



# Annual Report 2012



**Monash University  
Annual Report 2012**

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# Annual Report 2012

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# Overview

## Letter to the Minister for Higher Education and Skills Participation

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

Friday, 18 January 2013

Dear Minister,

In accordance with the requirements and regulations under the Financial Management Act 1994, I submit for tabling in the Victorian Parliament the Annual Report of Monash University for the year ending 31 December 2012.

This report was approved by the Monash University Council on Wednesday 20 March 2013.

2012 was a decisive year in Monash's mission to become a truly global university, offering our students an education with an international footprint and conducting research that sits comfortably alongside the best in the world.

It was the year we became the first Australian university, and only the third foreign university, to be granted permission to operate within the Chinese higher education system. Our landmark partnership with China's Southeast University (SEU) gives Monash a presence on the ground in one of the world's largest economies.

It was also the year that we began to put flesh on the bones of our depth alliance with Warwick University. This arrangement, which is the first of its kind in the university world, is akin to the code-sharing arrangements in the airline industry, significantly extending each partner's global reach and offering international opportunities for our staff and students.

All of this takes place in a difficult financial environment. The high Australian dollar continues to put pressure on our ability to attract students. And although our revenue is holding steady, the costs of doing business are growing.

In response we have undertaken an extensive program to both seek out new sources of revenue and minimise our operating expenses. I am confident that, with these processes in train and the international student market already showing signs of recovery, Monash is in a strong position going forward.

None of our success would be possible without the ongoing hard work of Monash staff, students and members of Council. I would like to take this opportunity to acknowledge just how crucial they have been, and will continue to be, to our ongoing success.



Dr Alan Finkel AM  
Chancellor

## Vice-Chancellor's statement

The year 2012 saw Monash decisively articulate its vision for the future. Over the course of the year, we developed Monash: The Next Ten Years, a top-level strategic plan. It outlines what Monash will need to be if it is to best serve our students, our staff and our nation, and lays out a roadmap for getting there. We also made significant progress towards realising that vision.

Within the decade, we aim to make Monash a truly global university. By that we mean not just a university with a global footprint, but a university of global importance, producing the most sought-after graduates and the highest quality research.

Our new Joint Graduate School and Research Institute in Suzhou, China, is a key plank in that strategy. Although the initial agreement was only signed in April 2012, by the end of the year we had four Masters programs operating. The Graduate School will accept 350 masters students and 150 PhD candidates each year, building to a capacity of more than 1400 by 2017.

We continued our upward trajectory in the University rankings, for the first time rating in the top 100 world universities in the Times Higher Education Supplement Rankings, improving 14 places on 2012 to reach 137th in the Shanghai Jaio Tong AWRU, and finishing at 61 in the QS rankings.

This is a reflection of our continued focus on improving the quality of both our research and education.

Monash: The Next Ten Years also sets out an intention to revolutionise student learning. This is progressing in both great strides and smaller steps. The great strides include the design of technically innovative learning spaces and the development of our emerging Blended Learning Model, which brings together the best online and on-campus pedagogies. The smaller – but no less important – steps entail things like our continued focus on improving the quality of our degrees and the educational experience of all students. In 2011 we worked to redress the industry-wide bias towards career progression via research over education by an Education Focussed career track, with equal standing to a research-focussed career path. In 2012 we built on that work by increasing the number of education-focussed roles to 192, well on the way to meeting our notional target of 10 per cent of academic staff. We have also implemented a cultural awareness program for staff and students to ensure that the university meets the needs of all its student body, which includes more than 21,000 international students.

We continue to take seriously our responsibility to ensure our students are successful, both professionally and in the sense of being responsible citizens. To the former end, we have strengthened our focus on developing our undergraduates' research skills by embedding a Research Skill Development Framework across our bachelor degrees. To the latter, we have continued to engage with NGOs, including Oxfam Australia and World Vision, to create new opportunities for our students.


Monash: The Next Ten Years makes explicit our aim to be within the strongest universities in the world within ten years. In 2012 Monash achieved a 'world standard' rating in every discipline in the Excellence in Research Australia results. We also achieved outstanding results in national competitive grants, ranking second in Australia in both the NHMRC and ARC grants. We recruited several top-flight researchers to the university through programs within our Talent Enhancement Strategy initiative, and identified the next tranche of high-performing researchers for our Monash Research Accelerator program. We continued to improve and differentiate our research training programs with the establishment of the Monash Institute of Graduate Research.

2012 was also a successful year from a social justice perspective, with continued implementation of the Social Inclusion Strategy developed in 2010. The Yulendj Indigenous Engagement Unit developed and implemented a number of successful initiatives to ensure all our Australian campuses provide a culturally safe and welcoming environment for Indigenous students, staff and visitors. Our strong relationships with schools across Victoria, along with our strong TAFE pathways gave us a postcode-based LSES access rate of 13.88 per cent, just shy of the 14 per cent target.

None of this work can take place without a strong financial foundation. We recorded an operating result of \$77.9m (excluding subsidiaries), enrolling a total of 53,393 students across our Berwick, Caulfield, Clayton, Gippsland, Parkville and Peninsula campuses.

Looking ahead, it is expected that the University will continue to encounter increasing financial pressures. Our response has been two-pronged: to actively seek out new sources of income through engagement with industry and to reduce our overheads by eliminating red tape and simplifying our processes.

Although we have made a strong start on realising the vision articulated in Monash: The Next Ten Years, there remains much to do to bring it to fruition. For this, the senior management team will rely upon the skills of our talented and hardworking professional and academic staff. I would like to acknowledge their efforts so far, and thank them for their contribution in the years to come.



Professor Ed Byrne, AO  
Vice-Chancellor and President



## Report of members of Monash University Council

The Councillors of Monash University present their report together with the consolidated financial statements for the year ended 31 December 2012.

### Establishment, objectives and principal activities

Monash University was established under an Act of the Victorian Parliament on 30 May 1958. A body politic and corporate under the name "Monash University", it had perpetual succession, a common seal and was capable in law of suing and being sued. The responsible minister in the Victorian Parliament was the Minister for Higher and Education Skills, Hon. Mr Peter Hall, MLC.

The objectives of the University, as stated in section 5 of Division 1 of the Monash University Act 2009 include:

- (a) to provide and maintain a teaching and learning environment of excellent quality offering higher education at an international standard
- (b) to provide vocational education and training, further education and other forms of education determined by the University to support and complement the provision of higher education by the University
- (c) to undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and to apply those matters to the advancement of knowledge and to the benefit of the wellbeing of the Victorian, Australian and international communities
- (d) to equip graduates of the University to excel in their chosen careers and to contribute to the life of the community
- (e) to serve the Victorian, Australian and international communities and the public interest by:
  - (i) enriching cultural and community life
  - (ii) elevating public awareness of educational, scientific and artistic developments
  - (iii) promoting critical and free enquiry, informed intellectual discourse and public debate within the University and in the wider society.
- (f) to use its expertise and resources to involve Aboriginal and Torres Strait Islander people of Australia in its teaching, learning, research and advancement of knowledge activities and thereby contribute to:
  - (i) realising Aboriginal and Torres Strait Islander aspirations
  - (ii) the safeguarding of the ancient and rich Aboriginal and Torres Strait Islander cultural heritage.
- (g) to provide programs and services in a way that reflects principles of equity and social justice
- (h) to confer degrees and other awards
- (i) to utilise or exploit its expertise or resources, whether commercially or otherwise.

The governing authority of the University was the Monash University Council, which was advised by its subordinate standing committees, other boards and committees, the Vice-Chancellor and senior officers of the University. The principal activities of Monash University in 2012 were the provision of post-secondary education and the undertaking of innovative research across a wide range of disciplines on campuses at Berwick, Caulfield, Clayton, Gippsland, Parkville and Peninsula, at international campuses in Malaysia and South Africa and at a European centre in Prato, Italy. In addition, the University had more than 100 bilateral institutional links that enabled academic and research collaboration and student exchange programs. It also provided courses to off-campus students.

Faculties of the University were: Art Design & Architecture; Arts; Business and Economics; Education; Engineering; Information Technology; Law; Medicine, Nursing and Health Sciences; Pharmacy and Pharmaceutical Sciences; and Science. Each provided undergraduate and postgraduate qualifications. In addition to the faculties, a range of centres expressed the research interests of staff members and provided specialised nuclei for postgraduate and some undergraduate study. Many of these acted as a focus for

interdisciplinary research. The work of the University was expanded and supported by affiliated institutions, which cooperated in various ways with teaching and research courses at Monash.

### Members of Council

The following persons were members of Monash University Council during 2012.

#### ◆ Chancellor

Dr Alan Finkel AM, BE, PhD *Monash*, FTSE FIE Aust

Dr Finkel is a respected engineer, entrepreneur and philanthropist. He was appointed Chancellor of Monash University in 2008. Dr Finkel completed his undergraduate and doctoral studies in engineering at Monash University before serving for two years as a neuroscience research fellow at the John Curtin School of Medical Research at The Australian National University. In 1983, Dr Finkel established Axon Instruments, a supplier of electronic and robotic instruments and software for use in cellular neuroscience, genomics and drug discovery. In 2000 Axon was listed on the Australian Stock Exchange. It was acquired by the US firm Molecular Devices Corporation in 2004. Post Axon, Dr Finkel co-founded COSMOS and G magazines to promote science awareness and sustainability, led the establishment of the Australian Course in Advanced Neuroscience, fostered initiatives to reinvigorate secondary school science education, and co-founded a company distributing educational toys and books for children.

Dr Finkel is a Fellow and President-elect of the Australian Academy of Technological Science and Engineering (ATSE). He formerly held governance roles at the ATSE Clunies Ross Foundation in child-abuse research and medical research. Dr Finkel currently serves as the CEO of Stile Education Pty Ltd and as the Chairman of the Australian Centre of Excellence for All-Sky Astrophysics. Dr Finkel is Chair of the following sub-committees of Council: Estates Committee, Executive Committee, Honorary Degrees Committee, Membership Committee, Selection and Remuneration Committee. He is also a member of the Resources and Finance Committee.

#### ◆ Vice-Chancellor and President

Professor Ed Byrne AO, BMedSc, MB, BS(Hons), MD *Tas.*, MBusAdm *Qld./ME*, DSc *Melb*, DipClinSc *Adel.*, FTSE, FRACP, FRCP Edinburgh, FRCP London

Professor Byrne has had an active career in clinical neurology and basic neurological research. He received his MB BS with 1st Class Honours from the University of Tasmania in 1974. He moved to Adelaide the following year and was appointed the Neurology Registrar at Royal Adelaide Hospital in 1977. From 1980 to 1982, he was the Muscular Dystrophy Research Fellow at Queen Square in London. In 1983, he returned to Australia to take up an appointment as the Director of Neurology at St Vincent's Hospital, Melbourne, and from 1992 was Professor/Director.

Professor Byrne was awarded a Doctor of Science by the University of Melbourne in 1995. He was the Founding Director of both the Melbourne Neuromuscular Research Institute and of the University of Melbourne Centre for Neuroscience, and Professor of Experimental Neurology at the University of Melbourne. As Director, Centre for Neuroscience, he played a major role in driving the establishment of Neurosciences Victoria and Neurosciences Australia. He is currently a member of the boards of BUPA Pty and Cochlear Pty Ltd and immediate past Editor-in-Chief of the Internal Medicine Journal.

Professor Byrne is a member of the Neuromuscular Steering Group of the World Federation of Neurology. He was Secretary-General and Chair of the program committee of the 9th International Neuromuscular Congress. He has served as a Governor of BHP Billiton Charitable Medical Research, and on the board of the Monash Institute of Medical Research Southern Health and the UCLH Hospital Trust London. He was awarded the Queen's Square Prize for Neurological Research (1982), the Bethlehem Griffiths Research Medal (2003), the Sir Louis Pyke Award for contribution to Multiple Sclerosis (2004), the John Sands Medal of the Royal Australian College of Physicians (2005) and the Graeme Robertson award by the Australian Association of Neurology (2010).



Professor Byrne was Dean of the Faculty of Medicine, Nursing and Health Sciences, Monash University, from 2003 to 2007, then Executive Dean of Biomedicine, University College London, Head of the Royal Free University College Medical School and Vice-Provost, University College London from 2007 to 2009. He commenced as Vice-Chancellor and President of Monash on 6 July 2009. Professor Byrne is a member of the following sub-committees of Council: Estates Committee, Executive Committee, Honorary Degrees Committee, Resources and Finance Committee, Selection and Remuneration Committee.

#### ◆ President of the Academic Board

**Professor John Sheridan, BE *Melb*, MEngSci PhD *Monash***

Professor Sheridan is Professor of Fluid Mechanics, Department of Mechanical and Aerospace Engineering; Deputy Dean, Faculty of Engineering; and President of the Academic Board, commencing 26 March 2011.

Professor Sheridan's previous appointments include: Chairman of Department of Mechanical and Aerospace Engineering; Executive/Deputy Chair of University Research Committee Monash University; Associate Dean for Research, Faculty of Engineering.

Professor Sheridan is the current holder of the named chair in Fluid Mechanics at Monash University. He has been a Chief Investigator on National and International Competitive Grants with a total granted value in excess of \$6.8 million. He has supervised the theses of more than 20 PhD students and is responsible for a number of laboratories, including the Monash University Wind Tunnels. His research ranges from very fundamental studies of wake instabilities to work closely linked to industries and institutions on topics such as wind turbines and the aerodynamics of the Australian Olympic cycling team. He has been a reviewer for journals and granting agencies internationally and chaired the National High Performance Computing facility's Merit Allocation Scheme for five years. He is currently an Associate Editor of the *Journal of Fluids and Structures*. He was recently inducted as an inaugural member of the University's Research Honour Roll. Professor Sheridan is a member of the following sub-committee of Council: Honorary Degrees Committee.

#### ◆ Three persons elected by and from the staff of Monash University

**Professorial staff member (term ended 30 June 2012)**

**Professor Pat Vickers-Rich, BA *UC Berkeley*, MA PhD *CU New York***

Professor Vickers-Rich was a member of Council from 2010. She holds a Personal Chair in Palaeontology in the School of Geosciences and is the Founding Director of the Monash Science Centre, established in 1992. Professor Vickers-Rich's interests lie in palaeoenvironmental research and early childhood education in the sciences. Professor Vickers-Rich is an elected member of the Explorers Club in New York and a Research Associate of the Paleontological Institute, Russian Academy of Science. In 2012 she was elected Chair of the UNESCO International Geosciences Program (IGCP) based in Paris and led her third expedition into Central Saudi Arabia exploring the climatic events of 600 million years ago that resulted in the explosive radiation of the Kingdom Animalia.

**Non-professorial academic staff member**  
**Dr Carol Williams, BMus(Hons) PhD *Adel*.**

Dr Williams has been a member of Council since 2005. She is a Senior Lecturer in the School of Philosophical, Historical and International Studies at Monash and an associate of its Centre for Medieval and Renaissance Studies. Dr Williams is a member of the following sub-committee of Council: Membership Committee.

**General staff member**

**Mr Jeffrey Bender, BEc, DipEd *Monash*, GradDipLib *Melb.*, CAE MLib *Monash***

Mr Bender has been a member of Council since 2007 and is a Project Manager in the Office of the Deputy Vice-Chancellor (Education) and past President, Monash University Branch, National Tertiary Education Union. Mr Bender is a member of the following sub-committees of Council: Executive Committee, Resources and Finance Committee.

#### ◆ Two persons elected by and from the students enrolled at Monash University

**Undergraduate student member**

**Ms Imogen Sturni**

Ms Imogen Sturni became a member of Council in 2011 and is currently completing a Bachelor of Arts at the Monash Clayton Campus. Ms Sturni was the 2011 President of the Monash Student Association and chair of the Monash Student Council. She has also previously served as the Education Officer of the Monash Student Association. Through these roles Ms Sturni has sat on a number of University committees, including the Monash Student Engagement Forum and the Senior Management Team – Social Inclusion meetings. Ms Sturni has also served on the National Union of Students (NUS) National Executive, and through this sat on the NUS National Budget Committee. Ms Sturni is a member of the following sub-committee of Council: Resources and Finance Committee.

**Postgraduate student member**

**Mr Gen Li**

Mr Gen Li became a member of Council in 2011 and is currently completing a Master of Business Law. In 2007 he completed a Bachelor of Commerce at Deakin University, majoring in Accounting.

Since 2009, he has been a Director of 2Future Education, a tutoring service providing academic assistance to international students. During his time at university, Mr Li has been actively involved in advocacy for international students. In particular, he has pursued volunteer work with several Chinese Australian community groups.

He is an advisor to the Springvale Mandarin Network and the Box Hill Jingsong Senior Club. Mr Li is also Treasurer of the Victorian chapter of the Chinese Community Council of Australia. In December 2010 he was elected Ethno-cultural Officer of the National Union of Students.

#### ◆ Appointed Councillors

**Ms Lesley Boston, BA Dip Ed *Melb.*, MACE**

Ms Boston has been a member of Council since 2004. Ms Boston was Principal of MacRobertson Girls High School from 1996 to 2004 and Mentone Girls' Secondary College from 1989 to 1996. A past President of the Association of Girls' State Secondary Schools of Victoria and Vice-President of the Alliance of Girls' Schools of Australasia, she is an Honorary Life Member of the Alliance, a Member of the Australian College of Educators and a former Honorary Judge of the Melbourne Awards.

Ms Boston is an Advisor to ANZ Trustees for the Mary Jane Lewis Scholarship Fund and a Board Member of the Lyceum Club of Melbourne. Ms Boston was President of Convocation, University of Melbourne, from 2004 to 2010 and a member of the Committee of Convocation from 1992 to 2010. Ms Boston was a member of the University of Melbourne Honours Committee, the University Relations and Student Support Committees as well as the Student Theatre Board. Ms Boston is a member of Monash University's Special Professorial Promotions Committee. Ms Boston is a member of the following sub-committees of Council: Membership Committee, Selection and Remuneration Committee.

**Ms Heather Carmody, BSocSc, Grad-DipHlthSc *CU*, GradDipOrgnDev *RMIT*, MAICD**

Ms Carmody has been a member of Council since 2010. She is currently a Principal Consultant with Nous Group, who provide expertise in strategy, public policy, leadership and management development, organisational and information driven change, information management and knowledge sharing.

Ms Carmody is a member of the Rhodes Scholarship Selection Committee (Victoria).

Ms Carmody was a member of the University of Western Australia Senate, Deputy Chancellor at RMIT University, a member of the boards of the Western Australian Council of Social Services, the Queen Elizabeth Jubilee Trust (Western Australia), and the NRMA Advisory Board (Victoria). She has also sat on the Alfred Hospital Ethics Committee, the Minister for Workplace Relations' Industry Advisory Board on Work Choices, the RMIT Graduate Business School Advisory Committee, the AGSM Graduate School of

Business Advisory Committee, and the Federal Government's Affirmative Action Legislation Review Committee.

Ms Carmody is a member of the following sub-committees of Council: Resources and Finance Committee, Honorary Degrees Committee.

**Dr Leanne Rowe AM, MB BS MD Monash, FRACGP, FAICD**

Dr Rowe has been a member of Council since mid 2005 and commenced as Deputy Chancellor in 2007. A past Chair of the Royal Australian College of General Practitioners and past board member of Barwon Health, Dr Rowe has extensive expertise in governance, finance, human resources, quality, research and ethics. Dr Rowe is a medical practitioner who operates a general practice, is currently on the boards of Medibank Private, IMED Australia and the Medical Indemnity Protection Society, and is an author published by Allen and Unwin and McGraw Hill. Dr Rowe is a member of the following sub-committees of Council: Executive Committee, Honorary Degrees Committee, Resources and Finance Committee, Selection and Remuneration Committee.

**Dr John Zillman AO, BA BSc(Hons) Qld., MSc Melb., PhD Wisc., HonDSc Monash, FAA, FTSE, FAIP, FAIM, FIPAA (term ended 30 June 2012)**

Dr Zillman was a member of Council from 2005. Dr Zillman was the President of the Australian Academy of Technological Sciences and Engineering from 2003 to 2006 and President of the National Academies Forum from 2005 to 2006. He was President of the International Council of Academies of Engineering and Technological Sciences in 2005.

From 1978 to 2003, Dr Zillman was Commonwealth Director of Meteorology and President of the World Meteorological Organisation from 1995 to 2003. From 2009 to 2012, he served part-time as a Vice-Chancellor's Fellow at the University of Melbourne. Dr Zillman was a member of the following sub-committees of Council: Honorary Degrees Committee, Membership Committee.

**Mr Yehudi Blacher, PSM, BA(Hons), MA, FIPAA (Victoria)**

Mr Blacher has been a member of Council since 2008. He was the Secretary of the Victorian Department of Planning and Community Development from 2007 until his retirement in September 2011. From 2002 to 2007 he was Secretary, Department for Victorian Communities. Mr Blacher is currently the Chair, Port of Hastings Development Authority; Deputy Chair, Victrak; National Vice President, Institute of Public Administration Australia and is an Advisory Council Member of The Centre for Social Impact. He was the Regional Secretary (Asia-Pacific) of Metropolis, the World Association of Major Metropolises from 2007 to 2011. Mr Blacher has served on a number of boards including Jewish Care and the M2006 Corporation. He has also been the Victorian government representative on numerous intergovernmental committees. Mr Blacher is a member of the following sub-committees of Council: Audit and Risk Committee, Estates Committee, Membership Committee, Resources and Finance Committee.

**Ms Louise Adler, BA(Hons) Reading, MA MPhil Columbia**

Ms Adler has been a member of Council since 1999 and commenced as Deputy Chancellor in 2010. She is the Chief Executive Officer and Publisher-in-Chief of Melbourne University Publishing, Chair of Methodist Ladies College and a board member of the Melbourne International Arts Festival, Australian Centre for Contemporary Art and the Australian Publishers Association. Ms Adler is a member of the following sub-committees of Council: Executive Committee, Membership Committee, Selection and Remuneration Committee.

**Mr Shane Buggle, DipProfAcc, BComm Ireland, FCPA, FCA Ireland, FCA Aust.**

Mr Buggle has been a member of Council since 2007. He is Deputy Chief Financial Officer, Australia and New Zealand Banking Group Limited. Mr Buggle is Chair of the Resources and Finance Committee, a sub-committee of Council and is a member of the Executive Committee.

**Mr Ian Nethercote, DipMEng, FIE Aust., CPEng, FAICD, FAIM**

Mr Nethercote has been a member of Council since 2008. He began his career in the electricity industry in 1976 and has held a number of key strategic and line management positions within the industry, particularly during the reform of the electricity industry and in the

formulation and establishment of the competitive electricity market and associated rules. Prior to his appointment as Chief Executive of Loy Yang Power in February 1999 he held the position of Director, Operations and Marketing. He has played a key role in contributing to the future direction of the industry through his active involvement and participation in the Energy Supply Association of Australia and the National Generators Forum.

Up until his recent retirement at the end of June 2012 Mr Nethercote was Chairman of Loy Yang Marketing Management Company, a member of MTE Research Pty Ltd, the CSIRO Energy Futures Forum and the Energy and Transport Sector Advisory Council. Mr Nethercote is a registered assessor for the National Association of Testing Authorities in the field of mechanical lifting equipment. He was awarded AIM Manager of the Year in April 2005 and the Sir Willis Connolly Medal in 2010 for his outstanding contributions to the mining and energy industries. He is Chairman of the Monash University Gippsland Advisory Council and an active member of several Monash University committees. He is also a member of the State Government's Gippsland Tertiary Education Council. Mr Nethercote is a member of the following sub-committees of Council: Audit and Risk Committee, Estates Committee.

**Dr Christine Nixon, APM DipLabRel&Law Syd., BA Macq., MPA Harv., HonDLitt Woll., HonLLD Monash, Hon Phd Macq., Hon Phd Ballarat., FAIPM, FAIM, FIPAA**

Dr Nixon has been a member of Council since 2009 and is the Chair of Monash College Pty Ltd. Dr Nixon currently lectures at various institutions and is a well known public speaker. Until July 2010 Dr Nixon was the Chair of the Victorian Bushfire Reconstruction and Recovery Authority, overseeing the largest recovery and rebuilding operation undertaken in Victoria. Prior to joining the Authority, Dr Nixon was the Chief Commissioner of Victoria Police, leading a staff of 14,000 working across more than 500 locations. She joined Victoria Police in April 2001, after serving with the New South Wales Police from 1972. Dr Nixon is Chair of Good Shepherd Microfinance, a member of the Advisory Board of the Alannah and Madeline Foundation and patron, Operation Newstart Victoria and the Phoenix Club Inc. Dr Nixon is a member of the Monash Foundation and of the following sub-committee of Council: Honorary Degrees Committee.

**Mr Ian Pyman, BJuris LLB Monash**

Mr Pyman has been a member of Council since mid 2005 and commenced as Deputy Chancellor in 2010. Mr Pyman is a principal of Business Redirections, a firm of business and legal consultants. He is also a consultant to clients of the Melbourne legal firm of Donaldson Trumble Lawyers in matters of corporate and commercial law and corporate governance, and works on a part-time basis as the legal counsel to the Royal Victorian Eye & Ear Hospital. Mr Pyman's experience includes advisory roles to the directors of public and private companies in relation to matters of governance and liability, and to the management teams of government-owned enterprises.

Mr Pyman was previously a partner at Allens, one of Australia's largest legal firms, for nearly 20 years, including a period as the Staff Partner in the 1990s. He has also been a non-executive director of both ASX-listed and private companies over many years.

Mr Pyman is a past Chairman of Brainwave Australia, a charity supporting children with neurological disorders, and of the Monash Law School Foundation. He has also been a member of the advisory council to Monash University's Gippsland campus for several years. Mr Pyman is Chair of the Audit & Risk Committee, a sub-committee of Council, and is a member of the Membership and the Selection and Remuneration Committees.

**Mr Tony Calder – Secretary to Council**

◆ **Membership of Audit and Risk Committee**

**Mr Ian Pyman (Chair), BJuris LLB Monash**

**Mr Yehudi Blacher, PSM, BA(Hons), MA FIPAA (Victoria)**

**Mr Paul Kirk, BEc Monash CPA**

**Professor Kim Langfield-Smith, DipFinMgt UNE, BEc Syd., MEC Macq., PhD Monash, FCPA**

**Mr Ian Nethercote, DipMEng FIEAust CPEng FAICD FAIM**

In attendance:

Professor Ed Byrne AO, BMedSc, MB, BS(Hons), MD *Tas.*,  
MBA, MBusAdm *Qld./ME*, DSc *Melb*, FRACP, FRCP *Edinburgh*, FRCP  
*London*

Dr Alan Finkel AM, BE, PhD *Monash*, FTSE FIE *Aust*

Mr Peter Marshall, BEc *Monash*, CAHRI

Mr David Pitt, BSc(Hons) BA *Melb.*, MBusAdm *RMIT*, FAICD

Mr Peter Dwyer – Secretary to Audit and Risk Committee

## Meetings of members

The table below sets out the number of Council and Committee meetings held during the year ended 31 December 2012 and the number attended by each Councillor:

Councillor	Years served on council	Council		Executive Committee		Resources and Finance Committee		Membership Committee		Selection and Remuneration Committee		Audit and Risk Committee		Honorary Degrees Committee		Estates Committee	
		Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Dr A Finkel	5	11	11	0	0	7	6	2	2	3	3			2	2	3	3
Dr L Rowe	8	11	8	0	0	7	7			3	1			2	2		
Professor E Byrne	4	11	11	0	0	7	7			3	2			2	2	3	3
Professor J Sheridan	1 yr 9 mth	11	11											2	2		
Ms L Adler	14	11	8	0	0			2	2	3	3						
Mr J Bender	6	11	10	0	0	7	5										
Mr Y Blacher	5	11	11			7	6	2	2			4	3			3	1
Ms L Boston	9	11	9	0	0			2	2	3	2						
Mr S Buggle	6	11	10	0	0	7	7										
Ms H Carmody	3	11	11	0	0	7	6							2	2		
Mr I Nethercote	5	11	9									4	3			3	2
Ms C Nixon	4	11	10														
Ms I Sturni	2	11	9			7	7										
Mr G Li	2	11	7														
Mr I Pyman	8	11	10					2	2	3	3	4	4	2	2		
Professor P Vickers-Rich	2 yr 6 mth	4	2														
Dr C Williams	8	11	10					2	2								
Dr J Zillman	7 yr 6 mth	4	4					1	1								

## Subcommittees of Council

Under delegation from Council, Executive Committee can exercise all of the powers, authorities, duties and functions of the Council (other than the power of delegation and the power to make statutes) during the periods between the ordinary meeting of Council on any matter that either the Chancellor or a Deputy Chancellor has certified in writing is of such urgency that it ought not to await consideration by the Council at its next meeting.

The Audit and Risk Committee is responsible for strengthening the University's control environment and for assisting Council to discharge its stewardship, leadership and control responsibilities. Its primary functions are to promote accountability, support measures to improve management performance and internal controls, oversee the internal audit function and ensure effective liaison between senior management and the University's external auditors.

The Estates Committee is responsible for ensuring that the image and identity, sustainability, aesthetics, space requirements and financial strategy of Monash University are appropriately considered in all aspects of the University's built environment and property development.

The Honorary Degrees Committee considers proposals for the conferring of honorary degrees.

The Membership Committee is responsible for the selection and the performance assessment of Council members.

The Resources and Finance Committee oversees the physical and financial resources of the University.

The Selection and Remuneration Committee oversees policy for the recruitment and appointment of senior staff, including involvement of Council in the selection and appointment of senior staff and quality assurance relating to the integrity and probity of the University's remuneration policies and practices.

## Senior Officers

- ◆ **Chancellor**  
Dr Alan Finkel AM, BE, PhD *Monash*, FAATSE FIE Aust
- ◆ **Deputy Chancellors**  
Ms Louise Adler AM, BA(Hons) *Reading*, MA MPhil *Columbia*  
Mr Ian Pyman, BJuris LLB *Monash*  
Dr Leanne Rowe AM, MB BS *Monash*, DipRACOG, FRACGP, FAICD
- ◆ **Vice-Chancellor and President**  
Professor Ed Byrne AO, BMedSc, MB, BS(Hons) MD *Tas.*  
MBA *Qld./ME*, DSc *Melb.*, FRACP, FRCP Edinburgh, FRCP London
- ◆ **Provost and Senior Vice-President**  
Professor Edwina Cornish, BSc(Hons) PhD *Melb.*, FTSE FAIM
- ◆ **Deputy Vice-Chancellor (Education)**  
Professor Adam Shoemaker, BA(Hons) *Queen's*, PhD *ANU*

- ◆ **Chief Operating Officer and Senior Vice-President (Administration)**  
Mr Peter Marshall, BEc *Monash*, CAHRI
- ◆ **Chief Financial Officer and Senior Vice-President**  
Mr David Pitt, BSc(Hons) BA *Melb.*, MBusAdm *RMIT*, FAICD

### Insurance of officers

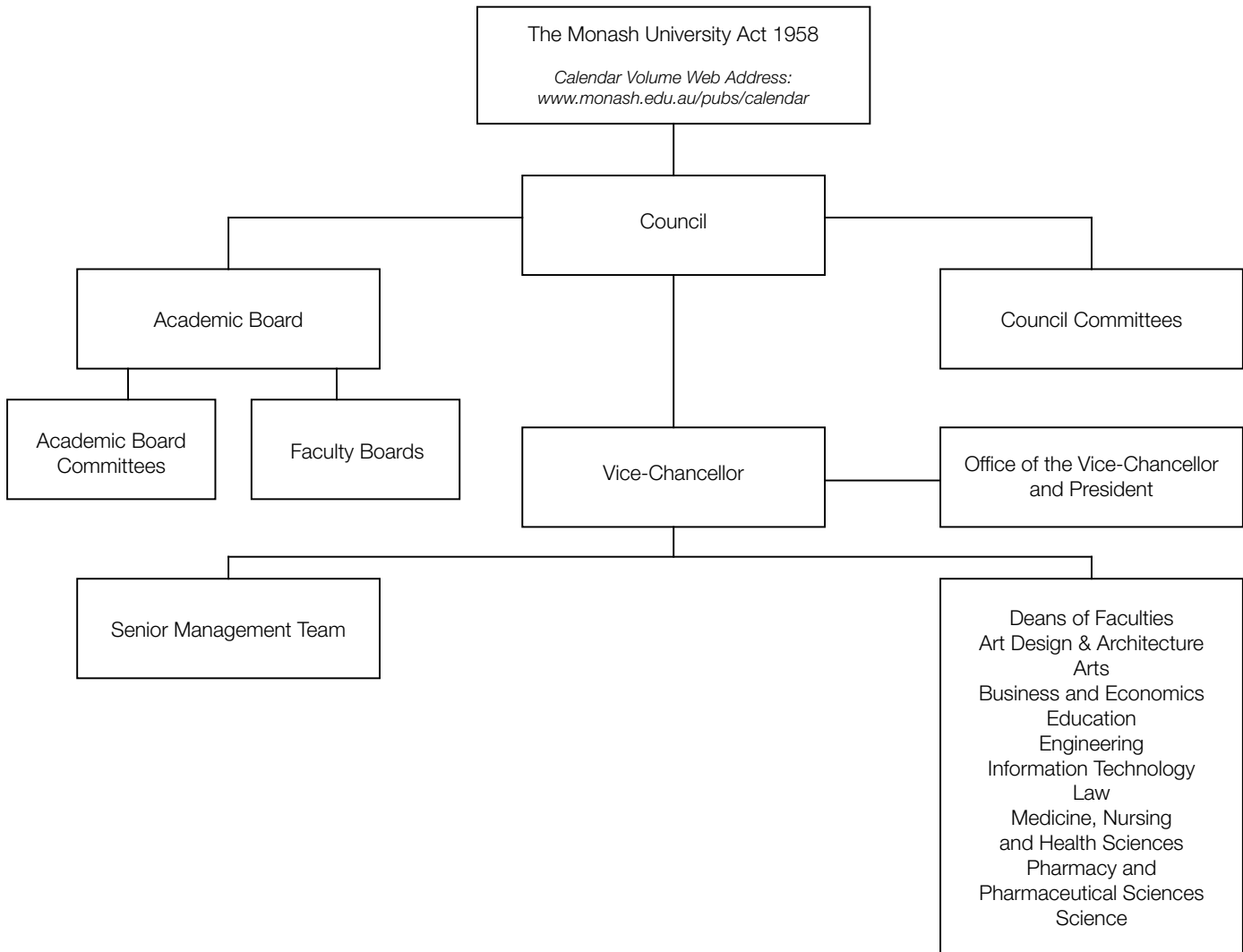
During the reporting period, the University incurred a premium for maintaining a Directors' and Officers' Liability/Company Reimbursement Insurance Policy for Council members and senior officers.

