for employee benefits	92
9.	FRD 22H, 5.11 c	Operational and budgetary objectives, performance against objectives and achievements	45
10.	FRD 22H, 5.10	Occupational health and safety statement including performance indicators, performance against those indicators.	38
11.	FRD 22H, 5.8	Workforce data for current and previous reporting period, including a statement on the application of employment and conduct principles and that employees have been correctly classified in the workforce data collections	37–38
12.	FRD 22H, 5.11 a	Summary of the financial results, with comparative information for the preceding four reporting periods	46
13.	FRD 22H, 5.11 b	Summary of significant changes in financial position	45
14.	FRD 22H, 5.7	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future	46, 51–97
15.	FRD 22H, 5.11 d	Post-balance sheet date events likely to significantly affect subsequent reporting periods	108–110
16.	FRD 22H, 5.18 a	Summary of application and operation of the Freedom of Information Act 1982	41
17.	FRD 22H, 5.18 b	Statement of compliance with building and maintenance provisions of the Building Act 1993	42
18.	FRD 22H, 5.12	The report of operations shall provide a discussion and analysis of the entity's operating results and financial position and include details about significant factors that affect the entity's performance	45
19.	FRD 22H, 5.9	University workforce inclusion policy (where a University has one), including a measurable target and report on the progress towards the target	23
20.	FRD 22H, 5.16	Schedule of any government advertising campaign in excess of \$100,000 (exclusive of GST)	N/A
21.	FRD 22H, 5.18 e	Statement, where applicable, on the implementation and compliance with the National Competition Policy, including compliance with the requirements of Victoria's Competitive Neutrality Policy and any subsequent reform	42
22.	FRD 22H, 5.18 c	Summary of application and operation of the Public Interest Disclosures Act 2012 including disclosures required by the Act	41
23.	FRD 22H, 5.18 h	Summary of Environmental Performance	24–26
24.	FRD 22H, 5.13, 5.14, 5.15	<p>Consultants. Report of Operations must include a statement disclosing each of the following:</p> <ol style="list-style-type: none"> <li>Total number of consultancies of \$10,000 or more (excluding GST)</li> <li>Location (e.g. website) of where the schedule with the below details of the consultancies over \$10,000 has been made publicly available <ul style="list-style-type: none"> <li>Consultant engaged</li> <li>Brief summary of project</li> <li>Total project fees approved (excluding GST)</li> <li>Expenditure for reporting period (excluding GST)</li> <li>Any future expenditure committed to the consultant for the project</li> </ul> </li> <li>Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period</li> </ol>	42

ITEM NO	SOURCE	SUMMARY OF REPORTING REQUIREMENT	PAGE
<b>REPORT OF OPERATIONS CONTINUED</b>			
<b>FINANCIAL AND OTHER INFORMATION CONTINUED</b>			
25.	FRD 22H, 5.19	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer	41
26.	FRD 22H, 5.17	An entity shall disclose the following in the report of operations: a. Total entity ICT Business as Usual (BAU) expenditure for the full 12-month reporting period; and b. Total entity ICT Non-Business as Usual expenditure for the full 12-month reporting period; and provide a breakdown for: i Operational expenditure (OPEX); and i Capital expenditure (CAPEX).	45
27.	FRD 25D	Local Jobs First	N/A
28.	AASB 16	Leases	90–91
29.	FRD 119A	Transfers through contributed capital	N/A
30.	SD 3.7.1	The Responsible Body must ensure that the Agency applies the Victorian Government Risk Management Framework.	35
31.	SD 5.2.1(a)	The Accountable Officer must implement and maintain a process to ensure the Annual Report is prepared in accordance with the FMA, the Standing Directions, the Instructions, applicable Australian Accounting Standards and Financial Reporting Directions.	47, 57
32.	SD 5.2.3	The report of operations must be signed and dated by a member of the Responsible Body.	47
<b>FINANCIAL REPORT</b>			
<b>FINANCIAL STATEMENTS REQUIRED UNDER PART 7 OF THE FINANCIAL MANAGEMENT ACT 1984</b>			
33.	SD 5.2.2(a), 5.2.2(b) & FMA s49	The financial statements must contain such information as required by the Minister and be prepared in a manner and form approved by the Minister. They must be signed and dated by the Accountable Officer, CFO (subject to 5.2.2) and a member of the Responsible Body, in a manner approved by the Minister, stating whether, in their opinion the financial statements: • present fairly the financial transactions during reporting period and the financial position at end of the period; and • have been prepared in accordance with applicable requirements in the FMA, the Directions, the Financial Reporting Directions and Australian Accounting Standards.	47
34.	FRD 30D	Rounding of Amounts	56
35.	SD 3.2.1.1(c)	The Responsible Body must establish an Audit Committee to: • review annual financial statements and make a recommendation to the Responsible Body as to whether to authorise the statements before they are released to Parliament by the Responsible Minister	32–33
<b>OTHER REQUIREMENTS AS PER FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS</b>			
36.	FRD 11A	Disclosure of ex-gratia payments	N/A
37.	FRD 21C	Disclosures of Responsible Persons, Executive Officer and Other Personnel (contractors with significant management responsibilities) in the Financial Report	42, 96–97
38.	FRD 102A	Inventories	78
39.	FRD 103H	Non-financial physical assets	81–85
40.	FRD 105B	Borrowing costs	89–91
41.	FRD 106B	Impairment of assets	75–78, 82–86
42.	FRD 107B	Investment properties	80
43.	FRD 109A	Intangible assets	85–86
44.	FRD 110A	Cash flow statements	53, 61
45.	FRD 112D	Defined benefit superannuation obligations	92
46.	FRD 113A	Investment in subsidiaries, jointly controlled entities and associates	98
47.	FRD 120N	Accounting and reporting pronouncements applicable to the reporting period	57
<b>COMPLIANCE WITH OTHER LEGISLATION, SUBORDINATE INSTRUMENTS AND POLICIES</b>			
48.	ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2020	43
49.	PAEC	Financial and other information relating to the University's international operations	58
50.	University Commercial Activity Guidelines	• Summary of the university commercial activities • If the university has a controlled entity, include the accounts of that entity in the university's Annual Report	66–69, 98

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CRICOS Provider No. 00103D | RTO Code 4909 | ABN 51 818 692 256  
ISSN 2206-2335 (PRINT) / 2206-3153 (DIGITAL)