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

Dr Alan Finkel AM  
Chancellor

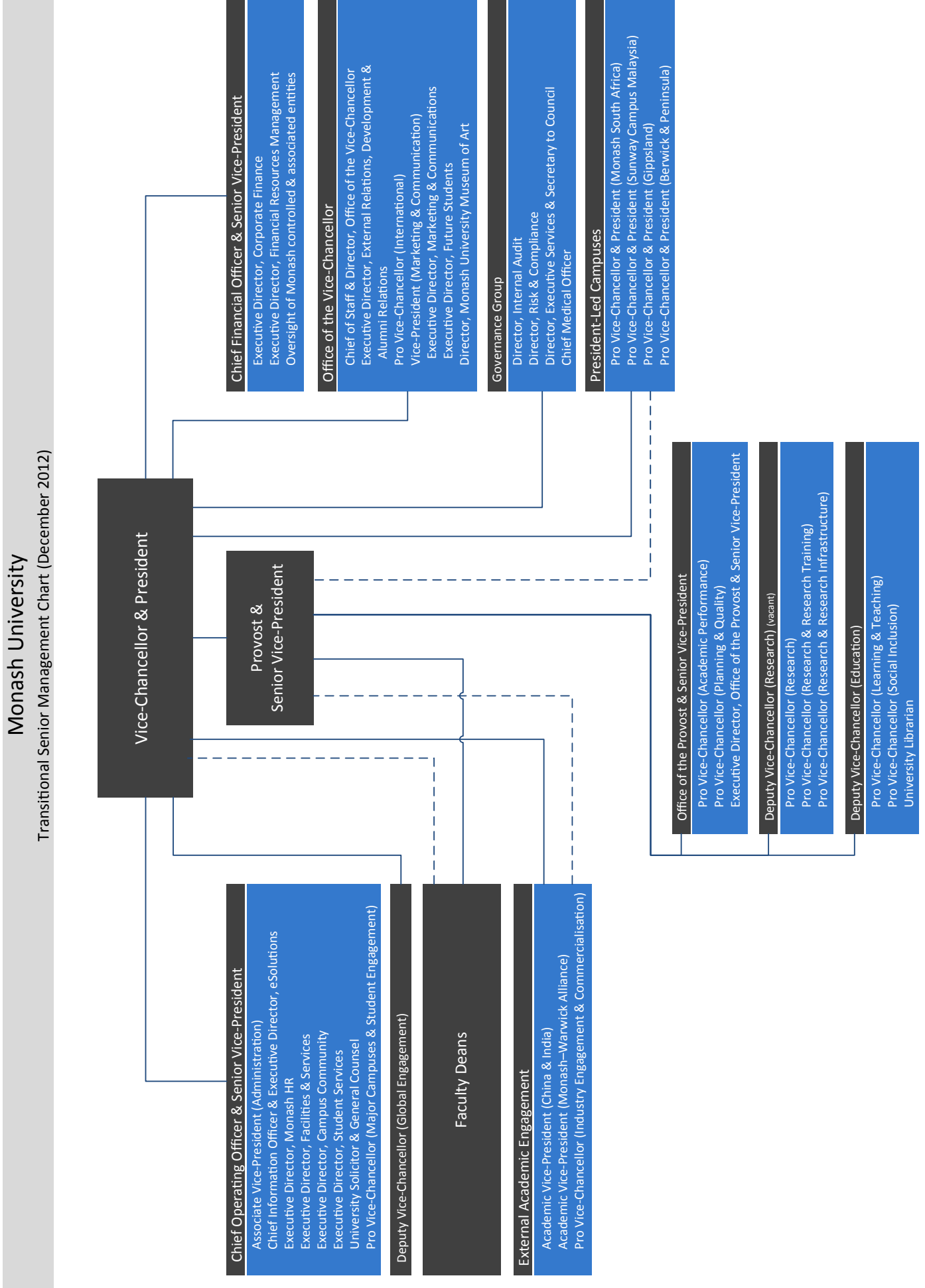
## Organisational charts

### Overall governance and management





# Senior management structure



ABC	40.31	40.30	39.25	39.87	84588
ABI	186.9	187.2	182.	185.37	270455
ABK	41.57	41.67	3354	41.55	22058
ABT	34.7	34.78	41.22	34.45	20351
ACAS	3.05	3.07	34.45	3	82010
ACE	55.95	57.04	2.91	55.73	72491
ACS	31.6	31.8	55.47	31.22	25885
ADBE	59.74	60.66	31	60.29	22277
ADI	53.01	54.5	59.58	54.18	13804
ADM	43.75	44.21	53.01	43.53	54050
ADP	35.32	35.54	43	35.19	68940
ADSK	39.72	39.78	34.68	38.42	117550
EE	42.83	43.43	38.08	43.1	25437
HEP	40.65	41.2	42.77	40.58	32582
AES	45.17	45.31	38.98	44.49	12462
AET	42.2	42.52	44.37	42.23	32872
FL	19.6	19.86	19.05	19.05	38017
ABN	45.47	45.94	19.05	45.65	30342
GO	61.9	61.9	61.25	61.25	25777
AIH	56.98	57.99	55.26	57.61	30781
AK	38.01	38.01	38.01	38.01	25423
AKEN	39.02	39.28	35.75	39.95	9525
ALL	68.83	69.76	38.35	69.18	10770
ALDR	38.95	39	68.81	37.93	60702
AMAT	51.13	51.5	37.29	50.59	55270
AMD	23.23	23.26	50.18	22.98	41760
AMGN	19.45	19.55	22.63	18.95	20700
AMP	6.83	6.87	18.78	6.81	15700
AMT	44.48	44.5	6.72	44.15	20780
AMZN	46.37	47.31	43.83	46.46	21500
AN	45.2	45.42	45.3	44.82	30700
ANF	80.71	81.83	44.07	80.11	11700
ROC	15.35	15.41	79.28	15.3	70700
APR	70.55	70.55	15.34	69.82	40700
APC	46.73	45.88	67.41	46.46	20700
APD	135.41	136.44	46.29	130.91	10010

# Core business: education, research, global engagement

## Operational objectives and initiatives

### Education

#### Introduction

In 2012 Monash University maintained its focus on improving and developing the quality of its degrees and the educational experience of all students. The 2012 Education Portfolio Annual Plan facilitated delivery of the highest quality learning and teaching, the highest quality courses, keenly-sought skilled graduates and the highest quality student experience.

The 2012 Education Portfolio Annual Plan approached these goals through four major objectives:

**Ensure excellence in learning and teaching through clear performance standards, targeted support and development, and an academic staffing profile that supports the strategic goals of the University.**

The development, recognition and reward of exemplary teaching continued to be a high priority. The University introduced its new Graduate Certificate of Academic Practice (GCAP), a flexible program designed to provide beginning-career academic staff with the skills required to be effective and innovative teachers, leaders and research supervisors in a modern university.

The University also increased the number of staff in education-focused roles to 192 (excellent progress towards the target of 10 per cent of the academic staff), ensuring the provision of a high standard of learning and teaching, educational design and delivery, and educational leadership.

A cultural awareness program for staff and students was developed and implemented to ensure that the University meets the needs of its student body, which includes more than 21,000 international students.

**Provide students with a comprehensive educational model that prepares them to be responsible and effective citizens and critical and creative scholars.**

Building on significant gains in the areas of curriculum renewal through streamlining course and unit offerings, new double-degree combinations, and the introduction of Depth units, Research Challenge units and Industry Linkage units, further improvements were undertaken with particular emphasis on ensuring successful employment outcomes for Monash graduates. The University's focus on developing the research skills of its undergraduate students was further strengthened by embedding a Research Skill Development Framework across bachelor degrees.

The University Library adopted a Research Skills Development Framework that ensures a consistent and systematic development of critical thinking and research skills by students as they progress through their degree. The Library worked with Faculties to embed the Framework within course curricula across the University.

The Monash Passport enabled students commencing their degree to enrol in a range of units that provided in-depth research experience for work experience and industry placement programs.

The University's strategy of engaging with key non-government organisations (NGOs) – including Oxfam Australia and World Vision – continued to reflect its statement of purpose. Monash also worked with its NGO partners to create new curricular and co-curricular opportunities for its students.

**Reform and renew the curriculum to attract, challenge and retain outstanding and diverse students.**

Student engagement with Monash encompassed their full life-cycle at university, from prior to commencing a degree, through to their progression into a career. Through its access and transition programs, the University ensured that students are supported in their ambitions to attend university and, once enrolled, to succeed in their studies. The importance of the University's access and transition programs will only increase given the increased diversity of its commencing students.

A range of activities in 2012 were implemented to ensure that outstanding students can enrol at Monash, irrespective of background:

- The Monash Extension program, which enabled high-achieving Year 12 students to study a pair of first-year university level subjects while completing Year 12.
- Gateway Scholars mentoring program for selected students entering Years 11 and 12 who show academic potential and come from families with limited experience in university studies. Each secondary school student was individually matched with a Monash University student. The program offered mentees support and a range of activities designed to inform secondary students about university study and career paths and to help them achieve their fullest potential.
- The Gippsland Access and Participation (GAP) program provided mentoring and tuition support for Indigenous and low socio-economic status students from regional and remote areas, particularly in the areas of maths and science. The program also connected and supported school teachers in the Gippsland region.
- The Indigenous Enabling Program was specifically designed to support Indigenous students to make a successful transition to university study.
- The Hands on Monash Camp (9–11 December) and the Indigenous Student Experience Day (17 May) both provided Indigenous secondary school students from across Victoria and southern NSW, from Years 10 to 12, with an experience of university life through a variety of interactive activities. Students lived on campus in student residences for the three-day camp. Both events are designed to raise the aspirations of Indigenous students and to encourage them to consider university study.
- The Australian Indigenous Mentoring Experience (AIME) program provided Indigenous students in Year 9 with a structured program designed to raise educational aspirations and build confidence and self-esteem. The program matched students with volunteer university student mentors. The program aims to increase Indigenous school retention and university admission rates.

Monash continued the expansion of its suite of programs designed to meet the diverse educational and social transitions needs of commencing students. This included:

- First in Family First Year Student Success Advisor program, through which current Monash students make telephone contact at key times to offer advice and support to the more than 2000 commencing undergraduate students who were the first in their families to have attended and deferred students.
- Peer Assisted Study Session (PASS) program, an academic mentoring program that employs successful 2nd- and 3rd-Year students to facilitate weekly group study sessions for students enrolled in key core compulsory 1st Year units.
- Indigenous Tutorial Assistance Scheme (ITAS) was available to current Indigenous students and provided assistance in the development of skills in academic writing, using the library, individual subject tutoring, and exam and essay preparation.
- Monash University and the University of Warwick (UK) created an alliance that established both as globally networked universities. Under the alliance, a number of joint postgraduate degrees have been developed for offer in 2013.
- Curriculum by Design, a major initiative in curriculum reform and renewal at unit and course level, combined the review of current offerings, the coordinated design of courses and physical and virtual learning spaces, and the re-engineering of reporting and administrative processes to support curriculum innovation and quality assurance.

**Invest in Blended Learning to enrich the face-to-face educational experience for students and academics.**

Technology-enabled blended learning has been developed to provide the highest quality learning and teaching experience for our students and staff. The Monash Blended Model (MBM) ensured that learning activities are undertaken in the mode most appropriate to the desired



learning outcomes. Some activities are best done face-to-face while others are more effectively done online, and the MBM integrates the best of both. This required significant and sustained investment by the University in four key areas: the physical learning environment (teaching and learning spaces), the virtual learning environment (online learning platforms), the personal learning environment (flexible, individualised online learning with immediate feedback on progress), and course and staff development. 2012 saw substantial achievements:

- The development of the Digital Education Strategy and the associated Virtual, Physical and Personal Learning Environment projects provided staff and students with more environmentally sustainable, intuitive, mobile and innovative learning and teaching opportunities, both on campus and online.
- Migration to the new Learning Management System, Moodle, was completed with approximately 20,000 users per day.
- The Connected Classrooms project saw technologically innovative learning spaces designed for the campuses at Berwick, Caulfield and Clayton, including a dedicated link with the University of Warwick.
- A Monash University smartphone app was created by one of our own computer science students, James Eunson. The app has been recognised by TheBestColleges.org website as the most innovative official university smartphone app in the world.

## Research

### Introduction

The University made clear progress this year towards our aspiration to provide world-class leadership in research, with particular success in National Competitive Grant Scheme funding, placing us as one of the leading universities nationally. Our investment in a suite of enabling strategies to support our Research Goals of Excellence, Relevance and Impact is providing significant returns, as demonstrated by the following major achievements.

In the Excellence in Research Australia (ERA) 2012 results, 75 per cent of our evaluated disciplines scored four or five at 2-digit Field of Research (FoR) level (up from 59 per cent in 2010), signifying performance above and well above world standard. One hundred per cent of our disciplines scored three and above at 2-digit FoR level (up from 77 per cent in 2010), placing all these research groupings at or above world standard.

Monash University achieved outstanding results in National Competitive Grants:

- Over \$86 million in grants and fellowships from the National Health and Medical Research Council (NHMRC). Monash led the country in project grants, taking more than \$68 million and ranked second overall in the Group of Eight with a total of 147 projects, fellowships and equipment grants.
- Over \$27 million from the Australian Research Council (ARC) Discovery Projects Scheme, ranking Monash second in Australia.
- Awarded the most ARC Discovery Outstanding Researcher Awards (DORA) in the country.
- Three ARC Laureate Fellowships.
- Fifteen ARC Linkage grants (success rate of 42 per cent, well above the national success rate of 37 per cent).

### Talent enhancement strategy

During 2012, Monash recruited 12 researchers to the University through programs within our Talent Enhancement Strategy (TES) initiative, with a further four commencing following recruitment in 2011. In addition, a group of 62 high-performing researchers across all disciplines at Levels B and C, who were identified as having future leadership potential, were welcomed into the Monash Research Accelerator (MRA). They will receive almost \$4.7 million over 2013–14, in the form of a personal incentive as well as research support, to undertake a program of work that will accelerate their careers.

The University's Talent Enhancement Strategy cohort was awarded one ARC Discovery Early Career Researcher Award, two NHMRC Career Development Fellowships, seven ARC Future Fellowships, two NHMRC Research Fellowships and two ARC Laureate Fellowships. In total, researchers supported by the TES initiative were awarded a total of nearly \$23.3 million in ARC and NHMRC grants during 2012.

## Research training

### Growth of the graduate research student cohort

Our Higher Degree by Research (HDR) student load increased by 3.1 per cent in 2012, ranking Monash third nationally. Significant growth occurred at the Malaysia (31.5 per cent) and Monash South Africa (65.1 per cent) campuses.

**Table 1: HDR Load 31 March 2011 – 31 March 2012**

Category of student	2012	2011	Growth	% Increase
Domestic	1966.7	1936.9	29.8	1.5%
International: Australia	946.2	928.8	17.4	1.9%
International: Malaysia	173.3	131.7	41.6	31.5%
International: Monash South Africa	11.7	7.1	4.6	65.1%
Total International	1131.2	1067.6	63.6	6.0%
Total	3097.9	3004.5	93.4	3.1%

In 2012 combined scholarship funding and related financial support for HDR students from Monash and the federal government was \$36.6 million, an increase of 8.7 per cent from the 2011 allocation.

**Table 2: Monash-funded programs – scholarships and awards: 2011–2012**

Program	2012 Budget	2011 Budget
Monash Graduate Scholarships	\$10,077,500	\$9,880,092
Monash International Postgraduate Research Scholarships	\$6,362,320	\$5,908,708
Postgraduate Travel Grants	\$350,000	\$300,000
Postgraduate Publications Awards	\$250,000	\$232,000
Total	\$17,039,820	\$16,320,800

Federal support has increased by 36.1 per cent since 2010, reflecting improved research performance.

**Table 3: Federal funding received for Monash HDR programs: 2011–2012**

Federal funded programs	2012 Allocation	2011 Allocation
Australian Postgraduate Awards	\$17,977,135	\$15,306,900
International Postgraduate Research Scholarships	\$1,599,448	\$1,540,833
Commercialisation Training Scheme	-	\$531,676
Total	\$19,576,583	\$17,379,409

*Note: There is no funding for CTS in 2012 as the program is being phased out.*

### Differentiating the Monash PhD

In 2012 Monash continued to improve and differentiate research training programs. The Monash Research Training strategy aims to differentiate doctoral degrees, attract the best research students and ensure Monash graduates are highly sought after as academic, government, industry and community leaders.

Planning, policy and procedural developments have taken place this year to assist in the achievement of the following objectives:

- Establishment of new discipline-specific PhD programs across the University (six faculties are commencing these programs in 2013 and the remainder will follow in 2014).
- Establishment of the Monash Institute of Graduate Research (MIGR) in July 2012 to support these programs and align research activity and excellent research supervision for all HDR students. More than 2000 research active academic staff are members of MIGR, entitling them to supervise HDR candidates.



## World-class infrastructure

Implementation of the Infrastructure strategy has focused on greater central support for key enabling research infrastructure. Major achievements include:

- Awarded the highest amount of all Australian intuitions of the National eResearch Collaboration Tools and Resources (NeCTR) funding from the federal government with four successful projects, totalling \$4.5 million.
- Monash-led funding of \$55 million over four years (\$25 million from the Australian Research Council, \$5 million from the National Health and Medical Research Council and \$25 million from users of the higher education sector) for synchrotron science.
- Award of six ARC Linkage Infrastructure, Equipment and Facilities (LIEF) grants totalling \$2.2 million and with a success rate of 50 per cent. Award of the first LIEF grant to the Monash Faculty of Business and Economics.
- Award of \$1.27 million state government funding to lead the procurement and implementation of the Australian Research Infrastructure Network (ARIN) across Victoria with consortium partners Bio21 Cluster.
- Launch of the Monash Biomedical Imaging (MBI) facility. MBI is a \$35 million initiative, opened by The Hon. Louise Asher MLA in May 2012.

## Translating research to deliver impact

Monash University continued to be one of the leading universities in Australia for externally partnered research undertaken with industry and government. In the *Times Higher Education University Rankings*, Monash achieved the highest ranking in the Group of Eight Universities for industry research income per academic.

Major industry alliances, partnerships and initiatives were launched this year:

- Formation of the Australian Centre of Pharmaceutical Innovation by the Monash Institute of Pharmaceutical Sciences (MIPS) and GlaxoSmithKline (GSK) Australia, combining Monash University's world-leading drug delivery and formulation expertise with GSK's industry and manufacturing capabilities.
- Commencement of a major drug discovery and research collaboration with Les Laboratoires Servier, a leading European pharmaceutical company. This collaboration draws on MIPS expertise in G Protein-Coupled Receptors (GPCRs), and seeks to design new therapeutic agents for major human diseases. The collaboration will initially run for three years and support up to 15 people.
- Development of the CSIRO Strategic Relationship Agreement to enhance collaboration in engineering, materials science and advanced manufacturing.
- The Eliminate Dengue Program, funded by a range of sources, including the National Institutes of Health (NIH) Grand Challenges in Global Health Program, and the Bill and Melinda Gates Foundation. In 2012 a partnership with Fiocruz in Brazil was announced.
- Launch of the John Monash Innovation Institute to help lift enterprise level productivity and competitiveness.

Monash University's success in innovation and translating research to deliver impact was also recognised through major national awards:

- Business and Higher Education Roundtable (B-HERT) Ashley Goldsworthy Award for sustained collaboration between business and tertiary education, awarded jointly to two Monash institutions: Monash University Accident Research Centre (MUARC), and the Institute for Safety Compensation and Recovery Research (ISCR).
- Australian Museum Eureka Prize for Innovative Use of Technology to a team led by Associate Professor Wei Shen in the Faculty of Engineering for their novel fast-acting blood test using bioactive paper.
- Human Rights Media Award for a series on asylum seekers awarded to Professor Sharon Pickering in the Faculty of Arts.

## Building interdisciplinary teams

The inaugural interdisciplinary research programs attracted more than 100 applicants from research teams. Two major interdisciplinary research projects were funded in lung diagnostics and characterisation of the human proteome, and four seed projects were supported to explore photo self-healing polymers, targeting bacterial superbugs, functional biosystems in the built environment, and NanoBioGel targeted and controllable drug delivery.

Recognition for interdisciplinary research has come in the form of the following awards:

- Australian Museum Eureka Prize for Innovation in Computer Science awarded to Associate Professor Jon McCormack, Peter McIlwain, Aidan Lane and Dr Alan Dorin for their music composition software Nodal.
- Victoria Prize for Science and Innovation in Physical Sciences awarded to Professor Ana Deletic for her research into developing better ways to treat and harvest stormwater for the protection of streams and human consumption.

## Professionalising research management

Subsequent to identification of gaps and overlaps in research administration roles and processes, external consultants KPMG completed a detailed analysis of the issues and opportunities for improvement, developed a picture of what effective support of research and research training would look like, and identified the activities and changes required to provide the level of desired support. An implementation program, Research Administration Strengthening (RAS) Program, which is a three- to five-year staged business change initiative, has been established.

## Global engagement

### Introduction

The University's Annual Plan for 2012 outlined five overarching Global Engagement objectives:

- Support the recruitment of high-performing domestic and international students in a demand-driven system.
- Protect and advance international dimensions of the student experience at Monash.
- Advance research standing and impact through international connectedness.
- Strengthen the place of campuses and partnerships outside Australia in the Monash network.
- Support a financially strong and stable university.

A selection of initiatives undertaken in 2012 in pursuit of these objectives is outlined below.

### Support the recruitment of high-performing domestic and international students in a demand-driven system

With the transition to a demand-driven system in 2012, Monash remained a sought after destination for high-achieving domestic students:

- Monash attracted 43.4 per cent of the VTAC first preferences of the top 5 per cent of school leavers, and 20.4 per cent of first preferences of school leavers applying through the VTAC system overall.
- To further strengthen its attractiveness to high-performing students, and support wider access to the University for students, Monash launched the Sir John Monash Scholarship Program during 2012, available to students commencing at Monash from 2013.

Competition for talented international students continued to intensify globally, with pressure on Monash Victoria's position as a major exporter of education and research compounded by the continuing strength of the Australian dollar. Monash has continued efforts to position the Monash name favourably in key source countries to support continuing strong demand for Monash education internationally. Initiatives in support of this in 2012 included:

- Monash operated nine active credit transfer/articulation programs with Chinese partner institutions, which have attracted more than 480 students over the last three years. Students who arrived through these programs have been of a high academic standing. For example, more than 50 per cent of students recruited through these arrangements to the Faculty of Engineering moved into a PhD program.
- Monash launched a Chinese language web presence, which went live during 2012, complemented by social media presences on Chinese sites Weibo, You Ku and Ren Ren.
- The University continued its efforts to diversify the international student cohort, building its profile and linkages in South America and the Middle East in particular. In 2012 Monash welcomed its first contingent of Brazilian students supported via Brazil's Science Without Borders scholarships program, a major initiative expected to support increases in the number of research degree students in particular.

### **Protect and advance international dimensions of the student experience at Monash**

Monash continued to develop international opportunities for students, and these continue to be a vehicle by which we broaden the horizons of our students and their ability to work in globally integrated settings. Of the eight Monash Rhodes Scholars selected since 2001, seven have completed an international education experience while at Monash.

- During 2012, more than 2300 Monash students undertook an international mobility experience, spending time at one of our international locations or at one of our comprehensive network of international partner universities.
- Monash joined the Uni-Capitol Washington Internship program (UCWIP), an eight-week internship within a United States Congressional office in Washington DC. Our first successful candidate has been selected and will be placed in Washington DC during the 2013 Presidential Inauguration.
- The award-winning Monash Undergraduate Research Projects Abroad program continued in 2012. Monash Rhodes Scholar Geoffrey Pascoe (Bachelor of Mechatronics Engineering/Bachelor of Science) was a participant in this program in 2012, studying at the University of California, San Diego. In addition to providing opportunities for highly able students to undertake research projects abroad, this program blends virtual seminars and lectures beamed into Monash from experts at partner institutions.
- Monash University joined the Victorian consortium that will bring the Harvard WorldMUN (Model United Nations) conference to Melbourne in early 2013.
- Monash supported the Melbourne Homecoming Forum, a pilot project held through a consortium of Victorian universities to assist returned students reflect, debrief and build on their international study experiences through cultural, networking and career development seminars.
- Monash joined with the University of Warwick (UK) to launch Reinvention, the joint online journal of undergraduate research, which is jointly edited by students from both universities and that welcomes submissions from universities around the world.
- Monash continued to grow student exchange with UK's University of Warwick as a strategic alliance partner. This continued to evolve into a deeper set of experiences, beyond academic coursework alone, crossing into student clubs and societies, research placements, laboratory work, internships and sporting events.

### **Advance research standing and impact through international connectedness**

Monash has continued to build its global research relationships in pursuit of excellence and impact. These initiatives included:

- Monash elevated its relationship with the UK's University of Warwick into a major strategic alliance. There is growing integration of several research teams at Monash and Warwick to bring scale, shared capability and a global stakeholder group to common research challenges. In 2012:

- Joint projects between Monash and Warwick won support from the Australian Research Council and the UK's Engineering and Physical Sciences Research Council.
- The universities jointly appointed Professor Andrew Coats as an Academic Vice-President to oversee the Alliance.
- Six joint Professorships in the fields of sustainable chemistry and polymer technologies were advertised.
- Monash continued to participate in M8, a global network of leading institutions in health research, which provides the academic reference group for the World Health Summit.
- The Dean of the Faculty of Education joined an international committee to support and advise on the establishment of a separate Faculty of Education at Universidad de Chile, linking Monash with an iconic public university mandated to respond to the national educational challenges in Chile, and anticipated to have significant impact on all Chile's educational sectors and associated public policy into the future.
- Monash signed student exchange agreements with the China 9 elite research intensive universities under the Group of Eight China 9 partnership agreement. The agreement will encourage undergraduate student exchanges and foster doctoral and post-doctoral level collaborations.

### **Strengthen the place of campuses and partnerships outside Australia in the Monash network**

Monash continued to strengthen its global network over 2012:

- Monash became the first Australian university to be granted a licence to operate in China, via a partnership with China's Southeast University (SEU) which will provide advanced postgraduate education through a Joint School for Graduate Education and a Joint Research Institute aimed at supporting collaborative research and research training.
- Monash launched its major strategic alliance with the UK's University of Warwick and commenced appointment processes for the first six joint professors under the Alliance.
- Professor John Nieuwenhuysen AM led a review of the 10-year operations of Monash University's Centre at Prato, Italy. The recommendations from this review were received by the University's Prato Board mid-year. Dr Cecilia Hewlett rejoined Monash University during the year as Director of Monash University Prato Centre, following a fellowship at the Harvard University Center for Italian Renaissance Studies.
- Intercampus exchange week was hosted at the Australian campuses to encourage and promote study options across the global network of Monash campuses.
- Monash University Australia staff assisted staff at the South Africa campus in developing and executing strategies to improve student enrolment numbers. At the time of the report, applications were 70 per cent higher than for the same time last year and acceptances were at 123 per cent on the same time last year.

### **Support a financially strong and stable university**

- Monash continued to explore and realise revenue development opportunities from the export of educational services. In 2012 more than \$20 million was signed in contracts for provision of educational services overseas, including non-award training and licensing of curriculum.

## **Report of the Pro Vice-Chancellor and President, Sunway campus, Malaysia**

### **Strategic planning**

Monash University Sunway campus (MUSC) was guided by the Campus Mission Statement, Campus Directions 2012–2014, and the Campus Operational Plan 2012–2014. These statements and plans are consistent with University-wide documents.

Key objectives of MUSC in 2012 were to increase enrolments, improve student experiences, achieve national and international research leadership, and improve campus development and performance.

### Enrolments

Campus teaching load increased by 4 per cent and 3 per cent for the 12 months ending March and August respectively. Competition in student recruitment continued to intensify, due to the increased profile of alternative providers, including enhanced infrastructure of new universities. Nevertheless, student enrolments at MUSC have grown steadily over MUSC's 14-year life, and there were 5345 students enrolled as of 31 August 2012. International students came from 63 countries, primarily from Indonesia, Sri Lanka, Bangladesh, Mauritius and Pakistan.

Student mobility was prioritised, with schemes enabling Victorian students to spend a semester or two on exchange in Malaysia and to support MUSC students undertaking an outbound exchange to one of Monash University's international partner destinations. The 2012 mobility target was met, with 4 per cent of taught load participating in exchange during the year. In addition, MUSC hosted some 644 students sponsored by governments in the region, including from the Middle East.

### Education

Teaching quality was monitored primarily by student evaluations of teaching and units, and against a quantitative standard set by the University. Eighty five per cent of units met the standard, a proportion that is slightly higher than for the University overall. Courses and units are in the main (77 per cent) customised to an extent that was considered appropriate and significant, with Malaysian and regional case studies, learning activities and innovative pedagogies. In 2012 it has become common for faculties to elect MUSC staff as chief examiners for units taught across multiple campuses.

The Malaysian Ministry of Higher Education evaluated institutional performance of all Malaysian universities via its Malaysian Qualifications Agency (MQA) Rating System for Higher Education Institutions in Malaysia for 2009 (known as SETARA) instrument. The 2012 results again rated MUSC as 'Excellent' and no institution received a higher rating. Scores for the instrument's various attributes were provided to the campus and showed that there are only two areas for improvement: graduate outcomes and, to a lesser extent, academic processes. Perfect and near perfect scores were obtained in governance, resources, and in the quantity and quality of 'talent'.

The Master of Business Information Systems and Master of Communications and Media Studies were new courses in 2012. A professional academic practice course, the Graduate Certificate in Higher Education, was comprehensively rolled out for academic staff.

New open and covered futsal/basketball courts were constructed. Learning spaces were reconfigured, including the replacement of desktop computers by mobile devices and new spaces for collaborative and individual learning serviced by high-speed WiFi.

### Research

Research has been high on the agenda at MUSC for over five years, and there has been steady growth in research inputs and outcomes. As at 31 August, HDR students numbered 188, research funds allocations totalled RM8.5 million, and there were 177 scholarly publications reported in units of weighted Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) points.

The 2012 Malaysian Ministry of Higher Education research assessment (MyRA) was conducted, and MUSC was rated with three stars, and was not out-rated by any other foreign university in Malaysia.

Priority areas were refined during the year, and they now number four for both education and research: tropical medicine and biology, advanced engineering, Halal ecosystem, and socioeconomic transformation in Asia. The overarching campus positioning is engaged, global, and courageous.

Four platforms were established that are aligned with national priorities: electron microscopy unit, neuro-business laboratory, intelligent lighting laboratory, and genomics facility. Three strategic multidisciplinary projects were initiated that are consistent with Malaysian and regional development: Halal hub, green electronics and genomics.

### Campus development

MUSC devised a method to compare campus academic development within the Monash system, to help determine whether it is "developing and maintaining the academic status of MUSC in line with Monash" as provided in the operating company's agreement of formation. The analysis compares academic staff indicators (PhD holders, seniority at level D/E), teaching loads, publications and supervision of HDR students with faculty norms.

### Report of the Pro Vice-Chancellor and President, Monash South Africa

#### Strategic planning

The Campus Operational Plan (2012–14) has guided the ongoing strategic development of Monash South Africa (MSA) during the past year in the following portfolios:

#### Education

The Education Portfolio focused its 2012 activities on the implications of the 2011–15 Education Strategic Plan for Monash South Africa's teaching- and learning-related activities, particularly the inclusion of the Digital Education Strategy (DES) and blended learning opportunities on campus level.

The expansion of program offerings at MSA continued in 2012. The focus was on considering program expansion possibilities and a number of Postgraduate Diplomas in Management, Corporate Governance and HIV/AIDS.

The Council for Higher Education (CHE) accredited the current MSA Foundation Program offering as a Higher Certificate in Higher Education studies – an exit-level qualification placed at level 5 of the local qualifications framework. This will ensure increased articulation into the undergraduate degree programs.

The School of Social Science introduced its own unit codes from 2013 – this will allow the school greater flexibility in terms of curriculum development. The Foundation Program successfully conducted the Grade 12 Academic Enhancement Program. This program served to attract prospective students to the MSA and generate income.

#### Research

The Research Directorate concentrated its 2012 efforts on aligning all research activities with the Research Strategic Plan 2011–15. These objectives included the redevelopment of the support program offered to students (e.g. Postgraduate Induction Program) and attracting more HDR students for 2013. Furthermore, the International Water Centre (IWC) Africa Water Research Node revised its vision to focus on water-related leadership.

The Monash Africa Centre (MAC), located within the Research Directorate, hosted a number of public lectures, various short courses and a conference. The themes included African Politics, Chinese in Africa and Africans in China. MAC has made strides in establishing a presence within business and government circles – there has also been substantial income generated from its activities.

#### Community engagement

Two libraries were opened and named Monash Krishna Khetia Library, in honour of a past student and Mandela Rhodes scholar. One was in the informal settlement of Zandspruit and the other is a children's book section in the Emthonjeni Community Centre.

The MSA Trees for Homes project resulted in 178 fruit and shade trees being planted in Zandspruit.

The 2012 Ulwazi tutoring program was a great success – student volunteers tutored learners from Monday to Thursday at local disadvantaged schools.

#### Campus development

Lekgotla Square was used for the first time in 2012 for the annual graduations. A new three-year contract for the off-campus accommodation (Honey Park) was signed in February 2012.



# Report of the President, Academic Board

## Introduction

The Monash University Academic Board (the Board) is responsible to Council for inter alia, supervising and directing the University's academic affairs, including maintaining high standards in teaching and research (Statute 2.1). To discharge its remit effectively and efficiently, the Board undertook a range of activities in 2012.

In a time of significant challenge for all Australian universities, Academic Board continued to contribute to the University's drive toward academic excellence. During its deliberations, members of the Board continued to be informed about the environment in which it and the wider Monash operate, including regular briefings on topical issues such as rapid developments in the education space (including the rise of massive open online courses (MOOCs)), flattening of domestic funding sources, contemporary Tertiary Education Quality and Standards Agency (TEQSA) developments and updates on the University's position consequent upon various government reviews. The Vice-Chancellor and members of senior management also provided regular reports of progress towards reconceptualising the University's strategic plans, developments in and successes achieved by significant international collaborations, developments towards campus differentiation, the outcomes of ARC and NHMRC funding rounds and implications for Monash going forward, and proposals to achieve greater efficiencies in deployment of administrative resources to support the University's education and research strategies.

## Direction of academic affairs

The Board approved or endorsed a range of initiatives during 2012, designed to underpin The University's drive towards academic excellence, including:

- Reconceptualising of the University's high-level strategic directions.
- The Annual Portfolio Plan 2013, the Education Strategy 2011–15 Implementation Plan and The Way Forward Plan for Mobility at Monash.
- A range of reforms to Monash offerings:
  - The principles and legislation designed to underpin/provide the implementation mechanisms for differentiated testamurs.
  - Review of the Coursework Courses and Units Accreditation Policy and affirmation of the Board's role in providing strategic overview (in addition to formal sign off) of course proposals.
  - Approval of the proposal to rename all Engineering undergraduate degrees to Engineering (embedded Honours) qualifications (AQF level 8).
  - The review of coursework courses to ensure learning outcomes were consistent with Monash graduate attributes, compliant with relevant Qualification Frameworks and aligned with the Bologna Protocol.
  - Approval of the Minimum Entrance Requirement for Master's by Research Degrees.
  - Approval of the Guidelines for the Monash–Warwick Joint Doctor of Philosophy.
- Approval of the English Language Bridging Program Pilot for students admitted to the Southeast University–Monash Joint Graduate School. In so doing, the Board noted that emergent learnings were likely to assist in determining appropriate language requirements for programs into the future.
- Approval of Equella as the enterprise educational technology to meet the content repository needs of the University's education function.

Members of the Board engaged in debate over a wide range of key policy matters, including the future of pre-PhD education in Australia, proposals to integrate research-only staff advancement into the academic promotion process and the results of processes of curriculum reform.

In addition to its consideration of the University's strategic directions, Academic Board received and reflected on a range of significant strategic institutional documents and reports, including:

- The 2011 Annual Plan End of Year Progress Report, 2012 Mid-year Progress Exceptions Report, and an overview of the University's 2013 Budget.
- The proposed plan for an annual High Quality/High Access Report, and the 2012 report on the impact of Special Entry Access Scheme (SEAS) on the predictive capacity of the Australian Tertiary Admission Rank (ATAR).
- The report and recommendations arising from the review of mental health at Monash.
- Regular reports from the Vice-Chancellor on developments relating to the tertiary education sector and Monash, and updates from the Deputy Vice-Chancellors on key Portfolio (Research, Education and Global Engagement) initiatives, including progress towards implementation of portfolio strategies.

## Committees Review

There were significant developments in the structures around certain of the Board's standing committees during the reporting year. As a result of a thorough review of the structure and roles of education governance bodies, Academic Board established a new and streamlined framework, which is anticipated to improve the focus on what we teach and how we teach and result in greater impact for effort.

The Board also considered how best to deal with standards and quality assurance in the overarching portfolio sense and established a new Academic Standards Committee, to be chaired by the University Provost. This committee will provide enhanced reporting and monitoring mechanisms for assuring the quality of the University's academic endeavours.

Academic Board also disestablished the Committee for Academic Promotions and Appointments and endorsed the re-assignment of its delegations.

## Supervision of academic affairs

### University academic structure

In 2012, Academic Board approved or endorsed changes to a number of existing academic organisational structures. These included:

- The change of name of the Centre for Water Sensitive Cities to Monash Water for Liveability.
- The proposal submitted by the Faculty of Arts to change the name of the School of Music–Conservatorium to the Sir Zelman Cowen School of Music.
- Support for the proposal to complete the schools structure in the Faculty of Business and Economics.
- The proposal for accreditation of the Monash Sustainability Institute to enrol HDR Students.

The Board also approved:

- Establishment of the John Monash Innovation Institute.
- Establishment of the Monash Centre for Development Economics.
- Establishment of the Monash Centre for Additive Manufacturing.
- Disestablishment of several centres within faculties.

### Academic program development and review

Academic Board worked through a solid year of exercising its remit to accredit, disestablish and approve major change to coursework courses. Significant amongst these were the accreditation of the Master of Industrial Design/Master of Industrial Design Engineering delivered in conjunction with South East University (China), the proposal to extend the BEng (Civil) to the Sunway campus, accreditation of the Master of Applied Linguistics (Double Masters with South East University), Master of Interpreting and Translation Studies (Double Masters with South-East University) and Master of Interpreting and Translation Studies (Double Masters with the University of Trieste).



Academic Board disestablished a number of coursework courses during this period. The need to consider disestablishment may arise from changes in student demand, a change to strategic positioning in a particular market or as a result of a major course revision following a process of course review.

Academic Board also approved a number of proposals for re-accreditation of coursework programs, which may be recommended by faculties following processes of course review, and approved a range of initiatives designed to enhance the Monash Passport.

During 2012, Academic Board approved or endorsed a range of proposals relating to HDR programs including revised Joint Program Guidelines for external candidates at the Monash University Research Academy at the Indian Institute of Technology Bombay (IITB), delivery of the Professional Doctorate in Global Public Health at the Sunway campus, approval of the pathway to support an MBBS/PhD program and the proposals from the Faculty of Education for extension of the Master of Education and the Doctor of Philosophy in the Faculty of Education to the Berwick Campus.

### **Maintenance of academic standards**

A significant proportion of the Board's focus on maintaining academic standards during 2012 centred on TEQSA developments, including submission of the University's submission for re-registration as a higher education provider, and forthcoming sector-wide thematic audits of English Language Proficiency (at entry and ongoing) and Third Party Arrangements.

At its last meeting for the year, Academic Board also received a report on the implementation of the Go8 Quality Verification System (QVS) pilot, Monash participation in which had been approved by the Board 12 months earlier. The QVS will provide external, discipline-led, academic peer review of final year undergraduate programs at all levels of achievement.

Academic Board also approved the 2012 Coursework Course Review Schedule, which will assist in the University being able to demonstrate that there is a systematic process in place for coursework course reviews and that its coherence is maintained, a necessary part of the TEQSA Provider Course Accreditation Standards.

Academic Board received and considered a number of other significant items providing it with an overview of academic and institutional standards, including:

- A number of reports on university rankings.
- The University-wide Key Performance Indicators and Internal Performance Indicators Reports.
- The VTAC Admissions and Student Load 2012 Report.
- Overview of *The Good Universities Guide* 2012 edition.
- The Annual Report of Student Grievances, submitted jointly by the Offices of the Deputy Vice-Chancellors Education and Research.
- The revised University Survey Framework, which was approved at the Board's last meeting for 2012.

## **Governance**

### **Legislation**

Significant pieces of legislation endorsed by Academic Board for submission to Council during 2012 included:

- Amendments to Statute 6.2 – Exclusion for Unsatisfactory Progress or Inability to Progress to clarify application of the Statute, simplification and enhancement of the appeal process; and inclusion of new triggers to implement the stated purpose of the Statute, being to address student 'inability to progress'.
- Amendment to Statute 11.2 – Intellectual Property, which confirms application of the Statute to the University's international campuses.

Regulations made by Academic Board included:

- The Master's Degree by Research Regulations, which enable the Graduate Research Committee to assume the responsibility of administering all master's degrees by research across the University.

- Amendments to the Student Discipline Regulations.
- Amendments to the Entrance and Admission Regulations.
- Amendments to the Doctorate and Doctor of Philosophy Regulations.
- Amendments to the Candidature Progress Management Regulations.

### **Policy development and review**

Academic Board discussed a range of new and amended policies (and, where applicable, noted associated procedures). Following is a sample of policies approved by the Board:

- Policies relating to Assessment, Collaborative Coursework Arrangements and the Australian Higher Education Graduation Statement.
- Proposals for change to the Credit Framework.
- Proposals relating to the Special Entry Access Scheme (SEAS).
- Maintenance of the ATAR for the Diploma of Higher Education Studies.
- The Policy and Procedural Framework for Unit Review.
- The University Enrolment Policy.

### **Reports from Standing Committees, Faculty Boards and Faculty Discipline Committees**

Each of the Board's Standing Committees and the Faculty Boards is required to report after each meeting. During the reporting year, Academic Board received regular reports from the faculties, the Education Committee, General Library Committee, Monash University Research Committee, Research Graduate School Committee and the Global Engagement Committee. Academic Board also received the Annual Reports of the Monash University Museum of Art and the Monash Library.

Academic Board also received and noted reports on proceedings of Faculty Discipline Committees, as required by Statute 4.1 – Discipline, Clause 17, and the annual summary of appeals received by the Exclusion Appeals Committee under Statute 6.2 - Exclusion for unsatisfactory progress or inability to progress. The Board approved a number of nominations to membership of the University Discipline Panel and Exclusion Appeals Committee.

ABC	40.31	40.12	39.25	39.67	34588
ABI	188.9	187.2	182.	185.37	270496
ABK	41.57	41.67	3354	41.55	22058
ABT	34.7	34.78	41.22	34.45	20351
ACAS	3.05	3.07	34.45	3	62010
ACE	55.95	57.04	2.91	55.73	72491
ACS	31.6	31.8	55.47	31.22	25885
ADBE	59.74	60.66	31	60.29	22277
ADI	53.01	54.5	59.54	54.18	13804
ADM	43.75	44.21	53.01	43.53	54050
ADP	35.32	35.54	43	35.19	68940
ADSK	39.72	39.75	34.66	38.42	177350
REE	42.83	42.49	38.06	43.1	25737
REP	40.65	41.2	42.77	40.58	22553
RES	45.17	45.31	38.99	44.43	12463
RET	42.2	42.52	44.37	42.23	32922
SEL	19.32	19.37	41.86	19.05	38017
SI	45.67	45.94	19.05	45.65	30282
ATG	66.41	66.9	45.03	66.25	25777
IIV	36.55	37.53	65.26	2009 57.61	30781
AIG	36.13	36.71	56.78	36.01	25823
KEY	39.02	39.28	35.75	38.95	6555
ALL	68.89	69.76	38.35	69.15	10370
AMBA	38.95	39	68.61	37.93	50773
AMAT	51.33	51.5	37.29	50.58	55773
AMD	23.23	23.28	50.18	22.89	11703
AMGN	19.45	19.55	22.83	18.85	21703
AMP	6.83	6.87	18.78	6.81	85703
AMT	44.49	44.5	6.72	44.15	70703
AMZN	46.37	47.31	48.63	48.49	21503
AN	45.2	45.42	45.3	44.67	35703
ANF	80.71	81.89	44.07	80.11	60703
AOC	15.35	15.41	78.28	15.3	15703
APR	70.55	70.53	17.14	68.62	43103
HPC	46.73	46.88	87.41	46.48	21503
APD	136.44	136.44	46.29	130.91	60013

# Social performance

## Monash people

### Workforce profile

Table 1: Academic and Professional Workforce Profile – Australian Campuses

Category of Staff	2010	2011	2012
<b>Academic</b>			
Female	1,366	1,215	1,248
Male	1,649	1,545	1,568
Total	3,016	2,760	2,816
<b>Professional</b>			
Female	2,254	2,348	2,622
Male	1,297	1,309	1,475
Total	3,551	3,657	4,097
<b>All Staff</b>			
Female	3,620	3,563	3,870
Male	2,946	2,854	3,043
Total	6,567	6,418	6,913

#### Notes:

1. Data is expressed as full-time equivalent (FTE), rounded to nearest whole number and includes staff employed on a full-time (FT) and fractional full-time (FFT) basis as at 31 March each year.
2. The data excludes Monash Malaysia and Monash South Africa but includes Independent Operations staff for each year. Source: University Planning and Statistics, Staff full-time Equivalent (FTE) and Numbers: 2007–11 Pivot Table Updated: 12 October 2012
3. Workforce data statement (FRD22C): All employees have been correctly classified in workforce data collections

### Staff engagement

Priority: To improve the Monash staff experience.

#### Staff experience

Throughout 2012, Monash University implemented faculty, campus and division action plans prepared in response to the results of the 2011 Staff Engagement Survey.

This year a survey was also undertaken to gauge the success in providing staff support services under the 'Improved Services' banner. Three areas, including Human Resources, Finance and Information Technology, all returned a significant increase in staff satisfaction.

Human Resource policies continue to be streamlined to improve the staff experience with the addition and/or amendment of procedures covering:

- flexible working arrangements for parents and carers
- working from home
- streamlined domestic travel procedures.

An Expectant and New Parent Kit has been developed to assist and support staff in balancing work, life and family responsibilities during pregnancy. The kit provides information on entitlements and obligations; health and wellbeing; managing work and life during pregnancy and on return to work; as well as information for expectant partners.

#### Recruitment and induction

Recruitment processes, policies and related projects were further developed, streamlined and automated with positive benefits realised. The timeliness of issue of letters of offer to new staff improved from 4.3 days in 2010 to 1.9 days. The average time from advertising a role to issuing the letter of offer has also improved.

Monash introduced mandatory compliance training to ensure that staff members understand their legal obligations and responsibilities relating to occupational health and safety, equal opportunity, privacy and ethical behaviour. By completing these modules, our staff will help us to maintain

a healthy, safe, fair and ethical working environment. Since its inception in July 2012, over 1000 staff members have undertaken the online training.

### Staff retention

Table 2: Median Length of Service (Years)

Year	Academic	Professional	Total University
2010	4.1	4.3	4.2
2011	4.2	4.1	4.2
2012	4.2	4.1	4.2

Notes: Retention for academic staff is up slightly from 4.1 years in 2010, to 4.2 in 2012. Source: Workforce Profile methodology used. Data as at 31 March each year. Source: SAP as at 31 March 2012.

### Development and performance

The University's performance development process is based on the principles of growth, feedback and accountability and is facilitated through the Performance Development Online (PDO) system. Supervisors are encouraged to meet regularly with their staff to engage in meaningful performance conversations that will assist the staff member with their current endeavours and career aspirations. The performance development process has recently been significantly streamlined following a comprehensive review and consultation with staff.

The commitment to ongoing learning and development of staff in 2012 saw attendance at formal in-house programs grow by 32 per cent, equating to attendance of in excess of 11,000 staff across the various programs on offer. The increase in participation is a positive response to changes made to learning and development offerings and re-alignment of content in the Occupational Health and Safety programs specific to Faculty/Divisional priorities.

Individual staff development needs were identified in consultation with supervisors and were met through formal and informal methods. These included development courses, in-house and online training, outside study programs, on-the-job training, attendance at conferences and seminars, award courses, study leave, coaching, mentoring, self-directed learning, job rotation/lateral transfers, temporarily filling higher positions, membership of committees, working parties or taskforces and involvement with professional networks and associations.

### Staff recognition

The University recognised exceptional performance of staff through a range of programs including the Vice Chancellor's Awards for excellence. This year's awards are listed below, along with the commended recipients.

#### Teaching Awards

Vice-Chancellor's Award for Programs that Enhance Learning;

- Associate Professor Lisa McKenna and Ms Jill French, Faculty of Medicine, Nursing and Health Science.

Vice-Chancellor's Award for Excellence in Honours Supervision;

- Associate Professor Stephen Robinson, Faculty of Medicine, Nursing and Health Sciences.

Vice-Chancellor's Citations for Outstanding Contribution to Student Learning:

- Dr Ahmet Sekercioglu, Faculty of Engineering
- Dr Ernest Koh, Faculty of Arts
- Dr Patricia Yin Yin Lau, Malaysia School of Business, Faculty of Business and Economics
- Dr Kevin Pimblet, Faculty of Science
- Ms Suzanne Caliph, Faculty of Pharmacy and Pharmaceutical Sciences.

Vice-Chancellor's Award for Teaching Excellence:

- Dr Allie Clemans, Faculty of Education
- Associate Professor Peter Howard, Faculty of Arts
- Dr Richard Reina, Faculty of Science.

The Office of Learning and Teaching Citations for Outstanding Contributions to Student Learning were presented to:

- Mr Ross Brewin, Department of Architecture, Faculty of Art Design & Architecture
- Dr Daniel Malone, Department of Pharmaceutical Biology, Faculty of Pharmacy and Pharmaceutical Sciences
- Dr Fiona Newton, Department of Marketing, Faculty of Business and Economics
- Dr Kevin Pimblet, School of Physics, Faculty of Science
- Dr Arkendu Sen and Associate Professor Lakshmi Selvaratnam, Malaysia School of Medicine and Health Sciences
- Dr Kellie Tuck, School of Chemistry, Faculty of Science
- Associate Professor Cristina Varsavsky, School of Mathematical Sciences, Faculty of Science.

#### Research awards

Vice-Chancellor's Award for Postgraduate Supervision:

- Professor Kate Smith-Miles, Faculty of Science.

Vice-Chancellor's Award for Excellence in Research by Early Career Researchers:

- Associate Professor Nick Birbilis, Faculty of Engineering.

Vice-Chancellor's Award for Excellence in Innovation and External Collaboration:

- Associate Professor David Morton, Faculty of Pharmacy and Pharmaceutical Sciences.

#### Professional staff awards

The Vice-Chancellor announced recipients of the annual awards in recognition of exceptional performance by members of professional staff. This year's winners were:

- Ms Jane Holt, Office of DVC (Research)
- Mr Neil Roberson of eSolutions
- Mr Theo Hughes from the School of Physics.

The Google Team implementation project group were also recognised with a professional staff award. The deserving members include:

- Caleb Anderson, Fiona Andrewartha, Ed Bassett, Desiree Beitz, Marc Bradshaw, Russell Craythron, Stephen Edmonds, Samantha Garrett, Simran Kaur, Alicia Kuan and Emily Spencer.

#### 2012 Tall Poppy Award

Dr Peter Enticott is from the Monash Alfred Psychiatry Research Centre. Dr Enticott's research on better understanding the neurological bases of autism spectrum disorders with the hope of developing a world-first treatment has been recognised with a 2012 Tall Poppy Award. The awards, administered by the Australian Institute of Policy and Science, aim to engage the public in celebrating scientific excellence and achievement in Australia. Monash University has produced several Tall Poppies since the awards were founded in 1999, including, most recently, Dr David Turner from the Faculty of Science in 2011.

#### Australia's Teacher Educator of the Year

A 30-year career in education and a commitment to enhancing the student experience has seen Dr Margaret Plunkett named as Australia's Teacher Educator of the Year. Dr Plunkett, a senior lecturer in both primary and secondary school education at the University's Gippsland campus, was recognised as having made an outstanding contribution in promoting learning, understanding and development among her students.

#### Leadership development

Monash University's leadership strategies are informed by agreed leadership attributes that articulate the key behaviours required to successfully undertake senior positions at the University. Throughout 2012 the University's leadership and management development approach provided leaders and managers with targeted skills

development, information and networking. More than 30 programs/ events were conducted with more than 900 participants attending.

#### Leading the leadership awards

Professor Pauline Nestor, Associate Dean (Research) in the Faculty of Arts and Academic Adviser in the Office of the Deputy Vice-Chancellor (Research) received the SACS Award for Leadership in the State Government Executive Nominees category.

The Awards for Leadership recognise those who, through their leadership capability, have changed the lives of people within and outside their organisations.

#### Workplace relations

There was no time lost through industrial action for the year.

## Student profile

**Table 3. Student Enrolment by Attendance Type and Coordinating Campus: 2005–12 Preliminary Data.\***

Campus	Student Attendance Type	Reference Year				
		2008	2009	2010	2011	2012
Berwick	Full-time	1,539	1,725	1,736	1,766	1,756
	Part-time	308	269	275	286	267
Total		1,847	1,994	2,011	2,049	2,023
Caulfield	Full-time	9,509	10,689	11,086	11,029	11,009
	Part-time	3,648	3,511	3,404	3,265	3,104
Total		13,157	14,200	14,490	14,294	14,113
Clayton	Full-time	19,786	20,641	21,497	22,037	22,301
	Part-time	5,591	5,679	5,750	5,658	5,437
Total		25,377	26,320	27,247	27,564	27,738
Gippsland	Full-time	1,744	1,837	1,974	2,109	2,053
	Part-time	2,343	2,233	2,117	2,002	1,797
Total		4,087	4,070	4,091	4,111	3,850
Parkville	Full-time	1,113	1,123	1,112	1,109	1,121
	Part-time	381	473	565	569	608
Total		1,494	1,596	1,677	1,678	1,729
Peninsula	Full-time	2,480	2,787	3,095	3,071	2,957
	Part-time	820	918	1,023	1,022	983
Total		3,300	3,705	4,118	4,093	3,940
Grand Total		49,262	51,885	53,634	53,920	53,393

#### Notes:

1. 2012 data is preliminary as of 2 September 2012.
2. Enrolment figures based on full year data reported to DEEWR\*.
3. Does not include students enrolled on overseas campuses or offshore partners.

Source: University Planning and Statistics, DEEWR Submission Data.

**Table 4. Student Enrolment by Attendance Mode and Coordinating Campus: 2008–2012 Preliminary Data\*.**

Campus	Student Attendance Type	Reference Year				
		2008	2009	2010	2011	2012
Berwick	Internal	1,611	1,814	1,793	1,807	1,780
	External	41	38	48	49	44
	Multi-modal	195	142	170	193	199
Total		1,847	1,994	2,011	2,049	2,023
Caulfield	Internal	11,743	12,761	12,947	12,672	12,683
	External	930	963	940	893	835
	Multi-modal	484	476	603	729	595
Total		13,157	14,200	14,490	14,294	14,113



Campus	Student Attendance Type	Reference Year				
		2008	2009	2010	2011	2012
Clayton	Internal	22,587	23,219	23,928	24,229	24,486
	External	1,789	1,982	2,073	2,048	1,906
	Multi-modal	1,001	1,119	1,246	1,418	1,346
Total		25,377	26,320	27,247	27,695	27,738
Gippsland	Internal	1,351	1,307	1,430	1,615	1,584
	External	2,122	1,999	1,876	1,798	1,669
	Multi-modal	614	764	785	698	597
Total		4,087	4,070	4,091	4,111	3,850
Parkville	Internal	1,150	1,180	1,169	1,155	1,183
	External	331	396	474	287	346
	Multi-modal	13	20	34	236	200
Total		1,494	1,596	1,677	1,678	1,729
Peninsula	Internal	2,815	3,018	3,329	3,214	3,041
	External	218	305	378	419	476
	Multi-modal	267	382	411	460	423
Total		3,300	3,705	4,118	4,093	3,940
Grand Total		49,262	51,885	53,634	53,920	53,393

#### Notes:

1. 2012 data is preliminary as of 2 September 2012.
2. Enrolment figures based on full year data reported to DEEWR\*.
3. Does not include students enrolled on overseas campuses or off-shore partners.

Source: University Planning and Statistics, DEEWR Submission Data.

## Student experience

**Priority:** A university whose graduates reflect its distinctive approach.

There was a significant growth in the number of Monash Passport offerings, with more than 200 units and 20 co-curriculum programs approved as Monash Passport. In 2012, more than 4000 students enrolled in a Monash Passport unit and several hundred students participated in a diverse range of co-curriculum Monash Passport programs, including the Vice-Chancellor's Ancora Imparo Student Leadership Program and the Peer Assisted Student Sessions. The University-wide Student Experience Network met four times and oversaw the development of the various student experiences such as mental health and international student issues, and facilitated information sharing across the University.

#### Student surveys

The following surveys were administered across all Monash campuses and locations in 2012:

- The Student Evaluation of Teaching and Units (SETU), a single teaching/unit evaluation survey, was administered over semesters 1 and 2 and summer. All units are required to be evaluated at least once in each year they are taught. SETU reporting includes indicators aligned with the University's Key Performance Indicators and units are flagged as 'outstanding', 'meeting aspirations', 'needing improvement' or 'needing critical attention'. On average, 79 per cent of units taught in Semester 1, 2012, met aspirations, with 7 per cent of units rated as 'outstanding' (unit offerings with five or more responses). Statistics from Semester 2, 2012, are not yet available.
- Monash participated in the 2012 pilot of the University Experience Survey (UES), which is to replace the Monash Experience Questionnaire (MEQ) and Australasian Survey of Student Engagement. The UES provides a measure of the quality of the student experience and allows for national benchmarking against other institutions and will report on the following focus areas: Skills Development, Learner Engagement, Teaching Quality, Student Support and Learning Resources. A finalised UES report was released by the Australian Council for Educational Research (ACER) end November 2012.

- Monash participated in the 2012 International Student Barometer (ISB) for the first time since 2008. This survey is administered by the International Graduate Insight Group (i-graduate) – a UK-based international benchmarking and research service to gather information about the experiences of international students in areas such as the application process, arrival/orientation, learning, living, support and plans for the future. The ISB is the largest annual survey of international students and in 2012 there were 209 institutions worldwide that participated. This included 33 institutions in Australia. i-graduate provide a ranking sheet and ranking grid that highlight the Monash rank for each survey item in relation to the ISB and Australian national ranks.

#### Graduation and beyond

All graduating students nationwide were asked to complete the Australian Graduate Surveys, comprising the Graduate Destination Survey (GDS) together with, for coursework graduates, the Course Experience Questionnaire (CEQ) and, for research graduates, the Postgraduate Research Experience Questionnaire. In the 2011 round of the survey (based on 2010 graduates), Monash University was first in the Go8 for overall satisfaction with coursework programs (CEQ), an improvement from sixth in 2007.

#### Orientation and transition

The number of students attending orientation activities continued to grow. Students recognised Orientation Week as the official start to the semester and engaged with online orientation resources prior to the event. The enhanced Orientation ePlanner, which enabled students to download a personalised orientation schedule based on their student profile, was widely accessed. Faculties developed orientation programs based on the University's Orientation and Transition Guidelines and students reported feeling more prepared to commence their studies on the central Orientation Survey. Activities provided by support services and Student Associations were more popular, with camps selling out, strong numbers at international student programs and more students engaging with orientation activities provided by academic and pastoral support services.

#### Student learning experience

The University offered extensive learning support and resources to students through language and learning services, writing and study skills workshops and research assistance. Other support services for students included accommodation and housing advice, financial aid, counselling and welfare programs, international student support, course progression/transfer advice and programs aimed at strengthening social, community and academic networks. Students were provided with direct access to online services such as course and unit information, enrolment, examinations, information and application for scholarships, fee statements and payment options, timetabling, graduation applications and information, as well as student letters and transcripts. Student associations at each campus provided support to students, including travel services, advocacy and student rights services, welfare assistance, clubs and societies, volunteering opportunities and training.

The Vice-Chancellor's Ancora Imparo Student Leadership Program is designed to assist students to prepare for future leadership roles. There were 41 participants who attended a three-day residential in February and monthly seminars with presentations from inspiring leaders such as the Hon. John Brumby, Julian Burnside QC, Dr Christine Nixon and the Hon. Dr Kay Patterson.

#### Graduate destinations

Monash University Employment and Career Development, located at all domestic campuses, supported employability through curriculum-integrated careers education, consultancy to academic departments, career preparation seminars and counselling, vacancy portals, employment rights education and careers fairs. The 2011 Australian Graduate Survey showed 76.4 per cent of Monash University domestic bachelor graduates who were seeking full-time employment had obtained full-time employment within four months of graduation.

#### Alumni

Activities that brought alumni, current students and the wider community together in 2012 included the Alumni Speaker Series

– a series of public events at Melbourne’s Federation Square and international events in Shanghai, Hong Kong, Singapore, South Africa and London. Alumni Relations’ signature recognition event, the Distinguished Alumni Awards, once again celebrated and honoured the University’s most outstanding alumni.

In 2012 the Alumni–Student Mentoring Program went global, expanding to 151 mentors from across 20 countries and 183 mentees. A localised version of the program was piloted at the Monash South Africa Campus. The program fosters mutually beneficial relationships and provides a platform for participants to share professional and life experiences, industry information and networks. The Alumni Relations office supported a series of state and commonwealth government initiatives designed to support Australian education and training and international business. These included Austrade Alumni Award programs and alumni professional networking events across the world. These activities were part of Monash University’s wider Alumni Relations program, which also included alumni philanthropy and volunteer engagement.

## Health, safety, wellbeing and family

*Student and staff priority: To enhance wellbeing across the whole University community, improving physical health and fitness.*

### Mental Health and Safer Community

*Priority: To contribute to a safer community for staff and students.*

Monash University Safer Community Programs have continued to provide leadership within the higher education sector and the University submitted its application for designation as a World Health Organization Safe Community in December 2012. Mental Health and Safer Community programs now include a new primary prevention of violence program called the Respectful Community Initiative. This initiative, and the quest to seek accreditation as a White Ribbon Organisation, was launched at a White Ribbon breakfast and panel discussion with more than 130 attendees.

Other Safer Community initiatives and achievements for 2012 included:

- SafeTALK, a suicide prevention program, introduced to further strengthen the community’s capacity to reach out to those at risk of suicide.
- The provision of mental health literacy training programs for 1040 staff and a new focus on providing training to students involved in peer mentoring and leadership programs. When combined with Monash Residential Services, this resulted in mental health literacy training being delivered to approximately 1124 students.
- Early accessible psychiatric assessment available for students with complex or high-risk presentations. Fifty-nine assessments were conducted and more 78 secondary consultations provided.
- A total of 3333 students and staff were seen at the counselling service for a total of 12,501 sessions, while another 447 students and staff were provided outreach psychological support as follow-up to critical incidents.

Staff at Monash had the opportunity to learn mindfulness skills as a path to stress management and resilience, as well as improved work performance. A range of programs were available, including Mindfulness at Work, where participants reported that they had greater energy levels, sustained concentration and improved job satisfaction, based on the Work and Wellbeing measure. Resilience and positive mental health programs were delivered to staff and students. In total 3949 students and staff attended.

The Safer Community unit managed the Safer Community Line, which provided a central point of reporting, advice and coordinated management of threatening, inappropriate and concerning behaviours. The Risk Management Group (RMG) met weekly to coordinate the management of high-risk cases. During 2012 there were 381 incidents managed by the Safer Community Unit; 108 of these were escalated to the RMG. In addition, there were another 303 enquiries of a general nature that did not warrant reporting as an incident.

## Sporting participation

*Priority: To provide a healthy lifestyle and community development.*

Monash University offered extensive sporting and physical activity infrastructure across all campuses and hosted a large and unique range of sporting and active recreation programs in 2012. A highlight was the opening of the \$13.5 million Monash Peninsula Activity and Recreation centre, a specialist teaching and community leisure centre. As the University provider of sport and physical activity, Monash Sport focused on increasing participation and enhancing the University experience. Of particular note was the expansion of the student-focused social sport program with over 250 teams competing regularly. The Staff Wellbeing at Monash programs grew to more than 60 activity groups and more than 3500 members of staff. With more than 700 students representing Monash University under the Team MONASH banner in intervarsity sporting events, the University has once again cemented its position as a leader in the sector for sport and active recreation services.

Two hundred and eighty-eight high-performance student athletes combined their sporting aspirations with academic studies at Monash University through their registration in the Elite Athlete Support Program. More than 50 students were awarded Sporting Blues in 2012, following their outstanding performance at the Australian University Games. Five Monash students were selected for the London Olympic and Paralympic Games, winning one gold, two silver and three bronze medals between them.

### Family and childcare support

*Priority: To successfully combine employment and education with family responsibilities.*

Monash-sponsored childcare services were offered across three Victorian campuses: Caulfield, Clayton and Gippsland. The services were operated by parent management committees. The Monash University School Holiday Program ran across the four Victorian school holidays, providing daily care for 60 primary school-aged children of Monash University staff members and students. Monash provided a range of family engagement events and trips that supported engagement with the University and the provision of family support services.

## Complaint management

### Staff

The University has an employment-related grievance resolution procedure that is applicable to all staff, except where specific alternate procedures exist (such as with matters related to sexual harassment or workplace bullying).

Staff members who have concerns are generally required to first approach their supervisor. If the situation remains unresolved, the recommended escalation process is to consult first with their organisational head and then the Director, Workplace Relations, for the consideration of options for resolution. Aggrieved staff members have access to a Grievance Advisor throughout the process and, after exhausting the grievance resolution procedure, they have the option of referring their grievance to a Disputes Committee under the University’s dispute resolution procedure. None of the grievances referred to the Director of Workplace Relations in 2012 required reference to a Disputes Committee. The contact details for the Victorian Ombudsman are provided on the University website.

Staff members may also be aggrieved by decisions made by the University, for example redundancy decisions, reclassification of professional staff positions and decisions relating to misconduct and disciplinary matters. Specific review committees can, if required, be convened to address each of these issues.

### Students

The University Council established a University Student Ombudsman office, which investigates complaints that have not been resolved through the faculty or department grievance processes. The University Student Ombudsman operated in accordance with the University’s Policy and Procedures for Student Academic and Administrative Complaints and Grievances. The University Student Ombudsman tries to resolve the complaint informally through negotiation and conciliation. The Student Ombudsman can only make recommendations for a resolution to the relevant Deputy Vice-Chancellor. As at mid-November 2012, the University Student Ombudsman had received 59 complaints; 52 had been resolved, two withdrawn, two dismissed, and three were still in progress.

## Occupational health and safety (OH&S)

**Priority:** To provide staff, students, contractors and visitors with a healthy and safe environment and to fully integrate health and safety into all aspects of its activities.

The OH&S team became incorporated as a unit within the Facilities and Services Division and a new manager commenced at the end of June 2012. A generic OHS Strategic Plan was developed for the University and rolled out to faculties and divisions by the OHS Consultants. While the Work Health Safety legislation is not currently being introduced into Victoria, Monash University is well placed to implement it at the appropriate time. Monash University continues to be a tertiary-sector leader in relation to OHS, consistently recording favourable results compared to other Go8 universities.

The University successfully achieved re-certification for OHSAS 18001 and ASNZS 4801 (OHS Management Systems) across all Australian campuses. This was supported by a program of internal and external audits conducted throughout 2012, with 14 areas audited internally (five chemical management and nine management system) and a further 17 areas audited by external auditors.

There were four notifiable incidents reported to WorkSafe Victoria from 1 January to 31 December 2012. WorkSafe Victoria undertook a total of five site visits, although Notices were not issued to the University during 2012.

Monash is a leader in safety culture and has also significantly reduced WorkCover claims, as highlighted in Figure 1 (below). A steady reduction from 105 in 2003 to only 26 in 2012 demonstrates the success of workplace education. OH&S training was actively promoted and delivered, with 5679 staff members attending structured training courses in 2012 (see Figure 2 below).

Figure 1: Number of WorkCover Claims 2003–12

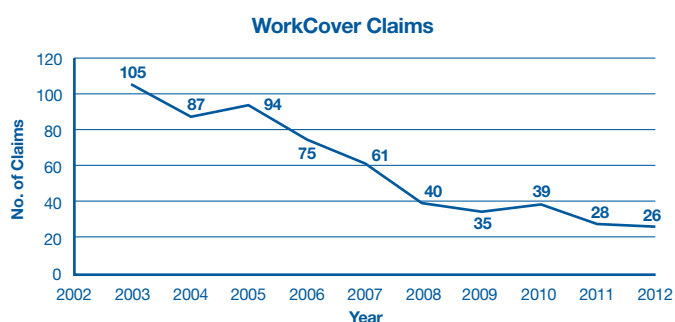


Figure 2: Number of staff trained in OHS-related topics 2007–12

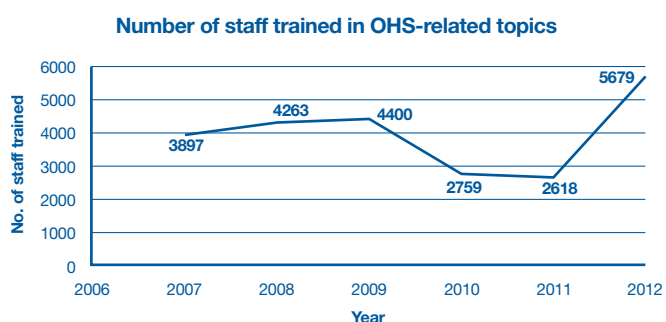


Table 5: Reported workplace injuries resulting in an accepted WorkCover claim (as at 31 December 2012)

Year	Sprains and Strains	Contusions	Lacerations	Burns	Stress	Fracture	Foreign Body	Needle Stick	Other	Total
2009	23	1	7	0	0	2	0	0	2	35
2010	30	0	1	0	3	3	0	0	2	39
2011	15	1	3	2	0	7	0	0	0	28
2012	13	5	5	0	1	1	0	0	1	26

## Occupational health

The Health Team continued to coordinate and consolidate activities to prevent and minimise the impact of ill health and injury. A suite of occupational health programs, including first aid updates, prevention and treatment of needle-stick and eye injuries were successfully delivered to targeted risk groups in the workplace across all Victorian campuses. Review of the ergonomic guidelines and inclusion of new chair technology was incorporated into procedures and communicated to targeted groups in specialised areas of the University. Further development of first aid provisions extended to Monash Residential Services, resulting in specific training for the area. The health surveillance program of lung function testing was expanded to include testing in the prevention and early detection of laboratory animal allergy. Information sessions regarding health promotion, specific workplace health issues and occupational health updates were provided and specialist advice and referral on occupational health issues continued to be in high demand.

## Occupational wellbeing

The comprehensive Employee Wellbeing Program, Wellbeing at Monash, continued to deliver high-quality physical and psychological health programs to University employees. The Work Health Check program was successfully delivered across all Victorian campuses with more than 3700 staff members participating in free, confidential health checks. Programs and events such as the 10,000 Steps Challenge (with more than 2600 staff members participating), the GLOBAL walk/run and Mental Health Week (including the successful RU OK day) grew in support and participation. The Wellbeing Intern Program successfully conducted a nutrition and dietetic audit across all Victorian campuses, engaging commitment to expand and improve health food access for staff and students. The Wellbeing Performance Indicator, incorporated into the OHS scorecard, allowing the University to measure the engagement and success of wellbeing programs, was broadened to include and reflect activities undertaken externally on an individual level. The online wellbeing portal, a program that allows employees and their families to enter and track their health risk data and participate in interactive online wellbeing programs, was upgraded at the end of the year with further development planned for 2013.

## Wellbeing at Monash recognised

Monash is committed to providing a positive, healthy staff experience that complements the strategic direction of the University.

In November the Wellbeing at Monash Program was again recognised as one of the leaders in its field, and nominated as a finalist in the Australian HR Awards' Best Health and Wellbeing Strategy category, following the win in 2011. The awards, which acknowledge excellence in the area of corporate health and wellbeing, brought together industry leaders to celebrate excellence in the HR profession and to recognise both individuals and teams for their outstanding achievements in people management.



## Equity, access and diversity – students and staff

### Social inclusion

*Priority: To provide opportunities for students and staff from under-represented groups.*

The Senior Management Team – Social Inclusion (SMT–SI) continued to monitor implementation of the Social Inclusion Strategy developed in 2010. The Strategy articulates the University's commitment to providing opportunities for students and staff members from under-represented groups. Five-year targets were in place for the identified priorities of providing greater access to, and participation from, low socio-economic status background students, increasing Indigenous student and staff numbers, improving the proportion of women occupying senior academic and professional positions, and continuing to create an accessible environment for students and staff with a disability. The SMT-SI was co-chaired by the Vice-Chancellor and the Deputy Vice-Chancellor (Education), and consisted of members of the senior management team and senior academics and professional staff.

The University facilitated the 2012 Diversity and Inclusion Week, which provided an opportunity for Monash to engage staff, students and visitors and celebrate its commitment to social inclusion. There were a broad range of events showcased across all Victorian campuses, such as Disability Awareness in the Workplace, Courageous Conversations about Race, Increasing Work Integrated Learning Opportunities for Students with Disabilities, and Closing the Gap in Indigenous Education.

Monash University complies with relevant federal and state anti-discrimination legislation, including:

- *Equal Opportunity for Women in the Workplace Act 1999 (Cwlth)*
- *Sex Discrimination Act 1984 (Cwlth)*
- *Disability Discrimination Act 1992 (Cwlth)*
- *Human Rights and Equal Opportunity Commission Act 1986 (Cwlth)*
- *Equal Opportunity Act 2010 (Vic)*
- *Fair Work (Registered Organisations) Act 2009 (Cwlth)*
- *Age Discrimination Act 2004 (Cwlth)*
- *Charter of Human Rights and Responsibilities Act 2006 (Vic)*
- *Racial Discrimination Act 1975 (Cwlth)*
- *Racial and Religious Tolerance Act 2001 (Vic)*.

The University provided awareness-raising opportunities on individual rights and responsibilities with regard to federal and state anti-discrimination legislation. Discrimination and Harassment Grievance Advisers are volunteers who are trained and available to support staff and students across all Victorian campuses. During 2012 the University's Staff Disability Procedure was reviewed and updated to take into account recent changes to legislation. A new document to provide guidelines for managers and supervisors of staff members with a disability was developed.

### Social Inclusion Awards

Professor Ed Byrne, Vice-Chancellor, presented Social Inclusion Awards to three individuals and five groups:

- Dr Scott Firsing, Monash South Africa International Studies
- Ms Kim Davies, Faculty of Education
- Ms Mandy Lau, Faculty of Art, Design and Architecture
- Nursing and Midwifery team at the Gippsland campus, comprising Ms Robyn Adams, Mr Mark Browning, Ms Cheryl Hutchinson, Ms Elisabeth Jacob, Ms Ainsley James, Ms Karen Missen, Mr Walter Noppert and Ms Elaine Smart
- Associate Professor Pamela Wood and Ms Annette Woodhouse
- Dr Gerry Rayner and Dr Julie Beckman, School of Biological Sciences
- Mr Vlad Prpich, Ms Cassianne Martin and Mr Jonathan Brown, Monash Residential Services

- Dr Catherine Flynn, Dr Kerry Brydon and Dr Robyn Mason, Faculty of Medicine, Nursing and Health Sciences
- Mr Craig Rowe and Ms Bronwyn du Rand, Monash South Africa Community Engagement.

### Gender

#### 2012 Victorian Honour Roll of Women

Professor Helena Teede has joined 19 other inspirational Victorian women in being inducted onto the 2012 Victorian Honour Roll of Women. The Minister for Women's Affairs, the Honorable Mary Wooldridge, presented the award, recognising Professor Teede's commitment to improving the health of the Australian community through best practice clinical research, prevention and treatment programs, strategic planning and health care leadership through her role at Southern Health.

Gender equity is strongly supported by the Vice-Chancellor and Provost, who co-chair the Equal Opportunity for Women Committee. Initiatives in 2012 included:

- Research on minimising the impact of career breaks for women.
- Supporting women's research success following maternity leave.
- Senior Women's Shadowing Program.
- Monitoring the changes to the Equal Opportunity for Women in the Workplace legislation.

Sponsoring two grant programs aimed at supporting the career progression of female academic staff with significant carer responsibilities. The Travel Grants and Gender Equity Research Grants form part of the University's Gender Equity Strategy 2011–15 and highlight the University's commitment to improving the representation of women in senior academic roles.

#### Top 10 in Top Women Awards

Executive Director of Teaching, Learning and Quality at Monash South Africa, Ms Nicolene Murdoch, has been nominated as one of the finalists in the 9th Annual Top Women Awards.

### Indigenous

The University's Yulendj Indigenous Engagement Unit worked with faculties to increase Indigenous access, participation and success at Monash. The Yulendj Unit is responsible for Indigenous student recruitment and support, employment, executive support for the Indigenous Advisory Council and the Australian Indigenous Mentoring Experience (AIME). Yulendj sits under the Office of the Deputy Vice-Chancellor (Education), reflecting the high priority given to Indigenous matters at Monash.

The University's relationship with Victorian Indigenous communities was strengthened through a greater focus on dealing directly with local communities, with the fourth highly successful annual Elders Day held at the Clayton campus and the Bay Mob Indigenous Health and Education Expo being highlights. Elders Day this year included a forum that explored the role of Elders in universities, led by Professor Boni Robertson from Griffith University, and a public exhibition of Australian Indigenous art curated from the University's permanent collection.

Briggs and Jackomos Halls, located on the Clayton campus, which are named in honour and recognition of two notable and influential Victorian Indigenous women and Elders, Geraldine Briggs and Merle Jackomos, this year commissioned two artworks by Indigenous artist and Elder Zeta Thompson. The artworks, which hang in the respective Halls, are representations of the two families' totems.

The Yulendj Indigenous Engagement Unit, in collaboration with Monash Residential Services and all faculties, ran the Hands on Monash camp for more than 30 upper secondary school students from across Victoria and southern NSW. The camp provides these students with an experience of university life, builds self-esteem and their aspirations to complete school and attend university, and assists them with practical advice in relation to achieving their educational goals.

The Yulendj Indigenous Engagement Unit developed and implemented a half-day Introduction to Cultural Safety program for academic and professional staff. The program supports the University's ongoing



commitment to ensuring all six Australian campuses provide a culturally safe and welcoming environment for Indigenous students, staff and visitors.

Monash University in collaboration with the Victorian Aboriginal Education Association Incorporated (VAEAI) established the inaugural Year 12 Graduation dinner for the Southern Metropolitan region.

The Yulendj Indigenous Engagement Unit, in collaboration with faculties, ran the inaugural Indigenous Experience Monash Day, which saw more than 60 Indigenous secondary students from across Victoria and from interstate enjoy a day of activities at the University's Clayton campus designed to expose them to the many opportunities available at university and foster their educational aspirations.

### **Low Socio-economic Status (LSES) students**

Monash is committed to improving undergraduate LSES participation, while ensuring the success of enrolling students and the quality of Monash graduates. In 2012 the postcode based LSES access rate was 13.88 per cent, just short of the 14 per cent target.

In 2012 key external engagement achievements were:

- Strong partnerships with 40 schools in outer south east Melbourne and Gippsland, two regions with exceptionally low rates of participation in higher education, aimed at increasing participation.
- The Gippsland Education Precinct Education Partnerships Hub, located at Kurnai College, involves Monash University in partnership with The Smith Family, Department of Early Education and Childhood Development and community organisations working together to increase transition to further education by harnessing community resources.
- The Hands on Health program conducted a full program of activities promoting access to health careers for selected Year 10–12 students from eight Greater Dandenong schools, with many students from refugee and migrant backgrounds. Activities included summer schools, work experience and mentoring from current Monash students.
- TAFE pathways to Monash remained strong, with 532 TAFE articulating students enrolled through Victorian Tertiary Admissions Centre (VTAC), including 129 LSES students.
- New articulation agreements developed in health and IT with strategic partners Box Hill Institute and Chisholm Institute.
- Resources for mature age applicants were improved, with a dedicated website, updated pathways publications and a series of information events.
- The University continued to monitor the impact of course applications via the Special Entry Access Scheme (SEAS). An online tool has been developed to promote How SEAS works at Monash. This tool has been promoted to schools and students in an aim to demystify the process and inform students' decision making regarding course preferences.
- The success of the Diploma of Tertiary Studies (DoTS) pathway in widening participation was recognised with an Australian Government Office of Learning and Teaching Program Award. Since 2000, 836 students who commenced in DoTS have graduated with a Monash University bachelor degree.

The University introduced a mentoring program offered to 95 Year 11 and 12 students from 10 different schools involving individualised academic enrichment.

### **Accessibility – Monash people with a disability**

*Priority: To provide access to students and staff with a disability.*

To support students with a disability the Disability Liaison Unit (DLU):

- Provided executive support for the Disability Committee.
- Monitored and evaluated the implementation of the Social Inclusion – Disability program.
- Facilitated the Group of Eight University's Disability Services Network to share information and benchmark service provision.

The number of students registering with the DLU increased by 3 per cent from Semester 2, 2011 to Semester 2, 2012. (There were 329 students registered with a mental health condition and 46 students registered with autism spectrum disorder.)

The Staff with Disability Procedure was reviewed and updated. A document providing guidelines for managers and supervisors of staff with disabilities was produced. In 2012 the DLU:

- Established a working group to formalise improvements in the University's outreach and communication to ensure delivery of appropriate accommodations for staff with a disability.
- Advertised JobAccess and employment funding to assist staff with a disability to acquire new equipment.
- Sponsored the Disability Contact Officer Network (supporting staff with disabilities to access reasonable accommodations).

### **Built environment**

Facilities and Services Division sponsored an accessibility appraisal of all buildings on Victorian campuses in 2012. The consultants, Access Audits Australia (AAA), have worked in conjunction with key staff to develop an action plan to incorporate the findings into building works in the future. An accessibility aspirations document was also developed to identify 20 design factors above the current standards to be embedded into the Monash design guidelines, which inform the direction of project work. AAA reviewed these guidelines to ensure the University's documentation is in line with best practice.

The most recently constructed halls of residence at Clayton campus included 'non-discernible' accessibility features in the design and construction to provide residents with mobility restrictions the opportunity to fully participate in the Halls' community.

## **Social responsibility**

*Priority: To support social justice and human rights.*

2012 saw Monash University recognised by the Victorian Employers' Chamber of Commerce and Industry for our commitment to providing a safe and welcoming workplace and to provide information to new employees to improve their local area knowledge and thereby improve their safety, productivity and integration into the workplace and community. The University strives, through a process of continuous improvement, to fully integrate equal opportunity into all aspects of its activities through its decision-making and planning processes. Monash University is committed to providing all individuals with an environment free from all forms of unlawful discrimination, harassment, vilification and victimisation.

The Monash University Ethics Statement details the ethical values and principles that are expected of all staff and students as members of the Monash community. It comprises general principles that guide individuals in their decision-making through:

- Monash as a place for people to work and study.
- Monash as a learning, teaching and research institution.
- Monash in society.

This Ethics Statement underpins the University's policies and procedures, which set out specific rules and standards of conduct expected from staff and students.

### **Human ethics in research**

The Monash University Human Research Ethics Committee continued to assist the University in meeting the requirements of the National Statement on Ethical Conduct in Research Involving Humans by reviewing all new research proposals and ensuring they were planned and conducted with the highest ethical standards, thus mitigating any risks to participants and making sure benefits from the research activities were shared with the community.

### **Animal welfare**

The Monash University Animal Welfare Committee (MUAWC) continued to advise the Senior Deputy Vice-Chancellor and Deputy Vice-Chancellor (Research) and ensured the activities of the ten animal ethics committees complied with state law and the Australian Code of Practice for the Care and Use of Animals for Scientific Purposes. In 2011, MUAWC ensured that related University policy was implemented consistently. The MUAWC membership included

researchers, representatives from animal welfare organisations and lay members. New staff and students continued to receive training in the care and use of laboratory animals.

## Community engagement

Community engagement at Monash is defined as engaging actively within and outside the University on a multi-level basis across local, national and international contexts. This is in order to exchange knowledge, learning and cultural understanding for the benefit of society. At the University level, Monash interacted with its local community through its publicly accessible arts, culture and sport facilities and services. For example, Monash University Museum of Art (MUMA) was committed to innovative, experimental and research-based contemporary art and curatorial practice. With a focus upon contemporary art since the 1960s, MUMA sought to establish the Museum as a dynamic site for cultural production, pedagogy and participation – through exhibitions, collection development, curatorial research, publishing, and academic and community engagement.

Community engagement is also undertaken at a campus level including, for example, at Berwick campus where support was provided through the provision of Berwick campus land to establish the Insight School for Blind and Visually Impaired Children. Peninsula campus commenced work with Frankston City to evaluate the impact of the proposed Regional Aquatic Centre on the health and wellbeing of the local community. The Monash University Community Farm is a new initiative developed by Monash students at the Clayton campus in collaboration with the University and Notting Hill Community Association. The Farm promotes sustainable living practices by engaging students, staff and neighbours of the Clayton campus in organic food production and permaculture practices. A foundation partner of the Gippsland Education Precinct (GEP), Gippsland campus participated in the Kurnai Education Hub Pilot with The Smith Family to raise aspirations and reduce educational disadvantage in the secondary college embedded in the campus. The campus also contributed to the Churchill Art and Culture Pathway, which fosters community engagement and aspirations whilst facilitating the collaborative development of pathway courses from TAFE to university in response to regional needs.

At the international level, some 200 students at Sunway Campus, Malaysia, participated in a self-organised volunteer program, working with community organisations in the Klang Valley that surrounds Kuala Lumpur. Also at Sunway Campus, Malaysia, the South East Asia community observatory was established and launched at Segamat, a provincial town, to provide a platform for social science and public health research. The same facilities supported medical students who worked with local people, including the indigenous Orang Asli. In South Africa, Monash University and Oxfam Australia came together to provide student volunteer placement opportunities in a range of community-based organisations focussing on areas such as AIDS, human rights and refugees.

## Human rights

Monash remained listed as a participant of the UN Global Compact (in the Academia category) and is committed to promoting equal opportunity in education and employment in recognition of global principles of equity and justice according to the United Nations and International Labour Organisation Conventions, Covenants and Declarations. Human rights issues regarding staff and students within Australia were implicit in the legislation the University complied with.

## Socially responsible economic considerations

### Investments and loans

There were no procedures or policy regarding the investment of University funds in socially responsible investments. Monash University does not apply environmental or social assessment to entities that loan funds to the University.

### Accounts payable

While the University generally applied a standard trading term on disbursements of 30 days from end of month of invoice date, shorter terms were applied when vendor circumstances warranted this.

For example, the University generally acquiesced to rural vendors who requested shorter payment terms to ease cash flow burdens experienced in rural communities, and also catering/food vendors, as these businesses are predominantly sole proprietors and reliant on this income as their sole source.

### Accounts receivable

Monash University applied a general debtor payment due policy of 30 days net from the date of the generated and printed invoice. As with disbursements, discretion was applied in considering debtor circumstances especially in the case of students. Wherever possible, a negotiated arrangement was seen as preferential to placing the debt in the hands of collection agencies.

## Statements of compliance

### Statutes made and/or amended in 2012

Statute	Date Approved by Monash University Council	Date Approved by Minister
Statute 6.3 – Exclusion	4 July 2012	28 August 2012
Miscellaneous	30 Aug 2012	14 November 2012
Statute 6.2 – Exclusion for unsatisfactory progress or inability to progress (Amendment) (No. 3 of 2012)	8 November 2012	Approval pending

## Freedom of information

Monash University processed 23 requests under the Freedom of Information Act 1982 as against 18 in the previous year. In addition there were three requests for consultation under section 34 of the Act concerning release of University documents by other agencies.

Departments within the central administration maintain most vital records relating to institutional policy and administration. The principal hard copy records series are set out below:

- Student files (1961 to current).
- Student record cards (1961 to 1990).
- Administrative correspondence (1962 to current).
- Staff files (1962 to current).

Files within these record series were held or processed in accordance with best practice and approved record-keeping policies.

Major electronic database record series (including archived systems) were:

- Monash archived accounting systems (MARS 1978–99; ARIES 1983–99).
- Integrated human resources systems (ISIS 1981–99; SAP 2000 – current).
- Monash University student information systems (MUSIS 1982–2000; Callista 2000 – current).
- Accounting and funds management system (SAP 2000 – current).

Reports from these systems were not accessible online by members of the public.

Monash University Council and Academic Board agendas and minutes, which were the most accessible records series reflecting policy and procedures, have long been available in near-complete form in the Sir Louis Matheson Library, Clayton campus, and may be consulted without notice during normal library hours (generally 9am to 5.30pm, Mondays to Fridays, during semester). These may also be accessed via the Monash University website. These and other principal University records series available were as follows:

- Monash University Council minutes (1961–2006).
- Academic Board minutes (1993-current).
- Strategy and Resources Committee minutes (2007–08).
- Senior Management Team (Expanded) minutes (2009–10).
- Senior Management Forum minutes (2007–09).

The University website ([www.monash.edu](http://www.monash.edu)) was also a valuable source of information and contained a considerable range of material including:

- Monash University Council minutes (1990 – current).
- Academic Board minutes (1993 – current).
- Strategy and Resources Committee minutes (2007–08).
- Senior Management Team (Expanded) minutes (2009–10).
- Senior Management Forum minutes (2007–09).

In addition, the University website could be used to access a wide range of information about the University and its archives. Areas of interest included teaching, research, policy information, course and unit information, as well as faculty- and campus-specific information. Members of the public without access to the web could use computers at the State Library of Victoria or at any Monash University library to access the site.

The University has included material as set out in Part II of the Freedom of Information Act 1982 on the University website. Use of the search facility enabled access to the relevant information.

Monash produced a wide range of publications about the University's teaching, learning and research activities in print, online and video formats. These included undergraduate and postgraduate handbooks that described degree requirements, courses and units, a guide for international students on specific aspects of the University's key functions, and publications on research and research outcomes. The University also produced a range of brochures, booklets and information kits describing the activities and expertise of faculties, departments and research centres. The University's Advancement division produced a range of publications that were distributed throughout the University and to the media, secondary schools, the business sector and community leaders. General guides to the University's activities and services were also available in print and video formats.

Should formal Freedom of Information (FOI) access to documents pursuant to the Freedom of Information Act be required, preliminary inquiries may be made to the FOI officer on +61 3 9905 5137. Formal FOI requests for access to University records under the Freedom of Information Act 1982 must be made in writing, addressed to the FOI Officer and be accompanied by an application fee of \$25.10, as prescribed by the Act. Such requests for access should contain sufficient detail to enable the specific documents required to be identified.

Applicants would be notified in writing of the decision on a request as soon as possible but at maximum within 45 days of the application being received. If access were granted, the applicant would be advised at this time of the arrangements for gaining access to the requested documents.

Charges for access complied with the Freedom of Information (Access Charges) Regulations 2004. The charges would cover time spent searching for documents and the cost of providing access.

Requests should be sent to:

Ms Fiona Hunt  
Freedom of Information Officer  
Executive Services  
Building 3A  
Monash University 3800 Victoria

Further information about FOI could be found at the Executive Services website at [www.adm.monash.edu/execserv](http://www.adm.monash.edu/execserv).

## Compliance with the Education Services for Overseas Students Act 2000

Monash University and its controlled entities complied with the Education Services for Overseas Students Act 2000 and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (National Code 2007).

## Compliance with Whistleblowers Protection Act 2001

Monash University is committed to the aims and objectives of the Whistleblowers Protection Act 2001. The University does not tolerate improper conduct by its employees, officers or members, or the taking of reprisals against those who may come forward to disclose such conduct. The University would take all reasonable steps to protect people who made such disclosures from any detrimental action in reprisal for making the disclosure.

The Monash University Whistleblower Procedures were established in accordance with the Act. The procedures established a system for reporting disclosures of:

- improper conduct
- corrupt conduct
- detrimental action by employees, public officers or members.

These procedures were available from the University website at [www.adm.monash.edu/workplace-policy/conduct-compliance/whistleblowers.html](http://www.adm.monash.edu/workplace-policy/conduct-compliance/whistleblowers.html).

The number and types of disclosures made to the public body during the year.	Nil
The number of disclosures referred during the year by the public body to the Ombudsman for determination as to whether they were public interest disclosures.	Nil
The number and types of disclosed matters referred to the public body during the year by the Ombudsman.	Nil
The number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate.	Nil
The number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year.	Nil
The number of requests made under section 74 during the year to the Ombudsman to investigate disclosed matters.	Nil
The number and types of disclosed matters the public body had declined to investigate during the year.	Nil
The number and types of disclosed matters substantiated on investigation and the action taken on completion of the investigation.	Nil
The number of recommendations of the Ombudsman under this Act that related to the public body.	Nil

## Statement on the number of complaints made to and investigated by the Ombudsman and made to and involving the University

We were not aware of any whistleblower complaints made to the Ombudsman that involved the University.

## National Competition Policy

The University continued to implement its established policies consistent with its obligations in relation to the National Competition Policy. During 2012, the University was not the subject of any National Competition Policy-related action.

The University has established policies and procedures to ensure adherence to its obligations under the Australian Consumer Law and to encourage the practice of competitive neutrality in relation to relevant, significant business activities. Detailed information and guidelines may be obtained online from [www.adm.monash.edu/tpa/compliance-procedures.html](http://www.adm.monash.edu/tpa/compliance-procedures.html).

An online Australian Consumer Law Compliance Manual provides guidance for compliance with the Competition and Consumer Act 2010 (C'th) (formerly the Trade Practices Act) and known as the 'Australian Consumer Law' (as amended from time to time). Advice on the law of consumer law, trade practices and competition is provided by the University Solicitor.

## Privacy

Monash is required to comply with the Information Privacy Act 2000 (Vic), the Health Records Act 2001 (Vic) and the Freedom of Information Act 1982 (Vic).

Monash is committed to the protection of personal information and has established a privacy regimen that strives to:

- Promote understanding and acceptance of the privacy principles and their objectives throughout the University community.
- Educate people within the University about information privacy.
- Handle any complaints received in an efficient and appropriate manner.
- Monitor privacy compliance and keep the University informed of updates to procedures.

Guidelines and advice on privacy regarding staff and students were provided to staff via the Monash intranet. Most faculties and divisions had privacy coordinators, and staff, students and members of the public were able to contact the University privacy officer if they had any questions or complaints.

## **Website address for current and previous annual reports**

Copies of the University's annual reports may be accessed at [www.monash.edu/pubs/ar](http://www.monash.edu/pubs/ar).



# Environmental performance

## Introduction and scope

Monash University seeks to improve the human condition through research and education that is framed by a commitment to social justice, human rights, sustainable progress and enduring wellbeing. Consistent with this goal Monash has committed to improving the environmental sustainability of its operations in Australia and overseas.

The Global Reporting Initiative (GRI) framework has been used to guide this section of Monash University's Annual Report. Rather than adhering strictly to the GRI Environmental Indicator Set, environmental sustainability is assessed in terms of what is considered most meaningful to the University. The GRI Environmental Performance Indicators included are referenced below with the relevant code, for example EN8: Total water withdrawal by source.

The environmental performance report focuses mainly on Australian operations; particular references to the South African and Malaysian campuses are stated. Results for the period 1 July 2011 to 30 June 2012 (financial year 2011/12) are referenced as such, where provided. References to 2012 are for the calendar year.

### 2011/12 environmental sustainability at a glance

- 693,989 gigajoules of energy used (electricity, gas and fuel).
- 440,469 kilolitres of potable water was consumed.
- Additional 188kWp capacity of solar photovoltaic arrays installed: 30kWp at Gippsland campus and 158 kWp at Clayton campus.
- 5000 students and staff took the Monash environmental pledge.
- 3440 tonnes of waste generated; of which 1052 tonnes (31 per cent) was recycled.
- The 2011 carbon footprint inventory showed 69 per cent of the University's carbon emissions came from electricity, 18 per cent from air travel and 8 per cent from natural gas.
- The first two buildings built under the Sustainable Development Policy as 5-star Green Star As-Built buildings were completed and occupied.

### 2011/12 awards and acknowledgements

- Monash University nominated as Australia's greenest university by The Australian.
- Monash University won a commendation as a Sustainable Business in the City of Monash World Environment Day awards.
- The sustainable refurbishment of the Yarrowonga building won a City of Monash World Environment Day Built Environment Award.
- The 5-star Green Star Briggs and Jackomos student residences at Clayton campus were acknowledged in the Royal Institute of British Architects International Awards. These awards are an annual showcase of the best architecturally-designed built works outside the UK.

## Commitments, governance and resources

*Priority: To provide direction, targets and transparency for environmental sustainability.*

### Public commitments

*Priority: To continually strive to lead the sector toward environmental sustainability.*

The University's Environmental Sustainability Policy can be viewed at [www.fsd.monash.edu.au/environmental-sustainability/what-were-doing/environmental-documents](http://www.fsd.monash.edu.au/environmental-sustainability/what-were-doing/environmental-documents). It states: "the University acknowledges the adverse impacts that human activity can impose and takes actions to prevent degradation of our natural systems." In order to reduce its environmental impact in Australia, the University is committed to:

- Advancing sustainability in line with the Talloires Declaration signed in 2007.
- Reducing the University's energy (electricity and gas) consumption by 30 per cent by 2020 (from 2010 levels).

- Reducing the University's potable water consumption by 30 per cent by 2020 (from 2010 levels), and to zero consumption on grounds and ovals by 2015.
- Incorporating environmentally sustainable design aspects into all maintenance, refurbishment and capital works activities and projects.
- Reducing the University's total waste to landfill by 30 per cent by 2020 (from 2010 levels) and increasing the proportion of waste recycled to 50 per cent of total waste (general and recycled).
- Improving the use of sustainable transport so that 80 per cent of staff and students use sustainable transport options for travel to the University by 2020.
- Applying sustainability criteria to all major procurement contracts.
- Advancing fair trade in line with the Fair Trade University accreditation.
- Complying with government reporting processes.

### Governance

*Priority: To increase and broaden stakeholder engagement in the University's strategic environmental directions and planning.*

The Senior Management Team (Environment) (SMT(Environment)), chaired by Professor Edwina Cornish, Senior Deputy Vice-Chancellor and Deputy Vice-Chancellor (Research), oversaw environmental activities and reporting for the University in 2011/2012. Supporting the SMT (Environment) were ten subcommittees covering a broad spectrum of environmental sustainability issues. Each subcommittee reported to the SMT (Environment) on an annual basis and was supported by Environmental Sustainability (formerly The Office of Environmental Sustainability) to ensure a consistent and coordinated approach.

Other committees with environmental responsibility included the Occupational Health, Safety and Environment committees based in faculties and divisions. This governance structure brought together more than 200 academic and professional staff and students to drive environmental sustainability planning and activities across teaching, research and campus operations.

### Staff resources

*Priority: To provide staff resources to support University environmental improvements, sustainable behaviour, public commitments and compliance requirements.*

In addition to the many activities dedicated to sustainability taking place throughout the University, there were three distinct groups dedicated to environmental sustainability: Environmental Sustainability, the Monash Sustainability Institute (MSI) and ClimateWorks Australia.

Environmental Sustainability was responsible for supporting operational, infrastructural and sustainable behaviour to improve environmental sustainability within the University. Environmental Sustainability has been in operation for five years and had 12 full-time equivalent staff as of 30 June 2012. In the 2012 calendar year, University funding of \$4 million was provided for environmental improvements and compliance programs and projects. Further information on the work of Environmental Sustainability can be found at [www.fsd.monash.edu.au/environmental-sustainability](http://www.fsd.monash.edu.au/environmental-sustainability).

MSI's mission is to solve the climate change and environmental sustainability challenges facing our society. In 2012 MSI brought together experts from multiple fields of endeavour in world-leading, cross-disciplinary partnerships, programs and centres of excellence. These drew on the expertise of Monash University staff from across faculties, under the guidance of academic leaders in MSI. Further information can be found at [www.monash.edu/research/sustainability-institute](http://www.monash.edu/research/sustainability-institute).

In 2012 MSI's multi award-winning program, Green Steps, delivered its first international course at the University of Warwick in the United Kingdom, as part of a new partnership. In total, Green Steps engaged more than 100 students from seven universities across Australia and the United Kingdom in intensive sustainability skills training and internships.

MSI also expand in 2012, with leading academics and experts joining the team. Dr Gill Owen, former non-executive director of the England Wales water regulator Ofwat and former Commissioner of the UK's Competition Commission, joined MSI as a Research Program Leader. She has been joined by Professor Michael Ward as Professor of



Economics and Sustainability, and Professor Carol Adams, former Pro Vice-Chancellor (Sustainability) at La Trobe University. Sir Bob Watson, former Chief of the Intergovernmental Panel on Climate Change (IPCC), joined MSI to work with the Institute on a Sustainable Development Goals project.

ClimateWorks Australia continued its successful work in 2012 with a major analysis of energy opportunities for medium to large industrial businesses, identifying the barriers and drivers for energy efficiency across different industry sectors. They also released a new methodology to measure the effectiveness of programs in reducing consumer energy consumption, and launched a new national program – Empower – designed to help businesses and households reduce greenhouse gas emissions. In late 2012, ClimateWorks launched a major project to track Australia's progress in reducing emissions across the economy by measuring business activity at all stages of the project pipeline.

MSI's Chairman, Professor John Thwaites, in 2012 was named as Chair to the federal government's newly created National Sustainability Council and named as one of the Global Top 100 Leaders in Sustainability. He was also invited to join other sustainability leaders, including luminaries such as Prince Albert and businessman Ted Turner, on the United Nation's (UN) Sustainable Development Solutions Network – Leadership Council, which met in New York for the first time in November 2012.

MSI also launched the Soil Carbon Program in 2012, receiving more than \$1 million to run a series of projects designed to address the sustainability and climate change challenges of soil health, soil productivity and carbon storage in Australia.

## Staff and student engagement

*Priority: To engage staff and students to embed sustainability within their work, study and on-campus activities.*

Staff and students continued to be an integral part of environmental programs across the University. Engagement with the University community about waste, energy, water, procurement, food, transport and biodiversity underpinned the environmental work for 2011/12. The network of 274 staff and student volunteer Green Representatives and nominated Environmental Officers remained the strength of Monash Environmental programs.

'Greening up our act' continued to be the University-wide message for environmental sustainability. Communication of this message occurred primarily through electronic newsletters, web site information, social media, displays and emails. Face-to-face communication occurred through meetings, information sessions and participation in events. Campus signs and storyboards at point of sale or use were used as visual communication.

The University continued to support its relationships with student representatives, clubs, societies and non-government organisations such as the Environment and Social Justice Collective, V Gen, The Oaktree Foundation, Engineers without Borders, and Fair Trade Australia and New Zealand.

Program highlights for 2011/12 year are summarised below:

- The Monash University Green Program was redeveloped. The new look Green Program supported and inspired the network of Green Representatives and Environmental Officers. The program was structured in tiered levels comprised of a number of activities for completion. Tasks included audits, assessments, events, implementing new strategies to save energy and water, changing purchasing arrangements, rewarding environmentally sustainable behaviour, networking and communication.
- Monash is Australia's fourth Fairtrade University, and our efforts in promoting fair trade continued to gain momentum. The University promoted fair trade awareness through Sustainable Events and Fairtrade Fortnight, showcasing fair trade products available to staff and students. Fair trade products continued to be embedded through procurement practices, student activities and on-campus retail support.
- Facebook became a prominent tool to communicate events and initiatives to students. At the end of the 2011/2012 financial year, Facebook posts reached an audience of 581 Facebook users: an increase of 43 per cent from the previous year.

- The Pledge remained an important part of sustainability initiatives. In 2012, the Pledge focused on the five key environmental areas of transport, energy, waste, food and water, with students and staff able to select an area of focus. Staff and students pledged across all campuses with 211 people from Malaysia, 143 from South Africa and 4853 from Australia (total 5207), raising more than \$26,000 for on-site renewable projects.
- Environmental Sustainability was showcased at a significant range of events throughout the 2011/12 period, often supported by student associations. These events included enrolments, Orientation Week, Open Day, Earth Hour, Ride to Work Day and the Sustainable Transport Fiesta.

Student environmental coursework and campus sustainability became increasingly integrated. Environmental Sustainability provided a range of course lectures and sponsored students to work as environmental interns in Environmental Sustainability or to participate in MSI's Green Steps program. The results of projects undertaken by students informed the development of new environmental programs.

Monash Residential Services, with support from student Environmental Coordinators, ran a range of events for residents, including Earth Hour, Clean Up Australia Day and the Energy Reduction Challenge Competition. A student-based environmental committee was active in facilitating positive environmental change. Residential Services continued to expand their vegetable gardens, tree plantings and infrastructure improvements such as installation of energy efficient lighting and sub water metre infrastructure in preparation for a water use reduction competition in 2012. Rain water tanks enabled zero potable water to be used on gardens.

In 2011/12, Environmental Sustainability participated in the Australasian Campuses Toward Sustainability Conference, presenting on a laboratory energy-saving initiative (Shut Your Sash Program) and on sustainability within master planning at Monash University.

## Education for sustainability

As part of a project funded by Sustainability Victoria, a pilot project designed to embed sustainability in the first year engineering curriculum made important progress in 2012. Following a series of workshops conducted in 2011 with internal and external stakeholders, a web site was developed to provide key content and activities for students to enable them to learn more about sustainability and its relevance to engineering. The website, which went live during semester 1, 2012, also introduced students to key aspects of systems and critical thinking as well as life cycle analysis. A survey conducted with the students before and after they had access to the material measured statistically significant increases in the student's self-reported knowledge of sustainability. The insights from the pilot project are being used as part of the development of the University's Education for Sustainability strategy.

## Biodiversity

The Planting Policy ratified in 2011 favouring Australian native planting was applied in 2012 in the landscape design for the gardens surrounding Briggs Hall, Jackomos Hall and the Yarrowonga building at Clayton campus and also at the Monash Peninsula Activity and Recreation Centre. Plants selected are well adapted to the local environment and comprised of native species. Biodiversity was included as a feature in Campus Master Plans.

## Carbon management

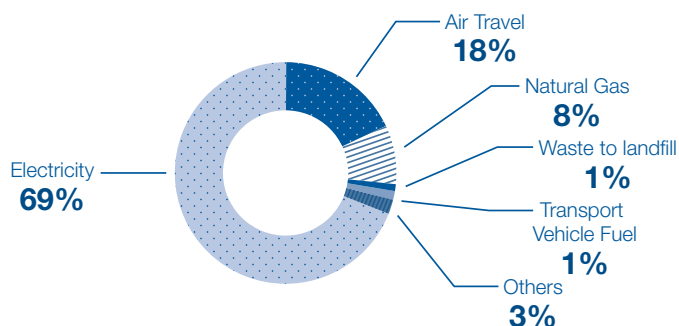
*Priority: To reduce carbon emissions.*

The Monash University carbon footprint has been measured for each calendar year since 2005. Since the 2009 calendar year, the carbon footprint has included the greenhouse gas (GHG) emissions associated with Australian activities over which the University has operational control as defined by the National Greenhouse and Energy Reporting Act 2007. This definition expands the University boundary to include all properties occupied by Monash staff and students, whether owned or leased by Monash from a third party, including

those located outside campus boundaries. The total tonnes CO<sub>2</sub> equivalent (CO<sub>2</sub>-e) emitted by University activities, as measured in the carbon footprint in the 2011 calendar year, decreased by two per cent, or 3875 tonnes CO<sub>2</sub>-e, when compared with the footprint for the 2010 calendar year. GHG emissions arising from gas used for heating and cooling (scope 1 emissions) decreased by 4.6 per cent, with the emissions from electricity consumption (scope 2 emissions) decreasing by 1.7 per cent. Scope 3 emissions increased by 10 per cent. Contributions to this increase included a 6 per cent increase in the GHG emissions arising from air travel, when compared to 2010, and the inclusion of electricity consumption from an off-site data centre used by the University for the first time in 2011. Data for 2012 was not available when this report was prepared.

Electricity consumption accounted for 69 per cent of Monash University's total CO<sub>2</sub>-e emitted, air travel for 18 per cent and natural gas consumption for 8 per cent in the 2011 carbon footprint (see Figure 1). Approximately 14 per cent of the University's electricity consumption was accredited GreenPower supplied from wind generation. 185,055 kWh of electricity was generated by solar photovoltaic arrays at the Clayton, Berwick and Parkville campuses. Fuel consumption of the car fleet was offset with permanent biodiverse native forests planted by a Greenhouse Friendly approved abatement provider.

Figure 1: Major contributors to the 2011 Carbon footprint



Source: Carbon footprint calculation, The Office of Environmental Sustainability

Table 1 equates to the sum of the GRI Indicators EN16 and EN17 (GRI Indicator EN16). Total direct and indirect greenhouse gas emissions by weight and EN17. Other relevant indirect greenhouse gas emissions by weight.

Table 1: Monash University's carbon footprints (tonnes CO<sub>2</sub>-e emitted/year) 2009–11 calendar years

	2009	2010	2011
Scope 1 (On-site emissions arising from combustion of gas and fuels and the use of refrigerants and livestock)	20,920	19,051	18,299
Scope 2 (Indirect emissions arising from the generation of imported electricity)	120,128	122,042	119,952
Scope 3 (Indirect emissions arising from the extraction, production and transport of gas, fuels and electricity; electricity lost in delivery; waste disposal; embodied energy in paper and water; business travel by staff and transport)	43,814	52,555	57,918
Additional estimate for small facilities	N/A	2,352	2,383
<b>Total</b>	<b>184,865</b>	<b>196,001</b>	<b>198,552</b>
Emissions offsets (tonnes CO <sub>2</sub> -emitted/year)	14,286	13,980	20,406
Net total of all emissions after including offsets (tonnes CO <sub>2</sub> -e emitted/year)	170,579	182,021	178,146

Notes:

1. Data is collected and calculated according to the National Greenhouse and Energy Reporting (Measurement) Determination 2008, the National Greenhouse Accounts (NGA) Factors, July 2011 workbook and the Australian Standard 14064.1–2006.
2. Data from previous years has been recalculated as more accurate data became available.

## Energy consumption

Priority: To reduce energy (electricity, gas and fuel) use by 3 per cent each year against a 2010 calendar year baseline.

Total energy (electricity, gas and fuel) used in 2011/12 was 693,989 gigajoules (see Table 2), a decrease of 0.3 per cent from that used in 2010/11 and 2.6 per cent from that used in 2008/9. Electricity and gas represent more than 95 per cent of this energy use.

Table 2: Energy consumption (gas, electricity and fuel use; gigajoules) by site as reported under the National Greenhouse and Energy Reporting Act 2007

Facility	Total Energy 2008/9	Total Energy 2009/10	Total Energy 2010/11	Total Energy 2011/12	Change in Energy 2010/11 to 2011/12
Berwick	9,301	9,681	9,402	8,450	-10.1%
Caulfield	124,471	101,735	79,330	73,230	-7.7%
Clayton	449,750	458,898	470,348	452,162	-3.9%
Gippsland	37,548	35,976	32,682	35,032	+7.2%
Parkville	14,160	13,929	20,560	32,775	+59.4% <sup>1</sup>
Peninsula	21,704	21,369	20,295	21,110	-4.0%
Alfred Hospital	16,544	12,429	17,637	19,764	+12.1%
Monash Accommodation Services				4,927	-
Monash Medical Centre	25,201	33,412	32,276	28,226	-12.5%
Monash University Foundation	5,401	4,807	4,952	9,197	+85.7% <sup>1</sup>
Small rural and city sites	8,649	8,542	8,748	9,116	+4.2%
<b>Total</b>	<b>712,728</b>	<b>700,780</b>	<b>696,230</b>	<b>693,989</b>	<b>-0.3%</b>

Note: Data has been extracted from utility bills by Environmental Sustainability and includes use by Monash Residential Services.

<sup>1</sup> New buildings or additional areas were occupied at these sites in 2011/2012.

## Energy conservation

Energy conservation remained a major component of infrastructural and sustainable behaviour initiatives. Energy efficiency of heating, ventilation and air conditioning (HVAC) systems was the priority for 2011/12.

Energy conservation projects included:

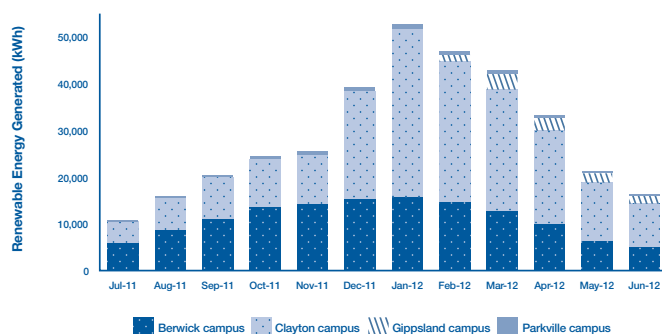
- Continuation of a building re-commissioning program targeting the University's top energy-consuming buildings, resulting in the Monash Biotechnology Building on the Clayton campus using up to 15 per cent less energy than pre-2012 years.
- Completion of the HVAC control system upgrades in two buildings, with savings of approximately 30 per cent observed from January to June 2012 in the Sir Louis Matheson Library.
- Optimisation of building temperature set points and fan speeds in a range of buildings.
- Upgrading building envelopes to improve thermal performance, which included improved building sealing and installation of insulation in the Monash College Building at the Clayton campus and application of heat-rejecting roof paint to 700 Blackburn Road.

## Renewable energy

A 30 kWp solar photovoltaic array was installed at the Gippsland campus and an additional 158 kWp capacity at the Clayton campus, increasing the total installed capacity of solar photovoltaic at Monash University to 387 kWp, which generated over 348,271 kWh of renewable energy in 2011/12 (see Figure 2).



Figure 2: Renewable energy generated in 2011/12



## Water consumption

**Priorities:** To reduce the University's potable water consumption by 30 per cent by 2020 from 2010 levels.

To reduce the University's potable water consumption to zero on grounds and ovals by 2015.

The total potable water consumed by Monash University in 2011/12 was 440,469 kilolitres (kL), a 7 per cent increase compared to the 2010/11 financial year. Table 3 shows the total potable water consumed by each campus (GRI indicator EN8: Total water withdrawal by source).

Table 3: Potable water consumed per campus (2011/2012) in comparison to levels in previous years

Campus	Total Kilolitres (kL) 2008/9	Total Kilolitres (kL) 2009/10	Total Kilolitres (kL) 2010/11	Total Kilolitres (kL) 2011/12	Change in Water Consumption 2010/11 to 2011/12
Berwick	12,087	14,024	12,163	11,451	-7%
Caulfield	59,904	63,816	57,467	55,459	-2%
Clayton	373,716	285,609	285,088	315,981	+11%
Gippsland	36,395	35,052	31,479	29,493	-7%
Parkville	9,463	7,606	7,230	7,751	+4%
Peninsula	17,452	19,574	18,560	20,334	+9%
<b>Total</b>	<b>509,736</b>	<b>425,680</b>	<b>411,988</b>	<b>440,469</b>	<b>+7%</b>

**Note:** Data has been extracted from utility bills by Environmental Sustainability and includes use by Monash Residential Services.

The University focused on water conservation, water harvesting and community awareness as the main strategies in its water management plan. Key water management projects undertaken in 2011/12 were:

- Installation of a storm water harvesting and treatment system at Peninsula campus, which then provided a recycled supply to the campus irrigation ring main and to the Maintenance and Minor Works toilets.
- Installation of a storm water harvesting system of 150,000 L capacity and a grey water treatment plant at the Briggs and Jackomos Halls of Residence on the Clayton campus.
- Upgrading of the Clayton campus sports field irrigation alternative water source system from bore water and surface water, to increase capacity and reliability, significantly reducing the need for potable use on grounds.
- Water audits of all Clayton campus cooling towers to improve operational efficiency and reduce water wastage.
- The planting of drought tolerant grasses and plants at Clayton campus.
- Preparation of Water Management Action Plans as required by the Department of Sustainability and Environment, Victoria, for Caulfield, Clayton, Gippsland and Peninsula campuses. Parkville campus was included voluntarily.

## Waste

**Priorities:** To reduce the University's total waste to landfill by 30 per cent by 2020 from 2010 levels.

To increase total waste recycled to 50 per cent of total waste (general and recycled).

The University produced 3440 tonnes of waste in 2011/12, a 7 per cent decrease compared to the 2010/11 financial year. A total of 1052 tonnes of waste was recycled. The amount of waste recycled increased from 27 per cent in 2010/11 to 31 per cent of total waste generated (general and recycled waste) in 2011/12 (see Table 4).

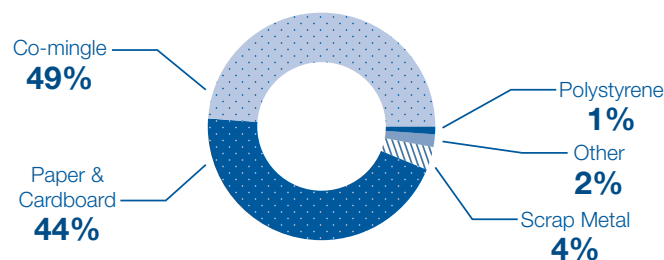
Table 4: Total waste generated, waste recycled and percentage of waste recycled (2008/09 to 2011/12)

Year	Total Waste Generated (Tonnes)	Waste Recycled (Tonnes)	Percentage of Waste Recycled
2008/09	4,804	897	19%
2009/10	4,007	933	23%
2010/11	3,695	1,006	27%
2011/12	3,440	1,052	31%

**Note:** Based on data from Monash University's waste collection companies.

The contributions to recycled waste are shown in Figure 3 (GRI Indicator EN22: Total weight of waste by type and disposal method).

Figure 3: Contributions to recycled waste, by weight in 2011/12



### Notes:

1. Based on data from Monash University's waste collection companies.
2. Conversion factors are from Appendix C of the National Greenhouse and Energy Reporting System Measurement Technical Guidelines for the Estimation of Greenhouse Gas Emissions by facilities in Australia, June 2010.

The waste improvements followed the University's continued support for new waste and recycling infrastructure and programs to change staff and student behaviour. Some of the key programs included:

- The Bin There Done That office bin replacement program was implemented at the Caulfield campus in 2011. This program replaced more than 1850 conventional under-desk bins with small desktop bins. Previous audits have shown this program consistently reduces the mass of recyclable material placed in landfill bins by 20 to 25 per cent.
- The Furniture Re-use Program redistributes the University's surplus furniture to other departments within the University, diverting furniture from landfill. In 2011/12 this program redistributed more than 2600 individual items weighing over 60 tonnes. In 2011 the Reuse web store and inventory management system was launched to manage inventory reporting and promotion. The University continued to donate furniture to a number of charities and community groups.
- The polystyrene compactor continued to streamline the University's management of its polystyrene waste and reduced the frequency of polystyrene waste collections by more than half, delivering environmental and financial savings from reduced waste haulage.
- Installation of five high-profile drinking fountains at Caulfield campus to complement the existing 25 drinking fountains at the University. These fountains provided an alternative to bottled water consumption and helped promote the Refill Not Landfill campaign, which aims to reduce the amount of bottled water used at the University.

## Sustainable transport

**Priority:** For 80 per cent of staff and students to travel to Monash campuses using sustainable transport options by 2020.

The Monash Transport Strategy aimed to reduce greenhouse gas emissions associated with travelling to University campuses through a shift away from single occupancy vehicles towards sustainable alternatives, such as public transport, carpooling, walking and cycling, while reducing the overall need for travel in general.

The 601 shuttle bus service, a high-frequency express route from Huntingdale Railway Station to Clayton campus, was the highest patronised bus route in Victoria. The success of the 601 was celebrated at the anniversary of its commencement. Monash University continued to advocate for greater public transport to campuses in 2011/12, including the Rowville rail line and another high frequency express bus from the Belgrave/Lilydale and Glen Waverley railway lines to Clayton campus.

Several projects were undertaken during 2011/12 to improve the infrastructure supporting bike use and create a culture of bike riding, including the installation of bike lanes on the Clayton campus ring road, additional bike loops outside key buildings, and expansion of the bike share scheme for residential students.

The number of free parking spaces for car pooling vehicles remained at 612, with innovative ID card activated boom gate access operating well at Clayton campus carpool car parks. Carpooling was actively promoted to staff and students and an improved online carpool matching service, incorporating Google Maps and all modes of sustainable transport, was launched on the my.monash portal.

To promote sustainable transport options to staff and students the University ran a Sustainable Transport Week in mid-October 2012. The week included events such as National Ride to Work Day and rewards for those who travelled sustainably.

### Motor vehicles

Between the 2011 and 2012 calendar years, the number of vehicles in the fleet decreased by 26 per cent, while the total litres of fuel used by the fleet decreased by 2 per cent. The fuel consumption of the car fleet was offset with permanent biodiverse native forests planted by a Greenhouse Friendly approved abatement provider. Further fleet statistics are listed in Table 5.

The majority of vehicles purchased by Monash were sourced from companies with Australian-based manufacturing plants.

**Table 5: Monash fleet statistics for the 2008–12 calendar years (excluding novated leases)**

Category	2008	2009	2010	2011	2012
Number of vehicles	413	370	429	457	337
Percentage of fleet offset	99%	98%	98%	98%	100%
Number of LPG vehicles	4	4	2	2	3
Number of diesel vehicles	45	34	42	67	128
Number of hybrid vehicles	31	38	62	30	23
Number of six-cylinder vehicles	285	130	130	179	159
Number of five-cylinder vehicles					5
Number of four-cylinder vehicles	128	136	159	147	167
Number of 4WDs	31	26	34	32	15
Total fuel use (litres)	734,042	681,616	638,011	552,041	541,997

#### Notes:

1. Some vehicles were counted in more than one category.
2. Source: Strategic Procurement, Monash University.

## Green information technology

**Priority:** To reduce the environmental impacts of information and communication technologies across the University, and to leverage technology to deliver more sustainable outcomes.

The Monash Green IT Committee has focussed on the following areas in 2011/12.

Reduction of energy associated with IT:

- The migration of staff and student personal computers (~20,000) to Windows 7 commenced, enabling the embedding of standard and managed power saving settings, which will result in an estimated \$35,000 saving in electricity per year when complete. The migration of student computers was completed (4500), with approximately 20 per cent of staff computers migrated.
- The virtualisation of the University's 2585 servers to save energy consumption continued with more than 50 per cent now virtualised. All new server requests are managed as virtual servers where possible. Decommissioning of redundant servers has also yielded significant power savings.
- A strategy for providing future University data centres is under development, proposing substantial use of hosted, energy-efficient services for future enterprise systems.

Improvements in the management of e-waste and reduction in consumption of materials such as paper:

- The electronic waste management and recycling program was improved to increase the range of electronic assets re-used or recycled, resulting in an increase from 5000 units in 2011 to 8000 in 2012.
- Approximately 200 cathode ray tube monitors were replaced by flat screen monitors with improved energy efficiency.
- Libraries provided students with facilities to enable them to scan to USB devices from photocopiers, rather than copying onto paper.

Increasing the use of videoconferencing services:

- To help reduce travel, videoconferencing services to staff and students have been expanded with the release of Google+ as part of the standard email and collaboration suite, providing nine-way videoconferencing.

## Procurement

**Priority:** To include consideration of sustainability in all University purchases.

The Procurement Framework implemented in 2011 continued to ensure environmental and social sustainability. Value for money and probity were included in all procurement processes and categories. This framework ensured there was consideration of environmental and social criteria for 100 per cent of tenders greater than \$200,000. New purchasing hubs allowed a greater emphasis on sustainable purchasing practices across the University.

### Office supplies

**Priority:** To increase the percentage of Earthsaver purchases to 50 per cent of office supply purchases.

The University continued to work closely with the supplier of office supplies to increase the purchase of Earthsaver products in place of non-sustainable goods. The percentage of Earthsaver products purchased remained at 34 per cent for 2011/2012. A new contract reduced the availability of non-sustainable goods, while increasing the availability of environmentally responsible Earthsaver goods.

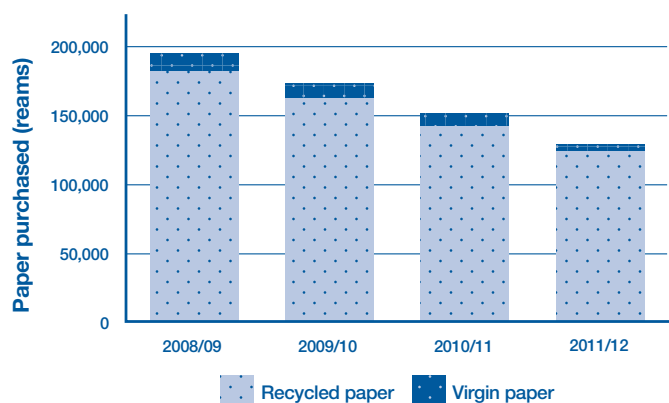
## Paper

*Priority: To decrease overall volume of paper purchased.*

*To increase percentage of recycled content (more than 80 per cent) paper purchased.*

Monash achieved a significant reduction in paper usage through automation and online delivery, with a 34 per cent decrease since the 2008/09 financial year (see Figure 4). The volume of paper consumed from the main paper providers (Monash Libraries, Monash Print Services, Gippsland campus and Corporate Express) decreased by 21,815 reams (14.6 per cent) in 2011/12, compared to the 2010/11 financial year. Ninety-seven per cent of the paper purchased in 2011/12 was recycled content paper, with 95.6 per cent of that purchased having more than 80 per cent recycled content.

**Figure 4: Paper purchased (virgin and recycled content) by major users from 2008/09 to 2011/12**



## The built environment

*Priority: To incorporate Ecologically Sustainable Design (ESD) into all new buildings and refurbishments.*

The University continued to drive sustainability principles throughout all aspects of the built environment. The first realisation of the move towards delivering 5-star (out of a potential 6 stars) Green Star As-Built buildings as a minimum requirement happened in 2012, with the occupation of Briggs and Jackomos halls and Monash Peninsula Activity and Recreation Centre. The Briggs and Jackomos halls of residence received the University's first 5-Star As-Built certification, the first such rating measured under the Multi-Unit Residential tool in Australia. This development won architectural awards from the Royal British Institute of Architects and the Australian Institute of Architects and was delivered on time and under budget. Monash Peninsula Activity and Recreation Centre received the University's first 5-Star Design Certification under the Education Tool of Green Star and is awaiting submission for its As-Built rating. The under-construction New Horizons Project at Clayton campus received the University's first 6-star Design rating, also under the Education tool.

The Minimum Level Design and Construction Specifications were reviewed to ensure Ecologically Sustainable Development (ESD) is incorporated into all building works. These specifications are mandatory minimum deliverables for all Capital and Minor Works across the University.

Another ESD highlight was the sustainable refurbishment of the Yarrowonga building, which won a City of Monash, World Environment Day, Built Environment Award. A dysfunctional building was comprehensively refurbished using low environmental-impact materials and construction with a focus on passive comfort improvement, energy and water efficiency and recycling. Occupants reported high levels of satisfaction with the finished product and it serves as an excellent learning opportunity and case study of sustainable refurbishment.

## Legislative compliance

*Priority: To be fully compliant with federal and state environmental legislation reporting requirements.*

The University has complied with the legislative requirements outlined in the following state and federal legislation:

- Energy Efficiency Opportunities Act 2006 (Cwth)
- Energy Efficiency Opportunities Regulations 2006 (Cwth)
- Environment Protection Act 1970 (Vic)
- Environment Protection (Environment and Resource Efficiency Plans) Regulations 2007 (Vic)
- Environment Protection (Industrial Waste Resource) Regulations 2009 (Vic)
- Environment Protection (Prescribed Waste) Regulations 1998 (Vic)
- Environment Protection and Biodiversity Conservation Act 1999 (Cwth)
- National Greenhouse and Energy Reporting Act 2007 (Cwth)
- National Greenhouse and Energy Reporting Regulations 2008 (Cwth)
- National Greenhouse and Energy Reporting (Measurement Determination 2008 (Cwth)
- Water Act 1989 (Vic)
- Water (Resource Management) Regulations 2007 (Vic)
- Water Industry Act 1994 (Vic)
- Water Industry Regulations 2006 (Vic).

A comprehensive audit was undertaken by the Environment Protection Authority Victoria on University compliance with the key requirements and elements of the Environment and Resource Efficiency Plans program. Environment Protection Authority Victoria has exempted the University from completing further Environment and Resource Efficiency Plans.

## Monash South Africa

In 2011/12 Monash South Africa measured the major component of its carbon footprint, electricity, for the first time. Earth Hour was promoted and practised on campus, where the campus operated largely without electricity. Environmental campaigns to conserve electricity and water were continued under the 'Greening up our act' banner.

New environmental initiatives undertaken in 2011/12 included:

- A sustainable workshop organised by the Society of Monash Geographers and Environmentalists for Oasis Faithworks (a non-government organisation). Oasis aims to create environmental awareness and appreciation in the local area by educating citizens to become community leaders and carry this knowledge into their communities.
- A general workshop held for all departments outlining ways they could contribute to greening up the campus.
- Geography students assisting to improve recycling. Further waste improvements under investigation include using a recycling company and purchasing a compactor for general waste.
- Development of a vegetable garden by students, which delivers the vegetables to the local community.
- A poster competition held within the residences on campus. The winning poster – 'A greener today is a better tomorrow, Save Water, Save Electricity' – is now used to promote energy saving across campus.

Improving the environmental aspects of landscaping on campus by:

- Using organic herbicides, pesticides and organic slow release fertilisers for sports fields.
- Ensuring irrigation systems are functional and well managed, reducing water consumption through frequent monitoring.
- Creating, managing and maintaining compost sites to recycle garden waste, minimising environmental impact.

## Sunway campus, Malaysia

The promotion of environment conservation and sustainable practices continued to be enhanced at the Sunway Campus, with programs being implemented to encourage recycling and reduction of electricity and water wastage.

The Sunway Campus Green Representatives Network implemented four activities this year, primarily aimed at the student population. These activities were centred on recycling, reducing printing, discouraging the use of plastic bags, and carpooling.

The campus again participated in an initiative to re-plant a mangrove forest in the state of Selangor, Malaysia.

Sunway campus began establishing documentation for the implementation of an ISO 14001:2004 Environment Management System.

## Statements of compliance

### Compliance with the building and maintenance provisions of the Building Act 1993

The Facilities and Services Division was responsible for all buildings, grounds and service infrastructure at Victorian campuses, including refurbishment and maintenance for existing buildings and construction of new buildings. Capital Works managed all new building construction and the larger refurbishment projects.

Monash University continued the development and maintenance of its infrastructure with an emphasis on efficient, low-maintenance, safe and environmentally-sound facilities.

The University engaged independent registered building surveyors to ensure that all works requiring building approval had building permits issued and plans certified, and on completion had Certificates of Occupancy/Certificates of Final Inspection issued, in compliance with the Building Act 1993.

### Compliance – major works 2012

A summary of the development of new buildings and major refurbishments is provided below.

#### *Berwick campus*

Construction of the \$860,000 Monash Connect Building 8 was completed, providing 25 workstations equipped with LCD screens for the Q-Flow virtual queuing system for student enquiry management.

Work commenced in December 2012 on the \$800,000 Berwick Multidisciplinary Teaching Space. The 120 m<sup>2</sup> area will create a new flexible teaching and learning space. The project includes a 4D immersive technology virtual space, computer lab, audio visual, interactive video conferencing and courtyard with tiered seating.

#### *Clayton campus*

Construction continued on the \$156 million New Horizons building. The 23,000 m<sup>2</sup> facility seeks to transform the future of manufacturing through the development of new paradigms in science and engineering research. The project was partly funded by the federal government through the Education Investment Fund (\$90 million), in collaboration with CSIRO (\$14.75 million), with the balance of funds from Monash University.

The three year \$3.3 million program for the Clayton Residential Fire System Upgrade commenced. Fire sprinkler system works in Deakin Hall began in November. Emergency Warning and Intercommunications System (EWIS) and Exit and Emergency Lighting in Farrer Hall started in December.

The \$79.56 million multi-level Green Chemistry Futures (GCF) facility, covering gross floor area of 9550 m<sup>2</sup>, was tendered in December. The facility was designed to be 5-Star Design and As-Built to accommodate research and teaching labs, offices, meeting spaces and collaborative spaces. Project funding of \$29.12 million was provided by the Education Investment Fund, DIISRTE.

The North West Precinct project consisted of four work packages totalling \$28.17 million. It provided consolidation of the Science Workshops, IT labs and portable buildings from various locations.

The \$3.5 million Menzies Fire System Upgrade stage 1A Compliance was completed in December. The project involved replacing all sprinklers, smoke detectors, hydrants, exits, emergency lights and fire doors to full compliance.

Refurbishment began on the \$2.5 million Menzies South Wing Level 1 'Innovative Teaching Space'. The high-occupancy teaching space has been provided with seven centrally programmed tutorial rooms and informal break-out spaces, upgraded toilets to the East and West wings of Level 1 and a new DDA compliant toilet.

The 1000 m<sup>2</sup> \$4.6 million refurbishment of the multi-disciplinary and multimodality Biomedical Imaging Facility was fully commissioned in March. The facility accommodates new activities in human and animal imaging, with operating equipment worth \$8 million.

The \$2.75 million Boiler Replacement Project was completed in September with the installation of two new 8 MW boilers replacing the existing 10 MW boiler, which had come to the end of service life. The two new boilers provide additional campus infrastructure capacity for future developments.

The \$1 million northern high voltage ring main was completed in May 2012, ready to supply to the New Horizons project.

#### *Parkville campus*

The \$2.9 million Translational Chemistry Facility Lab refurbishment of Level 4, Building 403, was completed in September 2012. This facility aims to reinvigorate medicinal chemistry-based pharmaceutical research within Australia via the creation of 660 m<sup>2</sup> state of the art science research laboratories, study areas and staff offices.

#### *Peninsula campus*

Construction was completed in January 2012 of the 4000 m<sup>2</sup> Monash Peninsula Activity and Recreation Centre (MPARC), providing critical teaching spaces, enhanced research and sporting facilities for the campus and wider community. The \$13.3 million centre supports courses in Physiotherapy, Occupational Therapy, Psychology, Teacher Education and Sport and Outdoor Recreation, aligning with the theme of health and wellbeing at the campus.



# Financial performance



## Report on financial operations

The 2012 University operating result is \$77.9 million (2011, \$83.3 million). However, the underlying core operating result of the University is \$22.4 million (2011, \$33.7 million). This is defined as the operating result less major capital grants (over \$5 million) totalling \$55.5 million (2011, \$49.6 million), which translates to an operating margin of 1.3 per cent (2011, 2.1 per cent).

The 2012 consolidated result after tax for Monash University and its controlled entities is a surplus of \$93.5 million (2011, \$96.6 million), which provides an operating margin of 5.3 per cent (2011, 6.0 per cent).

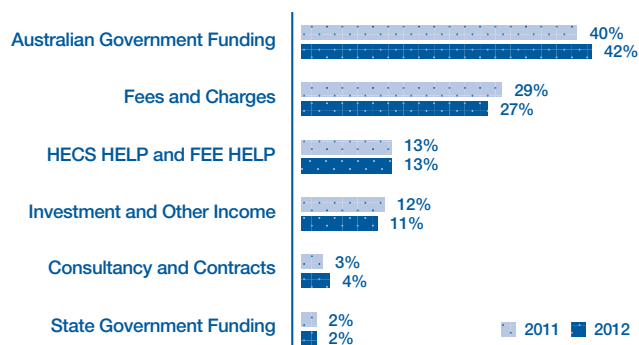
In 2012, group revenue increased by \$123.1 million (7.7 per cent) to \$1,721.4 million. Revenue growth includes increased commonwealth grant scheme income, government research funding, Higher Education Loan Program funding, capital grants from the Education Investment Fund for building projects and revenue from new student accommodation.

Investment revenue includes realised gains on sale of previously impaired available-for-sale investments of \$6.0 million (2011, \$7.0 million). There is no impairment of available-for-sale investments in 2012 (2011, \$10.3 million). Whilst realised investment revenue decreased, there is a significant improvement in the market value of managed investment funds (reflected in a revaluation reserve).

Expenses, excluding deferred superannuation and impairment, increased by \$137.9 million (9.3 per cent) to \$1,628.9 million.

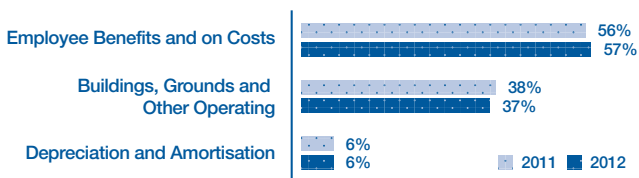
Net assets increased by \$324.5 million to \$2,294.0 million, including a revaluation of property assets of \$203.6 million on a depreciated replacement cost basis. Building cost rates were sourced from a quantity surveyor to assist with the independent valuation in this cycle. There are no additional borrowing facilities in 2012.

### Revenues\*



\* Percentages based on revenue excluding deferred government superannuation contributions

### Expenses\*



\* Percentages based on expenses excluding deferred employee benefits for superannuation

## Statement of financial performance for the year ended 31 December

	2008 \$million	2009 \$million	2010 \$million	2011 \$million	2012 \$million
<b>Revenue from continuing operations:</b>					
Australian Government Funding	503.5	604.6	572.6	646.4	731.5
HECS HELP & FEE HELP	172.6	186.4	197.8	206.4	223.3
State Government Funding	37.2	33.7	40.0	35.1	37.9
Consultancy & Contracts	45.3	48.9	54.0	55.1	61.9
Fees and Charges	364.7	414.2	446.9	462.8	470.1
Investment Income	55.4	30.5	37.1	46.2	31.7
Other Revenue	137.3	147.5	156.5	146.3	165.0
Subtotal	1,316.0	1,465.9	1,504.8	1,598.3	1,721.4
Deferred Government Superannuation Contributions	2.2	19.4	26.4	(1.1)	48.1
Total Revenue from Continuing Operations	1,318.2	1,485.3	1,531.2	1,597.2	1,769.5
<b>Expenses from Continuing Operations:</b>					
Employee Benefits and On Costs	694.4	745.7	841.3	840.9	931.9
Depreciation & Amortisation	62.9	71.5	78.6	86.5	90.4
Buildings & Grounds	33.1	32.5	31.8	36.1	34.5
Other Operating	449.2	482.8	520.4	527.5	572.1
Subtotal	1,239.6	1,332.5	1,472.1	1,491.0	1,628.9
Deferred Employee Benefits for Superannuation*	2.2	19.4	26.4	(1.1)	48.1
Total Expenses from Continuing Operations	1,241.8	1,351.9	1,498.5	1,489.9	1,677.0
Operating Result before impairment of available-for-sale assets and before income tax	76.4	133.4	32.7	107.3	92.5
Impairment of available-for-sale assets	91.3	-	-	10.3	-
Operating Result before Income Tax	(14.9)	133.4	32.7	97.0	92.5
Income Tax	-	-	-	0.3	(1.0)
Outside Equity Interest	-	-	-	-	-
Net Operating Result attributable to Monash	(14.9)	133.4	32.7	96.6	93.5
Net Operating Margin	-1.1%	9.0%	2.1%	6.0%	5.3%

\* Refer Note 38(b) to the Financial Statements

## Statement of financial position as at 31 December

	2008 \$million	2009 \$million	2010 \$million	2011 \$million	2012 \$million
<b>Assets</b>					
Property, Plant and Equipment	1,597.4	1,752.2	1,823.5	1,953.6	2,221.4
Available-for-sale assets	243.6	297.1	320.1	305.3	352.7
Deferred Government Superannuation Contributions	139.1	158.5	184.9	183.8	231.9
Other	382.5	418.6	355.4	328.8	376.8
	2,362.6	2,626.4	2,683.9	2,771.5	3,182.8
<b>Liabilities</b>					
Borrowings	336.1	319.1	320.2	325.5	313.8
Provisions	136.3	146.8	146.2	159.2	169.6
Deferred Employee Benefits for Superannuation	139.1	158.5	184.9	183.8	231.9
Other	125.0	120.9	128.6	133.4	173.5
	736.5	745.3	779.9	801.9	888.8
Net Assets	1,626.1	1,881.1	1,904.0	1,969.6	2,294.0

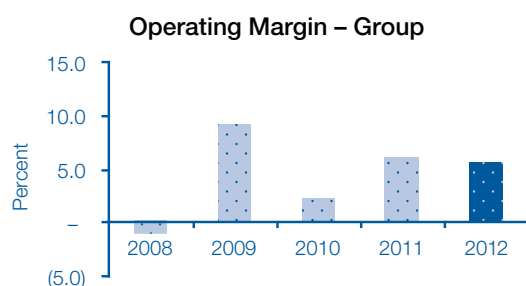
## Statement of cashflows for the year ended 31 December

	2008 \$million	2009 \$million	2010 \$million	2011 \$million	2012 \$million
Net cash inflows from operating activities	141.5	188.9	102.4	181.5	200.6
Net cash outflows from investing activities	(159.3)	(150.9)	(109.4)	(210.3)	(156.6)
Net cash inflows/(outflows) from financing activities	32.6	(17.4)	(6.5)	9.5	(8.2)
Net increase/(decrease) in cash assets held	14.8	20.5	(13.5)	(19.3)	35.8

## Operating Margin

2008	2009	2010	2011	2012
(1.1)	9.0	2.1	6.0	5.3

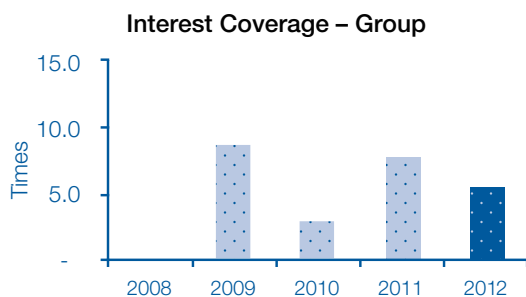
The Operating Margin is defined as the total operating surplus attributable to the group as a percentage of total revenue. (Benchmark is 3 per cent to 5 per cent).



## Interest Coverage

2008	2009	2010	2011	2012
0.0	8.7	2.9	7.7	5.7

This expresses the number of times the group result (before interest expense) covers the interest expense. (Benchmark is three times).



## Statement on ex-gratia payments

There were no ex-gratia payments made by the University during the year.

## Statement on risk management

The University Council's risk management strategy centralises the coordination and monitoring of risk management and devolves the management of risk to Divisional Heads. The Audit and Risk Committee monitors the adequacy of arrangements in place to ensure that risks are effectively managed across the University.

The University's risk management framework supports the University Council's delegation of responsibility for risk management. The framework is designed to ensure effective management of risks. Key risks management is integrated into the University's planning process.

The University's key risk profile is reviewed by the Vice-Chancellor's Group, Audit and Risk Committee and Council at least annually.

All proposals for major new projects and ventures are submitted to the University Council for approval with an accompanying detailed risk assessment and risk management plan.

## Attestation on compliance with the Australian/New Zealand Risk Management Standard

I, Professor Ed Byrne, certify that Monash University has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard. The Audit and Risk Committee verifies this assurance. The key risk profile of Monash University has been reviewed within the last 12 months.

Professor Ed Byrne AO  
Vice-Chancellor and President, Monash University  
27 February 2013

## Risk analysis – controlled entities

The following table is an indicative summary of the risk related to controlled entities of the University where Monash had a capital investment in excess of \$100,000 or where the entity had revenue of more than \$500,000.

Controlled Entity	Objects	Investment \$'000	Turnover \$'000
Monash College Pty Ltd	Education activities on behalf of Monash University or in its own right.	500	55,562
Monash Commercial Pty Ltd	Commercialisation of research developed predominantly by Monash University and the provision of other services. No longer trading.	11,962	6
Monash South Africa Limited/ Monash Educational Enterprises/Monash Property South Africa Pty Ltd	Operation of Monash University's South African campus. Monash Educational Enterprises is no longer trading.	11,645	26,821
Monash University Foundation Trust	Generation of investment income for the future benefit of Monash University.	Nil	17,894
Monash Investment Trust	Manage investments on behalf of Monash University	10	538
Monash Accommodation Services Pty Ltd	Construction and supply of affordable rental accommodation in accordance with the National Rental Affordability Scheme	11,963	13,113

All companies had some exposure to risk, but in the context of Monash University's asset base the level of financial and reputational risk was modest.

Monash University and its controlled entities had a suite of policies designed to mitigate risk. These included:

- regular monitoring of controlled entities' performance and outlook
- crisis management and recovery processes
- occupational health and safety policies
- business continuity strategic plan
- physical security
- good staff management, training and development practices with a sound staff selection process
- segregation of duties
- financial delegation policy.



## Statement on allocation of public funds

Public funds allocated to the University were allocated to the purposes specified by the government or other funding body.

## Major financial and performance statistics

	2008 \$'000	2009 \$'000	2010 \$'000	2011 \$'000	2012 \$'000
Net result*	(14,867)	133,263	32,825	96,622	93,505
Revenue	1,318,181	1,485,248	1,531,298	1,597,175	1,769,529
Expenses	1,333,048	1,351,985	1,498,473	1,500,250	1,676,997
Assets	2,362,614	2,626,412	2,683,850	2,771,451	3,182,852
Liabilities	736,472	745,319	779,888	801,892	888,820
Equity	1,626,142	1,881,093	1,903,962	1,969,559	2,294,032

\* After tax and outside equity interests

## Consultants

The University engaged a wide range of consultants to assist in the implementation of new systems, and to provide advisory services and information for business developments and a variety of research projects. The table below lists the consultants used by the University and the fees paid for their services during the year ended 31 December 2012.

Name/Description of Service	\$	Future Commitments
Sinclair Knight Merz Pty Ltd Building advisory services for Green Chemical Futures project	923,029	389,937
The Nous Group Management consulting services	646,919	593,490
SMS Consulting Group Limited Project planning services	609,844	68,010
KPMG Business advisory services	460,933	68,371
PLP Building Surveyors Building surveying services	423,119	82,420
Ernst & Young Specialist market research and planning	386,250	83,970
Strategic Project Partners Pty Ltd Business plan development	384,327	20,401
McGauran Giannini Soon Pty Ltd Infrastructure development and master planning services	313,709	115,598
Safdie Architects, Llc Architectural services & consultancy	302,038	-
Magellan Consulting Pty Ltd Workplace relations advice	261,102	188,540
AECOM Australia Pty Ltd Energy & environmental advisory services	259,060	58,100
DLM Investments (Aust) Pty Ltd Advice on mechanical engineering work	238,859	41,653
John Charleson Advisory Human resources project implementation	212,500	168,300
Access Audits Australia Accessibility appraisal of buildings and facilities	206,356	-
Solutions At Work Pty Ltd Industrial relations advice	204,780	271,136
PRM Cloud Solutions Pty Ltd Specialist IT systems services	202,334	24,885
SO I.R. Pty Ltd Employment relations advice	190,770	86,230
Design Reality Business design research	188,525	24,487

Name/Description of Service	\$	Future Commitments
G S Luckins & Associates Pty Ltd Development of design guidelines	183,460	46,120
Consultive Pty Ltd Project manager services	175,877	51,334
Simplify Solutions Pty Ltd Project development services	170,050	49,950
Resolutions Consulting Services Employee Assistance Program services	158,171	330,833
Deloitte Touche Tohmatsu Business advisory services	150,701	86,323
Vanceinfo Technologies Australia Specialist IT systems services	141,566	49,570
Mercer (Australia) Pty Ltd Consulting on Melbourne Mercer Global Pension Index	139,455	18,033
China State Information Center Information & analysis for carbon market design	138,500	-
UXC Consulting Pty Ltd It Training Services	127,014	56,395
Motivator Media Pty Ltd Media buying services	126,091	48,812
Parasafety Melbourne Pty Ltd Provision of workshops	123,881	72,454
Miller Consulting Group Pty Ltd Management consulting services	123,288	50,412
Marlow Hampshire Pty Ltd Leadership development program	119,546	214,573
Phillips KPA Pty Ltd Consultants on design phase of students enhancement project	111,217	193,837
National Safety Council of Provision of workshops	109,873	101,235
Donald Cant Watts Corke Project management services	106,811	57,315
Kwan Pty Ltd Leadership and professional development program	105,000	18,200
Centre For Organisation Provision of workshops	103,216	43,352
Stephen Bambery Pty Ltd Expert advice on Occupational Health matters	101,850	95,366
Sustainable Solutions Gg Sustainability workshops	100,909	65,041
Subtotal (> \$100,000)	9,030,930	
450 Consultancies < \$100,000	7,758,738	
Total Consultancies	16,789,668	

## Statement on compulsory non-academic fees

The Higher Education Legislation Amendment (Student Services and Amenities) Bill 2011 was passed by the Parliament on October 2011 and allowed higher education providers to charge a Student Services and Amenities Fee from 1 January 2012. The fee was implemented in 2012 for students enrolled at Monash University Australia.

## Statement on private provision of public infrastructure

The University has not entered into any arrangement that has resulted in the private provision of public infrastructure.



## Compliance index

The Annual Report of Monash University was prepared in accordance with:

FMA	Financial Management Act 1994
FRD	Financial Reporting Directions
SD	Directions of the Minister for Finance issued under section 8 of the Financial Management Act 1994
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ETRA 2006	Education and Training Reform Act 2006
PAEC	Decision of Public Accounts and Estimates Committee of Parliament
RUG	Victorian Government response to the Review of University Governance
ESOS	Education Services for Overseas Students Act 2000
DIISRTE	Department of Industry, Innovation, Science, Research and Tertiary Education

This index was prepared to facilitate identification of compliance with statutory disclosure requirements.

Item Number	Clause	Disclosure	Page
<b>Report of Operations</b>			
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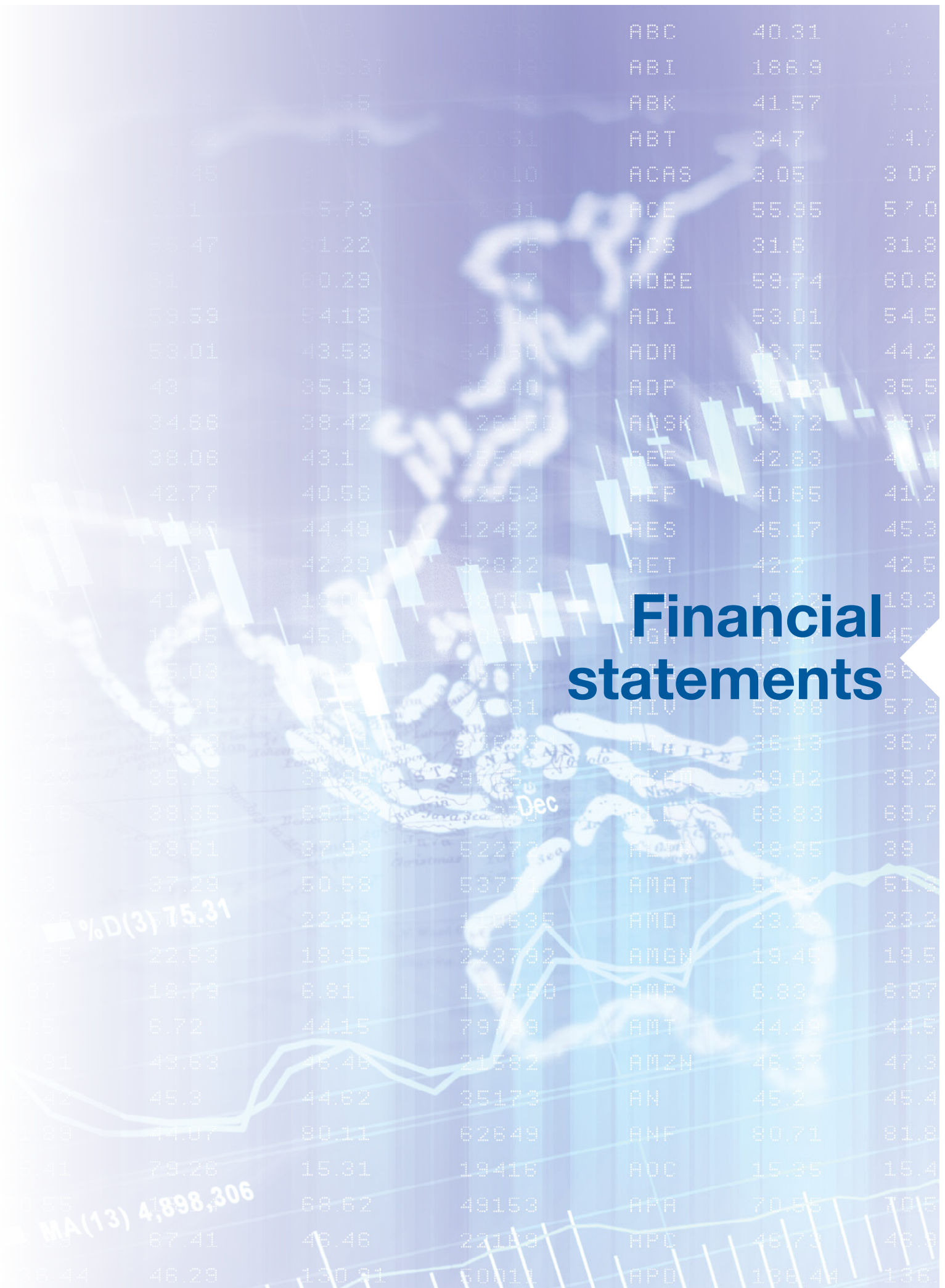
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## Other relevant information available on request

Additional information is available on request about the following topics, subject to the provisions of the Freedom of Information Act 1982:

- FRD 22C – Statement regarding declaration of pecuniary interest: contact Ms Karen Haywood, Divisional Director – Human Resources Division, telephone +61 3 9902 9675, karen.haywood@monash.edu
- FRD 22C – Shares held by senior officers: contact Mr Tony Calder, Director – Executive Services, telephone +61 3 9905 2010, anthony.calder@monash.edu
- FRD 22C – Publications: contact Ms Dorothy Albrecht, Director – Marketing, telephone +61 3 9903 4831, dorothy.albrecht@monash.edu or visit [www.monash.edu/pubs](http://www.monash.edu/pubs)
- FRD 22C – Changes in prices, fees, charges, rates and levies: contact Ms Jessica Lightfoot, Executive Director – Financial Resources Management Division, telephone +61 3 9905 6356, Jessica.lightfoot@monash.edu
- FRD 22C – Major external reviews: contact Mr Tony Calder, Director – Executive Services, telephone +61 3 9905 2010, anthony.calder@monash.edu
- FRD 22C – Major research and development activities: contact Professor Edwina Cornish, Provost and Senior Vice-President, edwina.cornish@monash.edu, telephone +61 3 9902 9468
- FRD 22C – Overseas visits: contact Mr Tony Calder, Director – Executive Services, telephone +61 3 9905 2010, anthony.calder@monash.edu
- FRD 22C – Major promotional, public relations and marketing activities: contact Ms Dorothy Albrecht, Director – Marketing, telephone +61 3 9903 4831, dorothy.albrecht@monash.edu or visit [www.adm.monash.edu/advancement](http://www.adm.monash.edu/advancement)
- FRD22C – Details of assessments and measures undertaken to improve the occupational health and safety of employees: contact Ms Karen Haywood, Divisional Director – Human Resources Division, telephone +61 3 9902 9675, karen.haywood@monash.edu
- FRD 22C – General statement on industrial relations and details of time lost due to industrial disputes and accidents: contact Ms Karen Haywood, Divisional Director – Human Resources Division, telephone +61 3 9902 9675, karen.haywood@monash.edu
- FRD 22C – Major committees: contact Mr Tony Calder, Director – Executive Services, telephone +61 3 9905 2010, anthony.calder@monash.edu or visit [www.adm.monash.edu/execserv](http://www.adm.monash.edu/execserv)
- FRD 22C – Details of all consultancies and contractors: contact Mr David McWaters, Executive Director – Corporate Finance Division Division, telephone +61 3 9905 6371, david.mcwaters@monash.edu

# Financial statements





## STATEMENT OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	Consolidated		Monash University	
		2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Revenue from continuing operations</b>					
Australian Government financial assistance					
Australian Government Grants	2	731,489	646,408	727,152	646,408
HECS-HELP - Australian Government payments	2	151,082	142,507	151,082	142,507
FEE-HELP	2	38,944	32,127	38,252	31,043
State and Local Government financial assistance	3	37,898	35,107	36,452	35,107
Non-Government financial assistance	4	50,809	43,072	50,025	42,847
HECS-HELP student payments		33,246	31,795	33,246	31,795
Fees and charges	5	470,129	462,822	386,792	389,971
Investment revenue	6	31,772	46,170	30,876	32,046
Royalties, trademarks and licences	7	15,423	10,749	15,215	10,657
Consultancy and contracts	8	61,926	55,084	61,941	55,316
Other revenue	9	96,967	90,165	103,080	94,256
Share of net results of associates and joint venture entities accounted for using the equity method	21	1,773	2,246	-	-
<b>Subtotal</b>		<b>1,721,458</b>	<b>1,598,252</b>	<b>1,634,113</b>	<b>1,511,953</b>
Deferred government superannuation contributions	38	48,071	(1,077)	48,071	(1,077)
<b>Total revenue from continuing operations</b>		<b>1,769,529</b>	<b>1,597,175</b>	<b>1,682,184</b>	<b>1,510,876</b>
<b>Expenses from continuing operations</b>					
Employee benefits and on-costs	10	931,884	840,928	894,267	803,699
Depreciation, amortisation and impairment	11	90,417	86,549	85,076	83,106
Repairs and maintenance	12	34,544	36,076	33,587	35,257
Finance costs	13	19,711	14,372	19,971	13,892
Bad and impaired receivables and investments	14	1,026	556	553	(169)
Assurance and other services	15	652	630	328	309
Other expenses	16	550,692	511,868	522,400	484,395
<b>Subtotal</b>		<b>1,628,926</b>	<b>1,490,979</b>	<b>1,556,182</b>	<b>1,420,489</b>
Deferred employee benefits for superannuation		48,071	(1,077)	48,071	(1,077)
<b>Total expenses from continuing operations</b>		<b>1,676,997</b>	<b>1,489,902</b>	<b>1,604,253</b>	<b>1,419,412</b>
<b>Operating result before impairment of available-for-sale assets before income tax</b>		<b>92,532</b>	<b>107,273</b>	<b>77,931</b>	<b>91,464</b>
Impairment of available-for-sale assets		-	10,348	-	8,136
<b>Operating result before income tax</b>		<b>92,532</b>	<b>96,925</b>	<b>77,931</b>	<b>83,328</b>
Income tax expense	17	(973)	303	-	-
<b>Net operating result for the year</b>		<b>93,505</b>	<b>96,622</b>	<b>77,931</b>	<b>83,328</b>
Net operating result attributable to minority interest		-	-	-	-
Net operating result attributable to members of Monash University		93,505	96,622	77,931	83,328
<b>Other comprehensive income</b>					
Gain / (loss) on revaluation of land and buildings, net of tax	33	201,448	893	201,390	-
Gain / (loss) on revaluation of cultural assets		2,245	(95)	2,245	(95)
Change in fair value of available for sale financial assets, net of tax	33	37,826	(25,928)	24,501	(19,289)
Available-for-sale impairment losses transferred to the income statement		-	10,348	-	8,136
Realised gain on previously impaired investments - transfer to net profit		(5,958)	(7,026)	(3,647)	(2,856)
Exchange differences on translation of foreign operations, net of tax		(4,593)	(9,217)	-	-
<b>Total other comprehensive income</b>		<b>230,968</b>	<b>(31,025)</b>	<b>224,489</b>	<b>(14,104)</b>
<b>Total comprehensive income</b>		<b>324,473</b>	<b>65,597</b>	<b>302,420</b>	<b>69,224</b>
Total comprehensive income for the year is attributable to:					
Members of the parent entity		324,473	65,597	302,420	69,224
Minority interest		-	-	-	-



## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2012

	Notes	Consolidated		Monash University	
		2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	18	84,251	52,154	75,850	47,133
Receivables	19	64,633	61,700	58,338	59,231
Inventories	20	1,423	1,741	1,412	1,717
Other financial assets	23	6,259	5,525	-	-
Other assets	27	15,501	12,535	14,783	11,562
<b>TOTAL CURRENT ASSETS</b>		<b>172,067</b>	<b>133,655</b>	<b>150,383</b>	<b>119,643</b>
<b>NON-CURRENT ASSETS</b>					
Receivables	19	107	450	17,887	30,787
Investments in associates	21	27,696	23,175	16,539	13,876
Available-for-sale financial assets	22	352,694	305,319	231,045	200,001
Other financial assets	23	13,358	13,481	37,430	26,365
Investment properties	24	66,628	62,705	33,228	29,805
Property, plant and equipment	25	2,221,408	1,953,550	2,116,494	1,845,834
Intangible assets	26	85,850	83,762	81,150	78,636
Other assets	27	11,154	11,535	11,154	11,535
Deferred Government superannuation contributions	38	231,890	183,819	231,890	183,819
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,010,785</b>	<b>2,637,796</b>	<b>2,776,817</b>	<b>2,420,658</b>
<b>TOTAL ASSETS</b>		<b>3,182,852</b>	<b>2,771,451</b>	<b>2,927,200</b>	<b>2,540,301</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Payables	28	135,802	104,217	139,921	107,099
Borrowings	29	63,206	55,777	62,583	55,147
Provisions	30	134,990	132,421	132,000	128,959
Other liabilities	31	37,647	29,164	32,184	23,869
<b>TOTAL CURRENT LIABILITIES</b>		<b>371,645</b>	<b>321,579</b>	<b>366,688</b>	<b>315,074</b>
<b>NON-CURRENT LIABILITIES</b>					
Borrowings	29	250,629	269,716	249,497	268,379
Provisions	30	34,656	26,778	30,454	26,778
Deferred employee benefits for superannuation	38	231,890	183,819	231,890	183,819
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>517,175</b>	<b>480,313</b>	<b>511,841</b>	<b>478,976</b>
<b>TOTAL LIABILITIES</b>		<b>888,820</b>	<b>801,892</b>	<b>878,529</b>	<b>794,050</b>
<b>NET ASSETS</b>		<b>2,294,032</b>	<b>1,969,559</b>	<b>2,048,671</b>	<b>1,746,251</b>
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Capital	32	228,806	226,045	83,102	83,102
Reserves	33	1,136,417	905,449	1,131,695	907,206
Retained earnings	34	928,809	838,065	833,874	755,943
<b>TOTAL EQUITY</b>		<b>2,294,032</b>	<b>1,969,559</b>	<b>2,048,671</b>	<b>1,746,251</b>

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2012

2012 Consolidated

	Notes	Capital \$000's	Retained Surplus \$000's	Asset Revaluation Reserve \$000's	Foreign Currency Translation Reserve \$000's	Available-for-sale Investment Revaluation Reserve \$000's	Total \$000's
<b>Balance at 1 January 2012</b>		226,045	838,065	925,909	(24,878)	4,418	1,969,559
Transfer from Retained Earnings	34	2,761	-	-	-	-	2,761
Profit attributable to members		-	93,505	-	-	-	93,505
Transfer to original capital		-	(2,761)	-	-	-	(2,761)
Gain on revaluation of land and buildings		-	-	203,628	-	-	203,628
Gain on revaluation of cultural assets	33	-	-	2,245	-	-	2,245
Deferred tax		-	-	(2,180)	(2,615)	-	(4,795)
Currency translation differences arising during the year		-	-	-	(1,978)	-	(1,978)
Change in fair value of available for sale financial assets, net of tax		-	-	-	-	37,826	37,826
Realised gain / (loss) on previously impaired investments - transfer to net profit		-	-	-	-	(5,958)	(5,958)
<b>Balance at 31 December 2012</b>		<b>228,806</b>	<b>928,809</b>	<b>1,129,602</b>	<b>(29,471)</b>	<b>36,286</b>	<b>2,294,032</b>

2011 Consolidated

	Notes	Capital \$000's	Retained Surplus \$000's	Asset Revaluation Reserve \$000's	Foreign Currency Translation Reserve \$000's	Available-for-sale Investment Revaluation Reserve \$000's	Total \$000's
<b>Balance at 1 January 2011</b>		222,271	745,217	925,111	(15,661)	27,024	1,903,962
Transfer from Retained Earnings	34	3,774	-	-	-	-	3,774
Profit attributable to members		-	96,622	-	-	-	96,622
Transfer to original capital		-	(3,774)	-	-	-	(3,774)
Available-for-sale impairment losses transferred to the income statement		-	-	-	-	10,348	10,348
Gain on revaluation of land and buildings		-	-	893	-	-	893
Loss on revaluation of cultural assets	33	-	-	(95)	-	-	(95)
Currency translation differences arising during the year		-	-	-	(9,217)	-	(9,217)
Change in fair value of available for sale financial assets, net of tax		-	-	-	-	(25,928)	(25,928)
Realised gain / (loss) on previously impaired investments - transfer to net profit		-	-	-	-	(7,026)	(7,026)
<b>Balance at 31 December 2011</b>		<b>226,045</b>	<b>838,065</b>	<b>925,909</b>	<b>(24,878)</b>	<b>4,418</b>	<b>1,969,559</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**2012 Monash University**

	Notes	Capital \$000's	Retained Surplus \$000's	Asset Revaluation Reserve \$000's	Foreign Currency Translation Reserve \$000's	Available-for-sale Investment Revaluation Reserve \$000's	Total \$000's
<b>Balance at 1 January 2012</b>		83,102	755,943	906,322	-	884	1,746,251
Profit attributable to members	34	-	77,931	-	-	-	77,931
Gain on revaluation of land and buildings		-	-	201,390	-	-	201,390
Gain on revaluation of cultural assets	33	-	-	2,245	-	-	2,245
Change in fair value of available for sale financial assets		-	-	-	-	24,501	24,501
Realised gain on previously impaired investments - transfer to net profit		-	-	-	-	(3,647)	(3,647)
<b>Balance at 31 December 2012</b>		<b>83,102</b>	<b>833,874</b>	<b>1,109,957</b>	<b>-</b>	<b>21,738</b>	<b>2,048,671</b>

**2011 Monash University**

	Notes	Capital \$000's	Retained Surplus \$000's	Asset Revaluation Reserve \$000's	Foreign Currency Translation Reserve \$000's	Available-for-sale Investment Revaluation Reserve \$000's	Total \$000's
<b>Balance at 1 January 2012</b>		83,102	672,615	906,417	-	14,893	1,677,027
Profit attributable to members	34	-	83,328	-	-	-	83,328
Available-for-sale impairment losses transferred to the income statement		-	-	-	-	8,136	8,136
Gain on revaluation of cultural assets	33	-	-	(95)	-	-	(95)
Change in fair value of available for sale financial assets		-	-	-	-	(19,289)	(19,289)
Realised gain on previously impaired investments - transfer to net profit		-	-	-	-	(2,856)	(2,856)
<b>Balance at 31 December 2011</b>		<b>83,102</b>	<b>755,943</b>	<b>906,322</b>	<b>-</b>	<b>884</b>	<b>1,746,251</b>

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	Consolidated		Monash University	
		2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Cash from operating activities:</b>					
	46				
CGS and Other DIISRTE Grants	(a)	317,650	282,913	317,650	282,913
Higher Education Loan Programs		190,732	174,593	190,040	173,509
Scholarships	(c)	20,354	19,628	20,354	19,628
DIISR Research	(d)	109,421	101,587	109,421	101,587
Other Capital Funding	(e)	50,510	39,940	50,510	39,940
ARC grants - Discovery	(f)(i)	46,986	36,021	46,986	36,021
ARC grants - Linkages	(f)(ii)	15,805	13,993	15,805	13,993
ARC grants - Networks and Centres	(f)(iii)	4,174	4,020	4,174	4,020
Other Australian Government Grants		165,396	148,366	161,059	148,366
State and Local Government Grants		37,898	35,107	36,452	35,107
HECS-HELP - Student payments		33,246	31,795	33,246	31,795
Receipts from student fees and other customers		755,066	718,559	677,961	645,797
Dividends received		6,700	8,520	5,789	7,879
Distributions received		397	155	-	-
Interest received		4,003	5,871	3,542	929
Payments to suppliers and employees (inclusive of goods and services tax)		(1,535,135)	(1,418,694)	(1,463,054)	(1,343,806)
Finance costs		(22,501)	(20,885)	(22,761)	(20,405)
Income taxes paid		(145)	-	-	-
<b>Net cash provided by operating activities</b>	43	<b>200,557</b>	<b>181,489</b>	<b>187,174</b>	<b>177,273</b>
<b>Cash flows from investing activities:</b>					
Proceeds from sale of property, plant and equipment		2,611	3,114	2,653	3,360
Proceeds from sale of available-for-sale financial assets		-	6,850	-	-
Repayment of loans received from related parties		-	-	6,510	10,965
Proceeds from discount bills (net)		-	9,216	-	-
Proceeds from other investing activities		1,440	750	3,136	745
Payments for property, plant and equipment		(160,537)	(227,612)	(158,710)	(169,063)
Payments for available-for-sale financial assets		-	(2,500)	-	(2,500)
Loans provided to related parties		(99)	(69)	(6,845)	(17,926)
Payments for other investing activities		-	(28)	(417)	(13,493)
<b>Net cash used in investing activities</b>		<b>(156,585)</b>	<b>(210,279)</b>	<b>(153,673)</b>	<b>(187,912)</b>
<b>Cash flows from financing activities:</b>					
Proceeds from borrowings		88,471	87,480	88,600	87,200
Distribution from related parties		-	-	6,878	6,434
Repayment of borrowings		(96,678)	(77,950)	(96,600)	(77,950)
<b>Net cash provided by / (used in) financing activities</b>		<b>(8,207)</b>	<b>9,530</b>	<b>(1,122)</b>	<b>15,684</b>
<b>Net cash increase / (decrease) in cash and cash equivalents</b>		<b>35,765</b>	<b>(19,260)</b>	<b>32,379</b>	<b>5,045</b>
Cash and cash equivalents at beginning of year		47,952	67,118	42,937	37,798
Effects of exchange rate changes on cash and cash equivalents		116	94	116	94
<b>Cash and cash equivalents at end of year</b>	18	<b>83,833</b>	<b>47,952</b>	<b>75,432</b>	<b>42,937</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 1 STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for Monash University as an individual entity and the consolidated entity consisting of Monash University and its subsidiaries.

#### (a) Basis of Preparation

The general purpose financial reports have been prepared on an accruals basis in accordance with:

- Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board;
- Urgent Issues Group Interpretations;
- the requirements of the Commonwealth Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE);
- the disclosure requirements of the Victorian *Financial Management Act 1994*; and
- directions from the Minister of Finance of the Parliament of Victoria.

There was no early adoption of authoritative accounting pronouncements.

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

#### *Historical cost convention*

The financial reports are prepared on the basis of historical cost unless otherwise stated, except for the revaluation of available-for-sale financial assets, land and buildings, investment properties which are at fair value. Fair value includes market value or depreciated replacement cost.

#### (b) Principles of consolidation

##### *Controlled entities:*

The consolidated entity financial report incorporates the assets and liabilities of all controlled entities of the University as at 31 December 2012 and the results of all controlled entities for the year then ended. The effects of all transactions between entities incorporated in the consolidated financial report are eliminated in full.

A controlled entity is an entity, including an unincorporated entity such as a partnership, which is controlled by the University. Under AASB 127 'Consolidated and Separate Financial Statements' control exists where the University has the power to govern the financial and operating policies of another entity so that the other entity operates with the University to achieve the objectives of the University, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the University controls another entity. Controlled entities consolidated into this financial report are outlined in Note 44.

The financial statements of controlled entities are included from the date control commences until the date control ceases.

Inter-company transactions, balances and unrealised gains on transactions within the consolidated group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

##### *Associates:*

Associates are those entities over which the consolidated entity exercises significant influence, but not control. Investments in associated entities are accounted for in the parent entity financial statements using the cost method and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (refer to note 21). Under the equity method, the consolidated entity's share of the post-acquisition profits or losses of the associate are recognised in the consolidated Statement of Comprehensive Income, and its share of post-acquisition movements in reserves are recognised in Consolidated Reserves. The post-acquisition movements are adjusted against the cost of the investment.

#### (c) Rounding

All values in these financial statements are expressed in rounded thousands with the exception of directors' and executives' remuneration.

#### (d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised for the major business activities as follows:

- Grants received from Australian Government entities are recognised as income in the year of receipt, or when the right to receive the grant has been established.
- Revenues received from other Government sources in respect of future years are treated as income in the year they are received where the Financial Assistance is considered non-reciprocal in nature.
- Donations and bequests are recognised as income in the year of receipt, or when the right to receive the funds has been established.
- Fees and charges revenue is recognised when received, or when the University becomes entitled to receive it. Where revenue is received in advance for courses or programs to be delivered in the following year, the non-refundable portion of fees is treated as revenue in the year of receipt and the balance is treated as revenue in advance.
- Revenue from rendering a service or sale of goods is recognised upon delivery to the customer, or in accordance with governing contracts.
- Interest revenue is recognised on a proportional basis taking into account the interest rates appropriate to the financial assets.
- Dividend revenue is recognised when the right to receive a dividend has been established.

## NOTES TO THE FINANCIAL STATEMENTS

### 1 STATEMENT OF ACCOUNTING POLICIES (continued)

#### (e) Taxation

The University and certain controlled entities are exempt from income tax under Part 50.1 of the *Income Tax Assessment Act 1997*. The controlled entities subject to income tax adopt the following method of tax effect accounting.

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the notional income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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

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

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

#### (f) Segment Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

#### (g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

#### (h) Foreign Currency

##### Functional and presentation currency

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

##### Transaction and balances

Foreign currency transactions are converted to Australian dollars at the date of the transaction using the rate of exchange applicable on that day.

Amounts receivable (monetary assets) and payable (monetary liabilities) denominated in foreign currencies at the end of the year are translated at the rates of exchange ruling at balance date.

Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses in the Income Statement in the financial year in which the exchange rates change.

##### Translation of Foreign Controlled Entities

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

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each Statement of Comprehensive Income are translated at average exchange rates;
- all resulting exchange differences are recognised as a separate component of equity; and
- non-monetary assets and liabilities and components of shareholders' equity remain translated at exchange rates current at the transaction date, or where a non-monetary item has been revalued, assets and liabilities are translated at the rates used to translate the associated asset or liability.

## NOTES TO THE FINANCIAL STATEMENTS

### 1 STATEMENT OF ACCOUNTING POLICIES (continued)

#### (i) Impairment of Assets

At each reporting date, all assets except for those held at fair value including inventories and financial assets are assessed to determine whether there is any indication of impairment. If there is an indication of impairment, the assets concerned are tested as to whether their carrying amount exceeds the recoverable amount. Any difference is written-off by a charge to the Statement of Comprehensive Income except to the extent that the write-down can be debited to an asset revaluation reserve applicable to that class of asset.

At each reporting date, assets previously determined to be impaired are assessed for circumstances indicating that an impairment loss recognised in prior periods no longer exists or may have decreased. If there is an indication that the impairment loss has been reversed, the assets concerned are tested as to whether the recoverable amount exceeds the carrying amount. The difference not exceeding the original impairment is credited to the Statement of Comprehensive Income, except for:

- Revalued assets - which are credited to an asset revaluation reserve, and
- Available-for-sale financial assets - for which impairment expenses are only reversed on sale.

Policies relating to impairment of available-for-sale financial assets are disclosed in note 1(m).

#### (j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held-at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

#### (k) Receivables

Receivables represent debts on behalf of invoiced student fee income, sundry and student loan debtors. The collectability of all debts is assessed at balance date and provision is made for any impaired debt.

Receivables from related entities resulting from commercial dealings, are made on commercial terms and conditions, and are settled regularly.

#### (l) Inventories

Inventories include books and retail, central building maintenance stores, stationery, academic services, laboratory and departmental supplies and other inventories.

Stock on hand is valued using the lower of cost and net realisable value and stocktakes were completed at year end. Cost is measured on the basis of weighted average cost.

#### (m) Available-for-sale financial assets

The Group classifies its investments as available-for-sale financial assets. Management determines the classification of its investments at initial recognition.

Available-for-sale financial assets, comprising principally marketable securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Balance Sheet date.

Purchases and sales of investments are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the Statement of Comprehensive Income as gains and losses from investment securities.

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

The Group impairs a financial asset or group of financial assets if its decline in value is considered to be significant or prolonged.

The Group has determined that a downturn will be considered significant when the fair value of the financial asset or group of financial assets is below cost by an amount exceeding 20% of its original cost.

The Group has determined that a down turn will be considered prolonged when the fair value of the financial asset or group of financial assets is below cost for a period of twelve consecutive months.

## NOTES TO THE FINANCIAL STATEMENTS

### 1 STATEMENT OF ACCOUNTING POLICIES (continued)

#### (n) Loans receivable

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

#### *Loans to Monash Educational Enterprises and Monash South Africa Limited*

Since commencement of the South African campus in 2001, Monash University has provided loans to fund the development of the campus property managed by Monash Property South Africa Pty Ltd and working capital for the educational businesses in South Africa, which operate through Monash South Africa Limited for the higher education activities and Monash Educational Enterprises for other educational activities. The loans to Monash South Africa Ltd and Monash Educational Enterprises are interest free, long term in nature and are recognised at fair value. The loans to Monash Property South Africa Pty Ltd are interest bearing, long term in nature and are recognised at cost.

As required by AASB 139 Financial Instruments: Recognition and Measurement, the fair value of these loans is the present value of the estimated future cash flows discounted using the prevailing market rate of interest for a similar instrument, which in this case is based on the prime lending rate in South Africa (31 December 2012 8.5%, 31 December 2011 9.0%), taking into account the University's continued support of the South African operations. This valuation model will be used as the basis for future fair value estimates of these loans at each reporting date.

This estimation has resulted in a fair value adjustment to write-down the cost value of the loans to Monash South Africa Ltd of \$3.6M (2011: \$5.1M) reflected in the Statement of Comprehensive Income (refer Note 16). There have been no fair value adjustments for the loans to Monash Educational Enterprises during the year as the entity has not made any new borrowings or repayments.

#### (o) Intangible Assets

##### Intellectual Property

Intellectual property is valued in the accounts at cost of acquisition and is amortised over the period in which its benefits are expected to be realised.

##### Software Development

Internal use of software is capitalised and amortised where the expected useful life is 3 years or greater and the costs to be capitalised exceed \$0.5M. Where costs do not exceed \$0.5M, they are expensed as incurred. Software capitalised to date has a useful life of 7 years (2011, 7 years).

Web development costs are expensed as incurred. Where web development costs are significant, they are capitalised in line with Software Development guidelines. Software development included capitalised borrowing costs of \$0.2M (2011, \$0.2M).

#### Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary / associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

#### Electronic Publications

Electronic publications are split into perpetual access and annual subscription based access to database licences. Perpetual access based on publications are capitalised and amortised over a period of 30 years. Annual subscription based publications are expensed as incurred.

#### (p) Property, Plant and Equipment

##### Acquisitions

Assets are initially recorded at cost to the economic entity. Constructed building and equipment values include labour, materials and borrowing costs. Expenditure is only recognised as an asset when the entity controls future economic benefits as a result of the costs incurred, it is probable those future economic benefits will eventuate, and the costs can be measured reliably.

##### Revaluations

Accounting Standard AASB 116 "Revaluation of Non-Current Assets" and the Victorian Government's Policy "Revaluation of Non-Current Physical Assets" requires reporting entities to measure assets within each class of non-current asset on either the cost basis or on a fair value basis.

Subsequent to initial recognition as assets, land, buildings and cultural assets are measured at fair value being the amounts for which the assets could be exchanged between willing parties in an arms length transaction. Revaluations are made with sufficient regularity to ensure that the carrying amount of these classes of assets does not differ materially from its fair value at the reporting date. Annual assessments are made of the values of land and buildings, and formal revaluations are carried out at least every 3 years.



## NOTES TO THE FINANCIAL STATEMENTS

### 1 STATEMENT OF ACCOUNTING POLICIES (continued)

#### (p) Property, Plant and Equipment (continued)

##### Borrowing Costs

Borrowing costs are expensed as incurred unless they relate to a qualifying asset. Qualifying assets are assets which take more than 12 months to develop and are for internal use. Borrowing costs are capitalised when the qualifying asset is greater than \$0.5M, the expected useful life of the asset is 3 years or greater, and the period of construction or development of the qualifying assets is 12 months or more. As the University's borrowings support the general capital program, interest is capitalised at a weighted average rate. Borrowing costs not capitalised are expensed in the year in which they are incurred.

Borrowing costs have been recognised as part of the carrying value of property and software development assets (where relevant). The capitalisation rate used to determine the amount of capitalised borrowing costs is 6.57% (2011, 6.95%).

##### Depreciation / Amortisation

Depreciation on property, plant and equipment is included in the Statement of Comprehensive Income as an expense item. Depreciation is computed using the straight line method over the useful life of the asset to the economic entity. Rates are outlined in each of the following asset categories.

##### Property

The fair value of land and buildings was established by formal valuation by certified practicing valuers of Urbis Valuations Pty Ltd as at 31 December 2012. A full external valuation is undertaken every 3 years with independent desktop valuations conducted in the intervening years. Buildings have been valued using a depreciated replacement cost approach. Land has been valued on the basis of market value for a large scale residential property development sale. Additions and work in progress are valued at cost.

The fair value of the South African campus land and buildings as at 31 December 2012 has been assessed by Promax Valuation Services, a registered local valuer, and an incremental adjustment made to the Asset Revaluation Reserve.

Land and building projects are capitalised when asset related expenditure exceeds \$0.25M. To capitalise additions to existing buildings, expenditure must meet this threshold on a project basis or increase the area or useful life of the building. In 2012, property includes capitalised borrowing costs of \$2.3M (2011, \$6.3M).

Depreciation on buildings completed during the year is calculated from the date of completion of the building. All buildings have a useful life of 33 years (2011, 33 years) with the exception of South Africa which uses 50 years (2011, 50 years).

##### Equipment

Equipment is capitalised where the cost is greater than \$5,000. Items less than this threshold are expensed. Useful lives to the economic entity of equipment range from 2 years to 20 years.

##### Library Books

Library books are valued at cost and depreciated over their estimated useful lives, which are 30 years for serials and 20 years for monographs (no change from 2011).

##### Cultural Assets

Cultural assets include artworks and rare books. These assets are valued at 'fair value'.

The fair value of the University's artworks was assessed through formal valuation by Dwyer Fine Art at 31 December 2011. These items are not depreciated as they generally appreciate in value. A full external valuation is undertaken every 3 years, with an internal review completed in intervening years by expert Monash University staff with regard to market values of comparative items.

The fair value of the University's rare book collection is assessed annually by expert Monash University staff with regard to market values of comparable items. These items are not depreciated as they generally appreciate in value.

##### Leased Assets

Leases of property, plant and equipment where the Group has substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year. The property, plant and equipment acquired under finance lease is depreciated over the shorter of the asset's useful life and the lease term.

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

##### Leasehold Improvements

Leasehold improvements are carried at cost or formal valuation and amortised over the term of the lease to which the improvements relate. Leasehold improvements are capitalised in line with the property capitalisation policy. This policy is consistent with the prior year.

#### (q) Investment Properties

Investment properties represent properties held to earn rentals or for capital appreciation or both.

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1 STATEMENT OF ACCOUNTING POLICIES (continued)

#### (q) Investment Properties (continued)

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 original assessed performance of the asset will flow to the entity. 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 properties are re-valued to fair value with changes recognised as revenues or expenses in the year that they arise. The properties are not depreciated. The fair value of investment properties was established by formal valuation by certified practising valuers of Urbis Valuations Pty Ltd as at 31 December 2012.

Rental revenue from the leasing of investment properties is recognised in the Statement of Comprehensive Income in the year in which it is receivable, as this represents the pattern of services rendered through the provision of properties.

#### (r) Interest in Cooperative Research Centres

The University has an interest in 11 Cooperative Research Centres. The University has previously provided funding to the Cooperative Research Centres through cash contributions and continues to provide research resources (in-kind support).

#### (s) Payables

Payables are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 30 days from the month of billing.

#### (t) Employee Benefits

##### Annual Leave

Annual leave 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 annual leave 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.

Provisions made in respect of annual leave which are not expected to be settled within 12 months are measured at their present value of the estimated future cash outflows to be made by the University in respect of services provided by employees up to the reporting date.

##### Long Service Leave

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the reporting date.

Provisions for employee entitlements which are not expected to be settled within twelve months are discounted using interest rates applicable to Australian Government Securities at reporting date of 3.30% (2011, 3.83%), which most closely match the terms of maturity of the related liabilities.

In determining the provision for employee entitlements, consideration has been given to future increases in wage and salary rates of 3.00% (2011, 4.03%), and the consolidated entity's experience with staff departures. Related on-costs have also been included in the liability.

Where an employee is presently entitled to payment of their long service leave entitlement and the group has no right to defer payment, the provision is shown as a current liability.

#### Other Employee Benefits

The other employee benefits provisions include remuneration withheld until termination of employment contracts, anticipated redundancy costs and bonus payments.

#### Superannuation

Employee contributory superannuation funds exist to provide benefits for the University's employees and their dependants on retirement, disability or death. The contributions that are made to these funds by the University are recorded in the Statement of Comprehensive Income. Further details are provided in Note 38.

#### (u) Cash Flow

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, in banks and at call deposits.

## NOTES TO THE FINANCIAL STATEMENTS

### 1 STATEMENT OF ACCOUNTING POLICIES (continued)

#### (v) New Accounting Standards and Interpretations issued but not yet effective

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

Standard / Interpretation	Summary	Standard applicable for annual reporting periods beginning on	Applicable date for Monash University	Impact on Monash University financial statements
AASB 9 Financial instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial instruments: recognition and measurement (AASB 139 Financial Instruments: recognition and measurement).	Beginning 1 Jan 2015	1 Jan 2015	Detail of impact is still being assessed.
AASB 10 Consolidated Financial Statements	This Standard establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities and supersedes those requirements in AASB 127 Consolidated and Separate Financial Statements and Interpretation 112 Consolidation – Special Purpose Entities.	Beginning 1 Jan 2013	1 Jan 2013	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 10 in a not-for-profit context. As such, impact will be assessed after the AASB's deliberation.
AASB 12 Disclosure of Interests in Other Entities	This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 and AASB 131.	Beginning 1 Jan 2013	1 Jan 2013	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 10 in a not-for-profit context. As such, impact will be assessed after the AASB's deliberation.
AASB 13 Fair Value Measurement	This Standard outlines the requirements for measuring the fair value of assets and liabilities and replaces the existing fair value definition and guidance in other AASBs. AASB 13 includes a 'fair value hierarchy' which ranks the valuation technique inputs into three levels using unadjusted quoted prices in active markets for identical assets or liabilities; other observable inputs; and unobservable inputs.	Beginning 1 Jan 2013	1 Jan 2013	Disclosure for fair value measurements using unobservable inputs are relatively onerous compared to disclosure for fair value measurements using observable inputs. Consequently, the Standard may increase the disclosures for public sector entities that have assets measured using depreciated replacement cost.

**NOTES TO THE FINANCIAL STATEMENTS**

**1 STATEMENT OF ACCOUNTING POLICIES (continued)**

**(v) New Accounting Standards and Interpretations issued but not yet effective (continued)**

AASB 119 Employee Benefits	In this revised Standard for defined benefit superannuation plans, there is a change to the methodology in the calculation of superannuation expenses, in particular there is now a change in the split between superannuation interest expense (classified as transactions) and actuarial gains and losses (classified as 'Other economic flows – other movements in equity') reported on the comprehensive operating statement.	Beginning 1 Jan 2013	1 Jan 2013	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Detail of impact and applicability is still being assessed.
AASB 128 Investments in Associates and Joint Ventures	This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	Beginning 1 Jan 2013	1 Jan 2013	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 128 in a not-for-profit context. As such, impact will be assessed after the AASB's deliberation.
AASB 1053 Application of Tiers of Australian Accounting Standards	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.	Beginning 1 July 2013	1 Jan 2014	The impact of this Standard may affect disclosures in the financial reports of certain types of entities. The impact on the University is still being assessed. The Standard does not affect the operating result or financial position.
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities.	Beginning 1 July 2013	1 Jan 2014	Does not affect financial measurement or recognition, so is not expected to have any impact on financial result or position. May reduce some note disclosures in financial statements.
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	These amendments are in relation to the introduction of AASB 9.	Beginning 1 Jan 2015	1 Jan 2015	This amendment may have an impact on departments and public sector bodies as AASB 9 is a new standard and it changes the requirements of numerous standards. Detail of impact is still being assessed.
AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & AASB 1054]	The objective of this amendment is to include some additional disclosure from the Trans-Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.	Beginning 1 July 2013	1 Jan 2014	Detail of impact is still being assessed.



## NOTES TO THE FINANCIAL STATEMENTS

### 1 STATEMENT OF ACCOUNTING POLICIES (continued)

#### (v) New Accounting Standards and Interpretations issued but not yet effective (continued)

AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & AASB 1054]	The objective of this amendment is to include some additional disclosure from the Trans-Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.	Beginning 1 July 2013	1 Jan 2014	Detail of impact is still being assessed.
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]	This Standard amends AASB 124 Related Party Disclosures by removing the disclosure requirements in AASB 124 in relation to individual key management personnel (KMP).	Beginning 1 July 2013	1 Jan 2014	No significant impact is expected from these consequential amendments on entity reporting.
AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, AASB 128 & AASB 131]	The objective of this Standard is to make amendments to AASB 127 Consolidated and Separate Financial Statements, AASB 128 Investments in Associates and AASB 131 Interests in Joint Ventures to extend the circumstances in which an entity can obtain relief from consolidation, the equity method or proportionate consolidation.	Beginning 1 July 2013	1 Jan 2014	The University is currently considering the impacts of Reduced Disclosure Requirements (RDRs) and has not yet decided if RDRs will be implemented.
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	This Standard outlines consequential changes arising from the issuance of the five 'new Standards' to other Standards. For example, references to AASB 127 Consolidated and Separate Financial Statements are amended to AASB 10 Consolidated Financial Statements or AASB 127 Separate Financial Statements, and references to AASB 131 Interests in Joint Ventures are deleted as that Standard has been superseded by AASB 11 and AASB 128 (August 2011).	Beginning 1 Jan 2013	1 Jan 2013	No significant impact is expected from these consequential amendments on entity reporting.
AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	This amending Standard makes consequential changes to a range of Standards and Interpretations arising from the issuance of AASB 13. In particular, this Standard replaces the existing definition and guidance of fair value measurements in other Australian Accounting Standards and Interpretations.	Beginning 1 Jan 2013	1 Jan 2013	Disclosure for fair value measurements using unobservable inputs is potentially onerous, and may increase disclosures for assets measured using depreciated replacement cost.
AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]	The main change resulting from this Standard is a requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). These amendments do not remove the option to present profit or loss and other comprehensive income in two statements, nor change the option to present items of OCI either before tax or net of tax.	Beginning 1 July 2012	1 Jan 2013	This amending Standard could change the current presentation of 'Other economic flows- other movements in equity' that will be grouped on the basis of whether they are potentially reclassifiable to profit or loss subsequently. No other significant impact will be expected.

**NOTES TO THE FINANCIAL STATEMENTS**

**1 STATEMENT OF ACCOUNTING POLICIES (continued)**

**(v) New Accounting Standards and Interpretations issued but not yet effective (continued)**

<p>AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 &amp; AASB 2011-8 and Interpretation 14]</p>	<p>This Standard makes consequential changes to a range of other Australian Accounting Standards and Interpretation arising from the issuance of AASB 119 Employee Benefits.</p>	<p>Beginning 1 Jan 2013</p>	<p>1 Jan 2013</p>	<p>No significant impact is expected from these consequential amendments on entity reporting.</p>
<p>AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</p>	<p>This Standard makes amendments to AASB 119 Employee Benefits (September 2011), to incorporate reduced disclosure requirements into the Standard for entities applying Tier 2 requirements in preparing general purpose financial statements.</p>	<p>Beginning 1 July 2013</p>	<p>1 Jan 2014</p>	<p>The University is currently considering the impacts of Reduced Disclosure Requirements (RDRs) and has not yet decided if RDRs will be implemented.</p>
<p>2012-1 Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, AASB 7, AASB 13, AASB 140 &amp; AASB 141]</p>	<p>This amending Standard prescribes the reduced disclosure requirements in a number of Australian Accounting Standards as a consequence of the issuance of AASB 13 Fair Value Measurement.</p>	<p>Beginning 1 July 2013</p>	<p>1 Jan 2014</p>	<p>The University is currently considering the impacts of Reduced Disclosure Requirements (RDRs) and has not yet decided if RDRs will be implemented.</p>

## NOTES TO THE FINANCIAL STATEMENTS

### 2 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS

#### (a) Commonwealth Grants Scheme and Other Grants

	Consolidated		Monash University	
	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's
Commonwealth grants scheme #1	295,311	267,775	295,311	267,775
Indigenous Support Fund	487	476	487	476
Equity programs #2	177	156	177	156
Superannuation Program	11,526	9,982	11,526	9,982
Diversity and structural adjustment fund #3	-	515	-	515
Transitional Cost Program	51	439	51	439
Higher Education Participation Program	7,267	3,569	7,267	3,569
Promotion of Excellence in Learning and Teaching	2,098	-	2,098	-
Reward Funding	733	-	733	-
<b>Total Commonwealth Grants Scheme and Other Grants</b>	<b>317,650</b>	<b>282,912</b>	<b>317,650</b>	<b>282,912</b>

#### (b) Higher Education Loan Program

HECS-HELP	151,082	142,507	151,082	142,507
FEE_HELP	38,944	32,127	38,252	31,043
<b>Total Higher Education Loan Program</b>	<b>190,026</b>	<b>174,634</b>	<b>189,334</b>	<b>173,550</b>

#### (c) Scholarships

Australian postgraduate awards	17,977	15,307	17,977	15,307
International postgraduate research	1,599	1,541	1,599	1,541
Commonwealth educational cost #4	331	1,338	331	1,338
Commonwealth accommodation #4	271	1,452	271	1,452
Indigenous access	176	65	176	65
<b>Total Scholarships</b>	<b>20,354</b>	<b>19,703</b>	<b>20,354</b>	<b>19,703</b>

#1 Includes the basic CGS grant amount, CGS-Regional loading, CGS-Facilitation Funding, Science and Maths Transition Loading, Medical Student Loading, Allocated Place Advance, Non-designated Courses Advance.

#2 Includes amounts for Students with Disabilities Program and Regional Disability Liaison Officer Initiative.

#3 Includes Collaboration and Structural Reform Program.

#4 Includes National Priority Scholarships.

## NOTES TO THE FINANCIAL STATEMENTS

### 2 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (continued)

#### (d) DIISRTE - Research

	Consolidated		Monash University	
	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's
Research training scheme	48,877	46,795	48,877	46,795
Research infrastructure block grants	20,702	19,863	20,702	19,863
Commercialisation training scheme	-	532	-	532
Joint research engagement program	25,523	24,196	25,523	24,196
Sustainable research excellence	14,319	10,201	14,319	10,201
<b>Total DIISRTE - Research Grants</b>	<b>109,421</b>	<b>101,587</b>	<b>109,421</b>	<b>101,587</b>

#### (e) Other Capital Funding

Education investment fund	50,510	39,941	50,510	39,941
<b>Total Other Capital Funding</b>	<b>50,510</b>	<b>39,941</b>	<b>50,510</b>	<b>39,941</b>

#### (f) Australian Research Council

##### (i) Discovery

Projects	33,122	27,701	33,122	27,701
Fellowships	15,073	8,741	15,072	8,741
Indigenous research development	(60)	(18)	(60)	(18)
<b>Total Discovery</b>	<b>48,135</b>	<b>36,424</b>	<b>48,134</b>	<b>36,424</b>

##### (ii) Linkages

Infrastructure	2,651	749	2,651	749
Projects	10,195	10,193	10,195	10,193
Special research initiatives	2,939	2,692	2,939	2,692
<b>Total Linkages</b>	<b>15,785</b>	<b>13,634</b>	<b>15,785</b>	<b>13,634</b>

##### (iii) Networks and Centres

Centres	4,238	3,649	4,238	3,649
<b>Total networks and centres</b>	<b>4,238</b>	<b>3,649</b>	<b>4,238</b>	<b>3,649</b>

<b>Total Australian Research Council Grants</b>	<b>68,158</b>	<b>53,707</b>	<b>68,157</b>	<b>53,707</b>
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## NOTES TO THE FINANCIAL STATEMENTS

### 2 AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING HECS-HELP AND OTHER AUSTRALIAN GOVERNMENT LOAN PROGRAMS (continued)

#### (g) Other Australian Government financial assistance

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Non-capital</b>				
National Health and Medical Research Council	78,802	72,564	78,802	72,564
Other Australian government financial assistance	71,134	53,315	66,798	53,315
<b>Total non-capital other Australian Government financial assistance</b>	<b>149,936</b>	<b>125,879</b>	<b>145,600</b>	<b>125,879</b>
<b>Capital</b>				
National Health and Medical Research Council	739	2,009	739	2,009
Other Australian government financial assistance	14,721	20,670	14,721	20,670
<b>Total capital other Australian Government financial assistance</b>	<b>15,460</b>	<b>22,679</b>	<b>15,460</b>	<b>22,679</b>
<b>Total other Australian Government financial assistance</b>	<b>165,396</b>	<b>148,558</b>	<b>161,060</b>	<b>148,558</b>
<b>Total Australian Government financial assistance</b>	<b>921,515</b>	<b>821,042</b>	<b>916,486</b>	<b>819,958</b>
<b>Reconciliation</b>				
Australian Government grants (a+c+d+e+f+g)	731,489	646,408	727,152	646,408
HECS-HELP - Australian Government payments	151,082	142,507	151,082	142,507
Other Australian Government loan programs (FEE-HELP)	38,944	32,127	38,252	31,043
<b>Total Australian Government financial assistance</b>	<b>921,515</b>	<b>821,042</b>	<b>916,486</b>	<b>819,958</b>

### 3 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>State Government financial assistance</b>				
<b>Non-capital</b>				
Operating	1,881	100	435	100
Research	29,861	31,029	29,861	31,029
Non-research	3,493	2,179	3,493	2,179
<b>Total non-capital</b>	<b>35,235</b>	<b>33,308</b>	<b>33,789</b>	<b>33,308</b>
<b>Capital</b>				
Research	-	780	-	780
Non-research	2,075	-	2,075	-
<b>Total capital</b>	<b>2,075</b>	<b>780</b>	<b>2,075</b>	<b>780</b>
<b>Total State Government financial assistance</b>	<b>37,310</b>	<b>34,088</b>	<b>35,864</b>	<b>34,088</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 3 STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE (continued)

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Local Government financial assistance</b>				
<b>Non-capital</b>				
Research	244	886	244	886
Non-research	344	133	344	133
<b>Total Non-capital</b>	<b>588</b>	<b>1,019</b>	<b>588</b>	<b>1,019</b>
<b>Total Local Government financial assistance</b>	<b>588</b>	<b>1,019</b>	<b>588</b>	<b>1,019</b>
Total State and Local Government financial assistance	37,898	35,107	36,452	35,107

### 4 NON-GOVERNMENT FINANCIAL ASSISTANCE

Research	43,959	36,602	43,667	36,502
Non-research	6,850	6,470	6,358	6,345
<b>Total Non-Government financial assistance</b>	<b>50,809</b>	<b>43,072</b>	<b>50,025</b>	<b>42,847</b>

### 5 FEES AND CHARGES

#### Course fees and charges

Fee paying overseas students	376,171	378,213	319,271	317,902
Fee paying domestic postgraduate students	14,836	16,051	14,836	16,051
Fee paying domestic undergraduate students	3,827	5,223	3,827	5,223
Fee paying domestic non-award students	1,232	1,291	1,232	1,291
Fee offshore programs	4,013	6,419	4,013	6,419
Other domestic course fees and charges	23,228	21,832	11,822	17,490

#### Total course fees and charges

<b>423,307</b>	<b>429,029</b>	<b>355,001</b>	<b>364,376</b>
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#### Other fees and charges

Amenities and service fees	5,301	6	5,301	6
Parking fees	5,638	5,482	5,688	5,536
Student accommodation	27,733	19,891	14,290	13,365
Other fees and charges	8,150	8,414	6,512	6,688

#### Total other fees and charges

<b>46,822</b>	<b>33,793</b>	<b>31,791</b>	<b>25,595</b>
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#### Total fees and charges

<b>470,129</b>	<b>462,822</b>	<b>386,792</b>	<b>389,971</b>
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### 6 INVESTMENT REVENUE

Dividends	11,036	17,089	10,125	16,448
Interest	6,696	10,020	7,597	6,308
Fair value gain on investment properties	3,129	5,347	2,629	-
Trust distributions	4,952	6,689	6,878	6,434
Realised gain on previously impaired investments - transfer to net profit	5,959	7,025	3,647	2,856
<b>Total investment revenue</b>	<b>31,772</b>	<b>46,170</b>	<b>30,876</b>	<b>32,046</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 7 ROYALTIES, TRADEMARKS AND LICENCES

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Student related</b>				
Enrolment royalties	10,314	9,652	10,314	9,652
<b>Total student related royalties, trademarks and licences</b>	<b>10,314</b>	<b>9,652</b>	<b>10,314</b>	<b>9,652</b>
<b>Intellectual property related</b>				
Patents and licences	5,109	1,097	4,901	1,005
<b>Total intellectual property related royalties, trademarks and licences</b>	<b>5,109</b>	<b>1,097</b>	<b>4,901</b>	<b>1,005</b>
<b>Total royalties, trademarks and licences</b>	<b>15,423</b>	<b>10,749</b>	<b>15,215</b>	<b>10,657</b>

### 8 CONSULTANCY AND CONTRACTS

Consultancy	25,068	23,132	25,084	23,364
Contract research	36,858	31,952	36,857	31,952
<b>Total consultancy and contracts</b>	<b>61,926</b>	<b>55,084</b>	<b>61,941</b>	<b>55,316</b>

### 9 OTHER REVENUE

Donations and bequests	8,240	8,967	8,225	8,755
Scholarships and prizes	6,900	5,867	6,885	5,865
Commercial operations	16,104	15,395	16,104	15,395
Rentals and hirings	20,640	21,073	20,215	20,938
Sale of goods and services	6,610	7,234	6,645	7,232
Secondment recoveries	7,419	7,460	7,666	7,492
Administration recoveries	6,815	7,201	11,428	10,083
Foreign exchange gains (net)	106	90	116	94
Other revenue	24,133	16,878	25,796	18,402
<b>Total other revenue</b>	<b>96,967</b>	<b>90,165</b>	<b>103,080</b>	<b>94,256</b>

#### (a) Net foreign exchange gains

Net foreign exchange gains included in other income for the year	106	90	116	94
<b>Net foreign exchange gains / (losses) recognised in operating result before income tax for the year (as either other revenue or expense)</b>	<b>106</b>	<b>90</b>	<b>116</b>	<b>94</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 10 EMPLOYEE BENEFITS AND ON COSTS

	Consolidated		Monash University	
	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's
<b>Academic</b>				
Staff salaries	389,494	361,604	376,813	348,305
Contribution to superannuation and pension schemes:				
Funded	56,034	52,317	50,588	46,447
Payroll tax	21,296	19,693	20,648	19,012
Workers compensation	823	916	767	814
Fringe benefits tax	1,364	1,302	1,364	1,302
Long service leave provision	(157)	3,942	(120)	3,686
Recreation leave provision	2,984	(2,403)	2,679	(2,501)
Recreation leave loading	3,113	2,930	3,113	2,930
<b>Total academic</b>	<b>474,951</b>	<b>440,301</b>	<b>455,852</b>	<b>419,995</b>
<b>Non-academic</b>				
Staff salaries	374,212	320,872	358,572	306,577
Contribution to superannuation and pension schemes:				
Funded	51,350	43,942	49,569	42,388
Payroll tax	20,096	17,549	19,484	17,033
Workers compensation	1,134	1,192	1,112	1,113
Fringe benefits tax	1,364	1,302	1,364	1,302
Long service leave provision	2,735	9,948	2,662	9,813
Recreation leave provision	2,669	2,836	2,279	2,492
Recreation leave loading	3,373	2,986	3,373	2,986
<b>Total non-academic</b>	<b>456,933</b>	<b>400,627</b>	<b>438,415</b>	<b>383,704</b>
<b>Total employee benefits and on costs</b>	<b>931,884</b>	<b>840,928</b>	<b>894,267</b>	<b>803,699</b>
<b>11 DEPRECIATION, AMORTISATION AND IMPAIRMENT</b>				
<b>Depreciation</b>				
Buildings	37,992	34,593	35,506	33,868
Equipment	32,756	32,773	31,613	31,694
Library books	5,360	5,148	5,075	4,909
<b>Total depreciation</b>	<b>76,108</b>	<b>72,514</b>	<b>72,194</b>	<b>70,471</b>
<b>Amortisation</b>				
Leasehold improvements	6,900	6,796	6,228	6,104
Software development	5,148	5,151	4,398	4,542
Electronic publications	2,261	1,989	2,256	1,989
<b>Total amortisation</b>	<b>14,309</b>	<b>13,936</b>	<b>12,882</b>	<b>12,635</b>
<b>Impairment</b>				
<b>Intangible assets</b>				
Goodwill	-	99	-	-
<b>Total impairment</b>	<b>-</b>	<b>99</b>	<b>-</b>	<b>-</b>
<b>Total depreciation, amortisation and impairment</b>	<b>90,417</b>	<b>86,549</b>	<b>85,076</b>	<b>83,106</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 12 REPAIRS AND MAINTENANCE

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
Buildings	34,544	36,076	33,587	35,257
<b>Total repairs and maintenance</b>	<b>34,544</b>	<b>36,076</b>	<b>33,587</b>	<b>35,257</b>

### 13 FINANCE COSTS

Loans from banks and other non-related sources	22,343	20,737	22,761	20,405
Finance charges from finance leases	158	148	-	-
<b>Less:</b>				
Amounts included in the cost of qualifying assets	(2,790)	(6,513)	(2,790)	(6,513)
<b>Total finance costs</b>	<b>19,711</b>	<b>14,372</b>	<b>19,971</b>	<b>13,892</b>

### 14 BAD AND IMPAIRED RECEIVABLES AND INVESTMENTS

Bad debts written off	1,729	3,214	1,712	3,065
Movement in provision for impaired receivables	(703)	(2,658)	(1,159)	(3,234)
<b>Total bad and impaired receivables and investments</b>	<b>1,026</b>	<b>556</b>	<b>553</b>	<b>(169)</b>

### 15 ASSURANCE AND OTHER SERVICES

Auditing or reviewing the financial report	652	630	328	309
<b>Total assurance and other services</b>	<b>652</b>	<b>630</b>	<b>328</b>	<b>309</b>

### 16 OTHER EXPENSES

Scholarships, grants and prizes	99,731	95,171	99,549	94,972
Advertising, marketing and promotional	15,862	10,915	8,718	5,844
Rent, leasing and utilities	60,990	58,307	55,696	52,607
Motor vehicle expenses	9,322	7,587	9,217	7,456
Student related	15,020	13,470	8,724	7,933
Laboratory	50,535	48,024	50,535	48,024
Other equipment	14,030	15,542	13,906	11,667
Communication	13,267	14,227	12,480	13,452
Information technology	32,692	31,441	32,466	31,109
Printing and stationery	11,627	12,833	11,299	12,335
Books and library	11,986	11,270	11,907	11,191
Travel	42,434	38,392	41,845	37,590
Financial and administration	44,699	41,590	41,759	38,658
Staff related	53,036	51,838	47,496	46,450
Fair value adjustment on loans to Monash South Africa Limited	-	-	3,645	5,143
Fair value loss on investment properties	-	-	-	653
Net loss on disposal of property, plant and equipment	2,684	4,558	2,684	4,558
Unrealised foreign exchange losses on translation of transactions and balances with foreign controlled entities	-	-	589	3,951
Grant payments	56,104	37,744	56,453	37,744
Realised loss on sale of available-for-sale financial assets	815	4,039	-	-
Other expenses	15,858	14,920	13,432	13,058
<b>Total other expenses</b>	<b>550,692</b>	<b>511,868</b>	<b>522,400</b>	<b>484,395</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 17 INCOME TAX EXPENSE

The income tax expense for the financial year differs from the amount calculated on the profit.

		Consolidated		Monash University	
		2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
Australian income tax	(a)	-	-	-	-
Australian deferred tax		(566)	-	-	-
South African provisional income tax		250	221	-	-
South African deferred tax		(657)	-	-	-
South African Secondary Tax on Companies		-	82	-	-
		<b>(973)</b>	<b>303</b>	<b>-</b>	<b>-</b>

#### (a) Reconciliation of income tax

The prima facie tax on profit for ordinary activities before income tax is reconciled to income tax as follows:

Prima facie tax payable on profit from ordinary activities before income tax at 30% (2011: 30%)		194	244	-	-
Profit from ordinary activities before income tax expense		645	812	-	-
Add / (deduct) tax effect of permanent differences		-	26	-	-
Add / (deduct) tax effect of timing differences		(197)	(364)	-	-
Taxable profit		448	474	-	-
Tax losses brought to account		(448)	(474)	-	-
Income tax expense		-	-	-	-

### 18 CASH AND CASH EQUIVALENTS

Cash at bank and on hand	(a)	7,280	2,285	135	137
Managed funds	(b)	75,715	46,996	75,715	46,996
Short-term deposits	(b)	1,256	2,873	-	-
<b>Total cash and cash equivalents</b>		<b>84,251</b>	<b>52,154</b>	<b>75,850</b>	<b>47,133</b>

#### Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the year as shown in the Statement of Cash Flows as follows:

Balances as above		84,251	52,154	75,850	47,133
Less: Bank overdrafts		(418)	(4,202)	(418)	(4,196)
<b>Balance per Statement of Cash Flows</b>		<b>83,833</b>	<b>47,952</b>	<b>75,432</b>	<b>42,937</b>

#### (a) Cash at bank

Cash at bank had floating interest rates between 2.91% and 4.27% (2011: 4.20% and 4.69%).

#### (b) Managed funds and short-term deposits

This includes short-term deposits and those held in managed funds and had floating interest rates between 3.11% and 3.91% (2011: 2.40% and 4.96%). Managed funds had an average maturity of 56 days (2011: 48 days).

## NOTES TO THE FINANCIAL STATEMENTS

### 19 RECEIVABLES

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Current</b>				
<b>External</b>				
Sundry receivables	36,654	37,934	34,001	35,537
Provision for impaired sundry receivables	(1,533)	(2,463)	(1,496)	(2,456)
Student fees	9,297	9,192	3,294	4,059
Provision for impaired student fees	(2,586)	(2,694)	(131)	(330)
Other amounts receivable	19,074	16,233	13,607	14,705
GST refundable (net)	3,727	3,498	3,662	3,598
<b>Total external receivables</b>	<b>64,633</b>	<b>61,700</b>	<b>52,937</b>	<b>55,113</b>
<b>Intercompany receivables</b>				
Monash Property South Africa Pty Ltd	-	-	313	140
Monash College Pty Ltd	-	-	4,631	3,630
Monash University Foundation Trust	-	-	457	348
<b>Total intercompany receivables</b>	<b>-</b>	<b>-</b>	<b>5,401</b>	<b>4,118</b>
<b>Total current receivables</b>	<b>64,633</b>	<b>61,700</b>	<b>58,338</b>	<b>59,231</b>
<b>Non-current</b>				
<b>Loans receivable from related parties</b>				
Monash Investment Trust	-	-	-	5,000
Monash Educational Enterprises	-	-	37,590	37,590
Fair value adjustment - Monash Educational Enterprises	-	-	(37,590)	(37,590)
	-	-	-	-
Monash Property South Africa Pty Ltd	-	-	17,787	25,345
Monash South Africa Ltd	-	-	44,148	40,503
Fair value adjustment - Monash South Africa Ltd	-	-	(44,148)	(40,503)
	-	-	-	-
Bendigo Primary Care Centre	100	-	100	-
Other non-current receivables	7	450	-	442
<b>Total non-current receivables</b>	<b>107</b>	<b>450</b>	<b>17,887</b>	<b>30,787</b>
<b>Total Receivables</b>	<b>64,740</b>	<b>62,150</b>	<b>76,225</b>	<b>90,018</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 19 RECEIVABLES (continued)

#### (a) Bad and impaired sundry and student receivables

The ageing of these receivables is as follows:

	Consolidated		Monash University	
	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's
Less than 30 days	63	30	62	30
30 - 60 days	45	154	5	34
60 - 90 days	32	-	30	-
90 - 120 days	29	2	8	2
120 days +	3,950	4,971	1,522	2,720
	<b>4,119</b>	<b>5,157</b>	<b>1,627</b>	<b>2,786</b>

#### (b) Sundry and student receivables

The following is an ageing of the Group's sundry and student receivables that are due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the Group believes that the amounts are still considered recoverable. The Group does not hold any securities over these balances.

Less than 30 days	22,994	22,774	21,246	20,749
30 - 60 days	7,082	7,201	6,468	7,276
60 - 90 days	5,002	3,785	4,930	3,526
90 - 120 days	4,602	3,260	1,244	3,170
120 days +	2,152	4,949	1,780	2,089
	<b>41,832</b>	<b>41,969</b>	<b>35,668</b>	<b>36,810</b>

#### (c) Movements in provision for impaired receivables are as follows:

At 1 January	5,157	8,557	2,786	6,021
Provision for impaired receivables recognised during the year	(1,021)	630	(1,159)	646
Receivables written off during the year as uncollectable	(17)	(4,030)	-	(3,881)
<b>At 31 December</b>	<b>4,119</b>	<b>5,157</b>	<b>1,627</b>	<b>2,786</b>

The creation and release of the provision for impaired receivables has been included in note 14 to the Statement of Comprehensive Income. Amounts charged to the provision account are generally written off where there is no expectation of recovery.

The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

### 20 INVENTORIES

Books and retail	735	980	735	980
Other	688	761	677	737
<b>Total current inventories</b>	<b>1,423</b>	<b>1,741</b>	<b>1,412</b>	<b>1,717</b>

### 21 INVESTMENTS IN ASSOCIATES

Shares in associates	27,696	23,175	16,539	13,876
<b>Total investments in associates</b>	<b>27,696</b>	<b>23,175</b>	<b>16,539</b>	<b>13,876</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 21 INVESTMENTS IN ASSOCIATES (continued)

#### Shares in Associates

##### (a) Ownership Interest

	2012	2011
Monash University Sunway Campus Malaysia Sdn Bhd	45%	43%

##### (b) Movements in carrying amounts

	Consolidated		Monash University	
	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's
Carrying amount at the beginning of the financial year	23,175	18,961	13,876	11,364
Increase in shares in associates at cost	2,663	2,512	2,663	2,512
Share of profits after income tax	1,773	2,246	-	-
Share of foreign currency gain / (loss) on translation	85	(544)	-	-
<b>Carrying amount at the end of the financial year</b>	<b>27,696</b>	<b>23,175</b>	<b>16,539</b>	<b>13,876</b>

##### (c) Fair value of listed investments in associates

There are no listed investments in associates.

##### (d) Share of associate's operating result

Net operating result before income tax	1,898	2,379	-	-
Income tax expense	(125)	(133)	-	-
Net operating result after income tax	1,773	2,246	-	-

##### (e) Summarised financial information of associates

#### Group's share of:

	Assets	Liabilities	Revenues	Net Result
	\$000's	\$000's	\$000's	\$000's
<b>2012</b>				
Monash University Sunway Campus Malaysia Sdn Bhd	19,681	7,585	21,473	1,773
	<b>19,681</b>	<b>7,585</b>	<b>21,473</b>	<b>1,773</b>
<b>2011</b>				
Monash University Sunway Campus Malaysia Sdn Bhd	15,572	5,471	19,073	2,246
	15,572	5,471	19,073	2,246

### 22 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Notes	Consolidated		Monash University	
		2012	2011	2012	2011
		\$000's	\$000's	\$000's	\$000's
At beginning of year		305,319	320,066	200,001	204,152
Additions		10,845	22,135	7,029	15,204
Disposals (sale and redemption)		(481)	(6,915)	(486)	(65)
Revaluation surplus / (deficit) transferred to equity	33(b)	37,826	(25,928)	24,501	(19,290)
Net loss on disposal of available-for-sale financial assets		(815)	(4,039)	-	-
<b>At end of year</b>		<b>352,694</b>	<b>305,319</b>	<b>231,045</b>	<b>200,001</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 22 AVAILABLE-FOR-SALE FINANCIAL ASSETS (continued)

#### Listed securities

	Notes	Consolidated		Monash University	
		2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
Acrux Ltd.		1,075	1,083	-	-
Metabolic Pharmaceuticals Ltd		384	576	-	-
Bio Time Inc		11	21	-	-
XRF Scientific Ltd.		175	143	-	-
Other listed securities		720	632	720	632
<b>Total listed securities</b>		<b>2,365</b>	<b>2,455</b>	<b>720</b>	<b>632</b>

#### Managed Funds

MLC Portfolio		152,491	131,843	152,491	131,843
Macquarie Common Fund		197,838	171,021	77,834	67,526
<b>Total managed funds</b>		<b>350,329</b>	<b>302,864</b>	<b>230,325</b>	<b>199,369</b>
<b>Total available-for-sale financial assets</b>		<b>352,694</b>	<b>305,319</b>	<b>231,045</b>	<b>200,001</b>

### 23 OTHER FINANCIAL ASSETS

Current					
Other financial assets		6,259	5,525	-	-
<b>Total current other financial assets</b>		<b>6,259</b>	<b>5,525</b>	<b>-</b>	<b>-</b>
Non-current					
Shares in subsidiaries	44	-	-	36,080	30,017
Provision for non-recovery of investments		-	-	(11,962)	(11,962)
<b>Other unlisted securities</b>					
Monash Health Research Precinct Pty Ltd		6,592	6,592	6,592	6,592
Sarou Pty Ltd		1,600	1,600	-	-
Australian Synchrotron Holding Company Pty Ltd		5,000	5,000	5,000	-
Other financial assets		166	289	1,720	1,718
<b>Total non-current other financial assets</b>		<b>13,358</b>	<b>13,481</b>	<b>37,430</b>	<b>26,365</b>
<b>Total other financial assets</b>		<b>19,617</b>	<b>19,006</b>	<b>37,430</b>	<b>26,365</b>

### 24 INVESTMENT PROPERTIES

#### Land

Valuation as at 1 January		38,765	37,263	29,665	29,763
Additions		20	-	20	-
Net fair value gain / (loss)		3,989	1,502	2,621	(98)
<b>Valuation as at 31 December</b>		<b>42,774</b>	<b>38,765</b>	<b>32,306</b>	<b>29,665</b>

#### Buildings

Valuation as at 1 January		23,940	20,095	140	695
Additions		774	-	774	-
Net fair value gain / (loss)		(860)	3,845	8	(555)
<b>Valuation as at 31 December</b>		<b>23,854</b>	<b>23,940</b>	<b>922</b>	<b>140</b>
<b>Total investment properties</b>		<b>66,628</b>	<b>62,705</b>	<b>33,228</b>	<b>29,805</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 25 PROPERTY, PLANT AND EQUIPMENT

#### (a) Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Equipment \$000's	Library books \$000's	Cultural Assets \$000's	Land \$000's	Buildings \$000's	Buildings under Construction \$000's	Leasehold Improvements \$000's	Total \$000's
<b>Consolidated 2012</b>								
<b>At 1 January 2012</b>								
Cost	336,948	121,262	2,972	10,168	223,305	98,532	97,072	890,259
Valuation	-	-	50,557	316,317	1,033,866	-	630	1,401,370
Accumulated depreciation	(212,508)	(31,373)	-	-	(66,027)	-	(28,171)	(338,079)
<b>Net book amount</b>	<b>124,440</b>	<b>89,889</b>	<b>53,529</b>	<b>326,485</b>	<b>1,191,144</b>	<b>98,532</b>	<b>69,531</b>	<b>1,953,550</b>
<b>Year ended 31 December 2012</b>								
Opening net book amount	124,440	89,889	53,529	326,485	1,191,144	98,532	69,531	1,953,550
Revaluation surplus	-	-	2,245	2,133	201,495	-	-	205,873
Revaluation decrement recognised in the income statement	-	-	-	-	(383)	-	-	(383)
Additions	32,645	4,790	607	135	12,949	95,977	6,326	153,429
Disposals	(4,103)	(427)	(5)	-	(54)	(859)	(617)	(6,065)
Depreciation	(32,756)	(5,360)	-	-	(37,992)	-	(6,900)	(83,008)
Transfer (to) / from another class	6	-	-	-	20,090	(20,090)	-	6
Foreign currency translation	(139)	(57)	-	(381)	(1,417)	-	-	(1,994)
<b>Closing net book amount</b>	<b>120,093</b>	<b>88,835</b>	<b>56,376</b>	<b>328,372</b>	<b>1,385,832</b>	<b>173,560</b>	<b>68,340</b>	<b>2,221,408</b>
<b>At 31 December 2012</b>								
Cost	350,824	124,905	3,574	9,518	255,066	173,560	102,411	1,019,858
Valuation	-	-	52,802	318,854	1,234,296	-	630	1,606,582
Accumulated depreciation	(230,731)	(36,070)	-	-	(103,530)	-	(34,701)	(405,032)
<b>Net book amount</b>	<b>120,093</b>	<b>88,835</b>	<b>56,376</b>	<b>328,372</b>	<b>1,385,832</b>	<b>173,560</b>	<b>68,340</b>	<b>2,221,408</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**(a) Movements in Carrying Amounts (continued)**

	Equipment \$000's	Library books \$000's	Cultural Assets \$000's	Land \$000's	Buildings \$000's	Buildings under Construction \$000's	Leasehold Improvements \$000's	Total \$000's
<b>Consolidated 2011</b>								
<b>At 1 January 2011</b>								
Cost	312,755	116,830	2,091	11,838	51,533	114,076	83,504	692,627
Valuation	-	-	50,557	316,316	1,032,974	-	630	1,400,477
Accumulated depreciation	(187,838)	(26,656)	-	-	(31,956)	-	(23,166)	(269,616)
<b>Net book amount</b>	<b>124,917</b>	<b>90,174</b>	<b>52,648</b>	<b>328,154</b>	<b>1,052,551</b>	<b>114,076</b>	<b>60,968</b>	<b>1,823,488</b>
<b>Year ended 31 December 2011</b>								
Opening net book amount	124,917	90,174	52,648	328,154	1,052,551	114,076	60,968	1,823,488
Revaluation surplus	-	-	-	1	892	-	-	893
Additions	36,292	5,439	465	450	38,325	127,524	17,373	225,868
Disposals	(3,554)	(393)	(107)	(520)	(35)	(3,630)	(2,014)	(10,253)
Depreciation	(32,773)	(5,148)	-	-	(34,593)	-	(6,796)	(79,310)
Transfer (to) / from another class	(8)	-	523	-	138,607	(139,122)	-	-
Foreign currency translation	(434)	(183)	-	(1,600)	(4,603)	(316)	-	(7,136)
<b>Closing net book amount</b>	<b>124,440</b>	<b>89,889</b>	<b>53,529</b>	<b>326,485</b>	<b>1,191,144</b>	<b>98,532</b>	<b>69,531</b>	<b>1,953,550</b>
<b>At 31 December 2011</b>								
Cost	336,948	121,262	2,972	10,168	223,305	98,532	97,072	890,259
Valuation	-	-	50,557	316,317	1,033,866	-	630	1,401,370
Accumulated depreciation	(212,508)	(31,373)	-	-	(66,027)	-	(28,171)	(338,079)
<b>Net book amount</b>	<b>124,440</b>	<b>89,889</b>	<b>53,529</b>	<b>326,485</b>	<b>1,191,144</b>	<b>98,532</b>	<b>69,531</b>	<b>1,953,550</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**(a) Movements in Carrying Amounts (continued)**

	Equipment \$000's	Library books \$000's	Cultural Assets \$000's	Land \$000's	Buildings \$000's	Buildings under Construction \$000's	Leasehold Improvements \$000's	Total \$000's
<b>Monash University 2012</b>								
<b>At 1 January 2012</b>								
Cost	334,801	118,876	2,971	2,842	132,454	98,532	91,530	782,006
Valuation	-	-	50,557	316,721	1,033,184	-	630	1,401,092
Accumulated depreciation	(214,289)	(30,191)	-	-	(65,302)	-	(27,482)	(337,264)
<b>Net book amount</b>	<b>120,512</b>	<b>88,685</b>	<b>53,528</b>	<b>319,563</b>	<b>1,100,336</b>	<b>98,532</b>	<b>64,678</b>	<b>1,845,834</b>
<b>Year ended 31 December 2012</b>								
Opening net book amount	120,512	88,685	53,528	319,563	1,100,336	98,532	64,678	1,845,834
Revaluation surplus	-	-	2,245	2,128	199,262	-	-	203,635
Additions	31,571	4,408	607	135	12,499	95,979	6,252	151,451
Disposals	(4,091)	(384)	(5)	-	(54)	(859)	(617)	(6,010)
Depreciation	(31,613)	(5,075)	-	-	(35,506)	-	(6,228)	(78,422)
Transfer (to) / from another class	6	-	-	-	20,090	(20,090)	-	6
<b>Closing net book amount</b>	<b>116,385</b>	<b>87,634</b>	<b>56,375</b>	<b>321,826</b>	<b>1,296,627</b>	<b>173,562</b>	<b>64,085</b>	<b>2,116,494</b>
<b>At 31 December 2012</b>								
Cost	341,892	122,448	3,573	2,977	164,986	173,562	96,843	906,281
Valuation	-	-	52,802	318,849	1,232,446	-	630	1,604,727
Accumulated depreciation	(225,507)	(34,814)	-	-	(100,805)	-	(33,388)	(394,514)
<b>Net book amount</b>	<b>116,385</b>	<b>87,634</b>	<b>56,375</b>	<b>321,826</b>	<b>1,296,627</b>	<b>173,562</b>	<b>64,085</b>	<b>2,116,494</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**(a) Movements in Carrying Amounts (continued)**

	Equipment \$000's	Library books \$000's	Cultural Assets \$000's	Land \$000's	Buildings \$000's	Buildings under Construction \$000's	Leasehold Improvements \$000's	Total \$000's
<b>Monash University 2011</b>								
<b>At 1 January 2011</b>								
Cost	304,460	114,793	2,090	2,912	26,236	95,302	78,795	624,588
Valuation	-	-	50,557	316,721	1,033,184	-	630	1,401,092
Accumulated depreciation	(182,595)	(25,727)	-	-	(31,441)	-	(21,378)	(261,141)
<b>Net book amount</b>	<b>121,865</b>	<b>89,066</b>	<b>52,647</b>	<b>319,633</b>	<b>1,027,979</b>	<b>95,302</b>	<b>58,047</b>	<b>1,764,539</b>
<b>Year ended 31 December 2011</b>								
Opening net book amount	121,865	89,066	52,647	319,633	1,027,979	95,302	58,047	1,764,539
Revaluation surplus	-	-	(95)	-	-	-	-	(95)
Additions	33,646	4,921	465	450	38,324	75,311	12,735	165,852
Disposals	(3,297)	(393)	(12)	(520)	(35)	(3,630)	-	(7,887)
Depreciation	(31,694)	(4,909)	-	-	(33,868)	-	(6,104)	(76,575)
Transfer (to) / from another class	(8)	-	523	-	67,936	(68,451)	-	-
<b>Closing net book amount</b>	<b>120,512</b>	<b>88,685</b>	<b>53,528</b>	<b>319,563</b>	<b>1,100,336</b>	<b>98,532</b>	<b>64,678</b>	<b>1,845,834</b>
<b>At 31 December 2011</b>								
Cost	334,801	118,876	2,971	2,842	132,454	98,532	91,530	782,006
Valuation	-	-	50,557	316,721	1,033,184	-	630	1,401,092
Accumulated depreciation	(214,289)	(30,191)	-	-	(65,302)	-	(27,482)	(337,264)
<b>Net book amount</b>	<b>120,512</b>	<b>88,685</b>	<b>53,528</b>	<b>319,563</b>	<b>1,100,336</b>	<b>98,532</b>	<b>64,678</b>	<b>1,845,834</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 26 INTANGIBLE ASSETS

#### Consolidated 2012

	Software Development \$000's	Goodwill \$000's	Electronic Publications \$000's	Total \$000's
<b>At 1 January 2012</b>				
Cost	52,535	4,500	63,443	120,478
Accumulated amortisation and impairment	(25,854)	(1,778)	(9,084)	(36,716)
<b>Net book amount</b>	<b>26,681</b>	<b>2,722</b>	<b>54,359</b>	<b>83,762</b>

#### Year ended 31 December 2012

Opening net book amount	26,681	2,722	54,359	83,762
Additions	1,086	-	8,554	9,640
Amortisation charge	(5,148)	-	(2,261)	(7,409)
Retirement	(137)	-	-	(137)
Transfer	(6)	-	-	(6)
<b>Closing net book amount</b>	<b>22,476</b>	<b>2,722</b>	<b>60,652</b>	<b>85,850</b>

#### At 31 December 2012

Cost	53,468	4,500	71,997	129,965
Accumulated amortisation and impairment	(30,992)	(1,778)	(11,345)	(44,115)
<b>Net book amount</b>	<b>22,476</b>	<b>2,722</b>	<b>60,652</b>	<b>85,850</b>

#### Consolidated 2011

##### At 1 January 2011

Cost	49,651	4,500	55,901	110,052
Accumulated amortisation and impairment	(20,702)	(1,679)	(7,095)	(29,476)
<b>Net book amount</b>	<b>28,949</b>	<b>2,821</b>	<b>48,806</b>	<b>80,576</b>

##### Year ended 31 December 2011

Opening net book amount	28,949	2,821	48,806	80,576
Additions	3,307	-	7,542	10,849
Amortisation charge	(5,151)	-	(1,989)	(7,140)
Retirement	(424)	-	-	(424)
Impairment	-	(99)	-	(99)
<b>Closing net book amount</b>	<b>26,681</b>	<b>2,722</b>	<b>54,359</b>	<b>83,762</b>

##### At 31 December 2011

Cost	52,535	4,500	63,443	120,478
Accumulated amortisation and impairment	(25,854)	(1,778)	(9,084)	(36,716)
<b>Net book amount</b>	<b>26,681</b>	<b>2,722</b>	<b>54,359</b>	<b>83,762</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 26 INTANGIBLE ASSETS (continued)

#### Monash University 2012

	Software Development \$000's	Goodwill \$000's	Electronic Publications \$000's	Total \$000's
<b>At 1 January 2012</b>				
Cost	49,073	-	63,443	112,516
Accumulated amortisation and impairment	(24,796)	-	(9,084)	(33,880)
<b>Net book amount</b>	<b>24,277</b>	<b>-</b>	<b>54,359</b>	<b>78,636</b>

#### Year ended 31 December 2012

Opening net book amount	24,277	-	54,359	78,636
Additions	847	-	8,464	9,311
Amortisation charge	(4,398)	-	(2,256)	(6,654)
Retirement	(137)	-	-	(137)
Transfer	(6)	-	-	(6)
<b>Net book amount</b>	<b>20,583</b>	<b>-</b>	<b>60,567</b>	<b>81,150</b>

#### At 31 December 2012

Cost	49,778	-	71,907	121,685
Accumulated amortisation and impairment	(29,195)	-	(11,340)	(40,535)
<b>Net book amount</b>	<b>20,583</b>	<b>-</b>	<b>60,567</b>	<b>81,150</b>

#### Monash University 2011

##### At 1 January 2011

Cost	47,238	-	55,901	103,139
Accumulated amortisation and impairment	(20,254)	-	(7,095)	(27,349)
<b>Net book amount</b>	<b>26,984</b>	<b>-</b>	<b>48,806</b>	<b>75,790</b>

##### Year ended 31 December 2011

Opening net book amount	26,983	-	48,806	75,789
Additions	2,259	-	7,542	9,801
Amortisation charge	(4,542)	-	(1,989)	(6,531)
Retirement	(423)	-	-	(423)
<b>Closing net book amount</b>	<b>24,277</b>	<b>-</b>	<b>54,359</b>	<b>78,636</b>

##### At 31 December 2011

Cost	49,073	-	63,443	112,516
Accumulated amortisation and impairment	(24,796)	-	(9,084)	(33,880)
<b>Net book amount</b>	<b>24,277</b>	<b>-</b>	<b>54,359</b>	<b>78,636</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 27 OTHER ASSETS

	Consolidated		Monash University	
	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's
<b>Current</b>				
Prepayments	15,501	12,489	14,783	11,562
Tax receivable	-	46	-	-
<b>Total current other assets</b>	<b>15,501</b>	<b>12,535</b>	<b>14,783</b>	<b>11,562</b>
<b>Non-current</b>				
Prepaid rental	11,154	11,535	11,154	11,535
<b>Total non-current other assets</b>	<b>11,154</b>	<b>11,535</b>	<b>11,154</b>	<b>11,535</b>
<b>Total other assets</b>	<b>26,655</b>	<b>24,070</b>	<b>25,937</b>	<b>23,097</b>

### 28 PAYABLES

<b>External</b>				
Creditors	79,188	62,613	78,013	60,949
Accrued charges	31,147	17,727	28,196	15,610
Funds under administration	6,607	5,776	6,607	5,776
Other	18,860	18,101	18,706	18,184
<b>Total external payables</b>	<b>135,802</b>	<b>104,217</b>	<b>131,522</b>	<b>100,519</b>
<b>Intercompany</b>				
Monash Commercial Pty Ltd	-	-	-	146
Monash Investment Trust	-	-	5,388	6,414
Monash South Africa Ltd	-	-	38	37
Monash College Pty Ltd	-	-	2,038	-
Monash Accommodation Services Pty Ltd	-	-	935	(17)
<b>Total intercompany payables</b>	<b>-</b>	<b>-</b>	<b>8,399</b>	<b>6,580</b>
<b>Total payables</b>	<b>135,802</b>	<b>104,217</b>	<b>139,921</b>	<b>107,099</b>

### 29 BORROWINGS

<b>Current</b>				
<b>Secured</b>				
Finance leases	553	562	-	-
<b>Total current secured borrowings</b>	<b>553</b>	<b>562</b>	<b>-</b>	<b>-</b>
<b>Unsecured</b>				
Bank loans - commercial bills	62,235	51,013	62,165	50,950
Bank overdraft	418	4,202	418	4,197
<b>Total current unsecured borrowings</b>	<b>62,653</b>	<b>55,215</b>	<b>62,583</b>	<b>55,147</b>
<b>Total current borrowings</b>	<b>63,206</b>	<b>55,777</b>	<b>62,583</b>	<b>55,147</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 29 BORROWINGS (continued)

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Non-current</b>				
<b>Secured</b>				
Finance leases	955	1,075	-	-
<b>Total non-current secured borrowings</b>	<b>955</b>	<b>1,075</b>	<b>-</b>	<b>-</b>
<b>Unsecured</b>				
<b>Bank loans - Commercial Bills</b>				
Repayable 1-5 years	74,555	86,504	74,378	86,430
Repayable over 5 years	175,119	182,137	175,119	181,949
<b>Total non-current unsecured borrowings</b>	<b>249,674</b>	<b>268,641</b>	<b>249,497</b>	<b>268,379</b>
<b>Total non-current borrowings</b>	<b>250,629</b>	<b>269,716</b>	<b>249,497</b>	<b>268,379</b>
<b>Total borrowings</b>	<b>313,835</b>	<b>325,493</b>	<b>312,080</b>	<b>323,526</b>
Unrestricted access was available at balance date to the following lines of credit:				
<b>Credit standby arrangements</b>				
<b>Total facilities</b>				
Bank overdrafts	418	4,202	418	4,197
Borrowings	355,909	363,654	355,662	363,329
Finance leases	2,300	2,309	-	-
	<b>358,627</b>	<b>370,165</b>	<b>356,080</b>	<b>367,526</b>
<b>Used at balance date</b>				
Bank overdrafts	(418)	(4,202)	(418)	(4,197)
Bank loans	(311,909)	(319,654)	(311,662)	(319,329)
Finance leases	(1,508)	(1,637)	-	-
	<b>(313,835)</b>	<b>(325,493)</b>	<b>(312,080)</b>	<b>(323,526)</b>
<b>Unused at balance date</b>				
Bank loans	44,000	44,000	44,000	44,000
Finance leases	792	672	-	-
	<b>44,792</b>	<b>44,672</b>	<b>44,000</b>	<b>44,000</b>
<b>Bank loan facilities</b>				
Total facilities	358,627	370,165	356,080	367,526
Used at balance date	(313,835)	(325,493)	(312,080)	(323,526)
<b>Unused at balance date</b>	<b>44,792</b>	<b>44,672</b>	<b>44,000</b>	<b>44,000</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 30 PROVISIONS

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Current</b>				
Provision for remuneration withheld	295	649	295	649
Provision for bonus payments	411	714	109	257
<b>Employee benefits:</b>				
<b>Academic:</b>				
Provision for long service leave	44,949	46,884	44,291	45,972
Provision for recreation leave	31,862	29,492	31,004	28,725
<b>Non-Academic:</b>				
Provision for long service leave	33,073	33,073	32,597	32,332
Provision for recreation leave	24,400	21,609	23,704	21,024
<b>Total current provisions</b>	<b>134,990</b>	<b>132,421</b>	<b>132,000</b>	<b>128,959</b>
<b>Non-Current</b>				
Provision for remuneration withheld	40	294	40	294
Provision for bonus payments	-	28	-	28
Provision for deferred tax - 30 (b)	3,593	-	-	-
<b>Employee benefits:</b>				
<b>Academic:</b>				
Provision for long service leave	13,163	11,267	12,828	11,267
<b>Non-Academic:</b>				
Provision for long service leave	17,860	15,189	17,586	15,189
<b>Total non-current provisions</b>	<b>34,656</b>	<b>26,778</b>	<b>30,454</b>	<b>26,778</b>
<b>Total provisions</b>	<b>169,646</b>	<b>159,199</b>	<b>162,454</b>	<b>155,737</b>
<b>(a) Current long service leave and recreation leave:</b>				
<b>Within 12 months</b>				
<b>Academic:</b>				
Provision for Long Service Leave - nominal value	6,770	7,117	6,112	6,575
Provision for Recreation Leave - nominal value	22,152	19,395	21,294	18,994
<b>Non-Academic:</b>				
Provision for Long Service Leave - nominal value	5,036	5,237	4,560	4,797
Provision for Recreation Leave - nominal value	20,524	17,571	19,828	17,201
<b>Total within 12 months</b>	<b>54,482</b>	<b>49,320</b>	<b>51,794</b>	<b>47,567</b>
<b>Beyond 12 months</b>				
<b>Academic:</b>				
Provision for Long Service Leave - present value	38,179	39,767	38,179	39,397
Provision for Recreation Leave - present value	9,710	10,097	9,710	9,731
<b>Non-Academic:</b>				
Provision for Long Service Leave - present value	28,037	27,836	28,037	27,535
Provision for Recreation Leave - present value	3,876	4,038	3,876	3,823
<b>Total beyond 12 months</b>	<b>79,802</b>	<b>81,738</b>	<b>79,802</b>	<b>80,486</b>
<b>Total current long service leave and recreation leave</b>	<b>134,284</b>	<b>131,058</b>	<b>131,596</b>	<b>128,053</b>



## NOTES TO THE FINANCIAL STATEMENTS

### (b) Deferred Tax

#### (i) Reconciliation of opening and closing balances

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
Balance at the beginning of the year	-	-	-	-
<b>Movement through equity:</b>				
<b>South African deferred tax</b>				
Revaluation of land and building	2,181	-	-	-
<b>Australian deferred tax</b>				
Foreign exchange on loan liabilities	2,615	-	-	-
<b>Movement through profit and loss:</b>				
<b>South African deferred tax</b>				
Foreign exchange loss on loan liability	(575)	-	-	-
Net deductible temporary differences	(82)	-	-	-
Foreign exchange on translation	20	-	-	-
<b>Australian deferred tax</b>				
Unused tax losses	(557)	-	-	-
Deductible temporary differences	(10)	-	-	-
Balance at the end of the year	<b>3,593</b>	-	-	-

#### (ii) Analysis of deferred tax balances

<b>South African deferred tax</b>				
Prepaid expenses	1	-	-	-
Revaluation of land and buildings	2,181	-	-	-
Equipment	(3)	-	-	-
Minor assets	(77)	-	-	-
Unrealised foreign exchange (loss)	(558)	-	-	-
	<b>1,544</b>	-	-	-
<b>Australian deferred tax</b>				
Unrealised exchange gains on loans	2,615	-	-	-
Unused tax losses	(557)	-	-	-
Accruals	(10)	-	-	-
	<b>2,049</b>	-	-	-
Total deferred tax	<b>3,593</b>	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS

### 31 OTHER LIABILITIES

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Current</b>				
Prepaid rentals	205	236	-	-
Student fees received in advance	24,692	21,702	19,637	17,245
Income received in advance	12,622	7,152	12,547	6,624
Current tax liability	128	74	-	-
<b>Total other liabilities</b>	<b>37,647</b>	<b>29,164</b>	<b>32,184</b>	<b>23,869</b>

### 32 CAPITAL

#### Funds held in perpetuity:

#### Monash University Foundation

Funds held in perpetuity at 1 January	142,943	139,169	-	-
Transfer from Retained Earnings	2,761	3,774	-	-
<b>Funds held in perpetuity at 31 December</b>	<b>145,704</b>	<b>142,943</b>	<b>-</b>	<b>-</b>

#### Contributed capital:

#### Commonwealth and State Government financial assistance

Contributions to capital works and land	83,102	83,102	83,102	83,102
<b>Total contributed capital</b>	<b>83,102</b>	<b>83,102</b>	<b>83,102</b>	<b>83,102</b>
<b>Total capital</b>	<b>228,806</b>	<b>226,045</b>	<b>83,102</b>	<b>83,102</b>

### 33 RESERVES

#### Asset revaluation reserve

Asset revaluation reserve at 1 January	925,909	925,111	906,322	906,417
Transfers to asset revaluation reserve	203,693	798	203,635	(95)
<b>Asset revaluation reserve at 31 December</b>	<b>1,129,602</b>	<b>925,909</b>	<b>1,109,957</b>	<b>906,322</b>

#### Available-for-sale investments revaluation reserve

Available-for-sale investments revaluation reserve at 1 January	4,418	27,024	884	14,893
Transfers to / (from) Available-for-sale investments revaluation reserve	31,868	(22,606)	20,854	(14,009)
<b>Available-for-sale investments revaluation reserve at 31 December</b>	<b>36,286</b>	<b>4,418</b>	<b>21,738</b>	<b>884</b>

#### Foreign currency translation reserve

Foreign currency translation reserve at 1 January	(24,878)	(15,661)	-	-
Transfers from foreign currency translation reserve	(4,593)	(9,217)	-	-
<b>Foreign currency translation reserve at 31 December</b>	<b>(29,471)</b>	<b>(24,878)</b>	<b>-</b>	<b>-</b>
<b>Total reserves</b>	<b>1,136,417</b>	<b>905,449</b>	<b>1,131,695</b>	<b>907,206</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 33 RESERVES (continued)

#### Movements:

#### (a) Asset revaluation reserve:

	Consolidated		Monash University	
	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's
Balance 1 January	925,909	925,111	906,322	906,417
Revaluation - gross	203,693	798	203,635	(95)
Balance 31 December	<b>1,129,602</b>	925,909	<b>1,109,957</b>	906,322

#### (b) Available-for-sale investment revaluation reserve:

Balance 1 January	4,418	27,024	884	14,893
Revaluation - gross	37,826	(25,928)	24,501	(19,289)
Impairment losses transferred to net profit	-	10,348	-	8,136
Realised gain on previously impaired investments - transfer to net profit	(5,958)	(7,026)	(3,647)	(2,856)
Balance 31 December	<b>36,286</b>	4,418	<b>21,738</b>	884

#### (c) Foreign currency translation reserve:

Balance 1 January	(24,878)	(15,661)	-	-
Currency translation differences arising during the year	(4,593)	(9,217)	-	-
Balance 31 December	<b>(29,471)</b>	(24,878)	-	-

### 34 RETAINED EARNINGS

Retained earnings at 1 January	838,065	745,217	755,943	672,615
Net operating result for the year	93,505	96,622	77,931	83,328
Transfer to original capital	(2,761)	(3,774)	-	-
Retained earnings at 31 December	<b>928,809</b>	838,065	<b>833,874</b>	755,943

### 35 ASSURANCE AND OTHER SERVICES

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:

#### Assurance services

#### Fees paid to Auditor-General of Victoria:

Audit of financial reports and other audit work	351	332	253	235
Fees paid to Non-Auditor-General of Victoria audit firms for the audit or review of financial reports of any entity in the consolidated group	301	298	75	74
Total remuneration for assurance services	<b>652</b>	630	<b>328</b>	309

## NOTES TO THE FINANCIAL STATEMENTS

### 36 RESPONSIBLE PERSONS AND EXECUTIVE OFFICERS

The responsible Minister for Higher Education and Skills is the Hon. P. Hall MLC.

The names of members of Council of Monash University who held office during the financial year are shown below.

Ms L.Adler AM	Mr I. Nethercote
Mr J.Bender	Ms C. Nixon APM
Mr Y.Blacher PSM	Mr I. Pyman
Ms L.Boston	Dr L. Rowe AM
Mr S.Buggle	Professor J. Sheridan
Professor E.Byrne AO	Ms I. Sturni
Ms H.Carmody	Professor P. Vickers-Rich*
Dr A.Finkel AM	Dr C. Williams
Mr G. Li	Dr J. W. Zillman AO*

\* The term of appointment for Professor P. Vickers-Rich and Dr J.W. Zillman concluded on 30 June 2012.

#### Related party transactions

The following transactions were entered into with related entities of members of Council. All transactions were conducted on an arm's length basis in the normal course of business and on normal terms and conditions.

Mr Y Blacher joined the Nous Group as a Senior Advisor in 2012. The university paid \$0.8M to Nous Group during 2012 for the provision of consultancy services. Mr Blacher was not involved in the provision of any consultancy services to the university.

Mr S Buggle is Deputy Chief Financial Officer at Australia and New Zealand Banking Group Ltd (ANZ). During the year the university received \$0.4M (2011: \$0.3M) from ANZ for industry based learning sponsorship and various grants and donations from ANZ Trustees (e.g. Hollsworth Research Awards and William Buckland Foundation research grants). The university paid \$10.2M (2011: \$10.0M) in interest during the year and had borrowings outstanding of \$137.7M (2011: \$141.7M) to ANZ.

Prof. E Byrne AO is a Director of BUPA (Australia) Ltd. During the year the university received \$0.3M in research grants from BUPA Health Foundation (2011: \$0.4M) and paid \$0.8M (2011: \$0.6M) to BUPA (Australia) Ltd in health premium payroll deductions.

Ms H Carmody is a Principal of Nous Group. During the year the university paid \$0.8M (2011: \$0.35M) to Nous Group for the provision of consultancy services. Whilst Ms Carmody is a Principal of Nous Group she was not involved in the provision of any consultancy services to the university.

Dr A Finkel AM is a Director of Finkel Foundation Pty Ltd (Trustee Company for A & E Finkel Foundation). During the year the university received \$0.2M in various donations (2011: \$0.3M) from A & E Finkel Foundation. Additionally Dr Finkel is President of the Australian Academy of Technological Sciences and Engineering (ATSE). Amounts received and paid between Monash and ATSE were not material (\$11,000 or below during the reporting period) and are therefore not reported. Dr Finkel is a Director of Cosmos Media Pty Ltd from which incidental purchases (i.e. advertising, magazine subscriptions) may have been made by faculties or staff. However, no material transactions have occurred between Monash and Cosmos and are therefore not reported.

Mr I Nethercote was also the Chief Executive Officer of Loy Yang Power Management Pty Ltd and a Director of Loy Yang Marketing Management Pty Ltd (both until 30 June 2012). During the year to 30 June 2012 the university received \$0.02M (2011 year \$0.02M) from AGL Loy Yang Power Pty Ltd for contract research and scholarships.

Dr L Rowe AM is a Director of Medibank Private in 2012. During the year the university received \$0.3M from Medibank Private in funding towards the rollout of Victorian Cardiac Outcomes Registry (VCOR).

There are no other matters to report as related party disclosures under the directions of the Minister for Finance.

#### Monash University - Remuneration of Directors

The number of Directors (Directors being defined as members of University Council) and their total remuneration during the reporting period is shown in the first two columns of the table below and their relevant income bands. Base remuneration of Directors is shown in the third and fourth columns. Base remuneration is exclusive of end of contract, bonus and retention payments, payment in lieu of annual and long service leave on termination of employment, redundancy payments and annual performance related payments.

The base remuneration for a Council member is determined by the Victorian Government, and is currently \$15,500 per annum, plus an additional allowance of \$4,715 per annum for eligible additional committee work.

The base remuneration for 2012 reflects an additional Council member receiving remuneration and the impact of a full year of remuneration for non-executive members of Council (compared with six months of remuneration for 2011).

Income Band	Total Remuneration		Base Remuneration	
	2012	2011	2012	2011
\$0 - 9,999	-	1	-	1
\$10,000 - 19,999	1	6	1	6
\$20,000 - 29,999	6	1	6	1
\$30,000 - 39,999	1	-	1	-
\$40,000 - 49,999	1	-	1	-
\$110,000 - 119,999	1	1	1	1
\$120,000 - 129,999	1	2	1	2
\$130,000 - 139,999	1	-	1	-
\$240,000 - 249,000	-	-	-	1
\$250,000 - 259,999	-	1	-	-
\$270,000 - 279,999	-	-	1	-
\$280,000 - 289,999	1	-	-	-
\$850,000 - 859,999	-	-	-	1
\$900,000 - 909,999	-	-	1	-
\$960,000 - 969,999	1	-	-	-
\$1,100,000 - 1,109,999	-	1	-	-
Total Numbers:	14	13	14	13
Total Amount:	\$1,853,789	\$1,829,153	\$1,787,623	\$1,562,290

#### Monash University - Remuneration of Executives

Executive officers are defined as officers within the university occupying a senior management role.

During the year executive staff continued to be translated to a new remuneration structure with a higher fixed remuneration, offset by lower bonus or variable remuneration. End of contract incentive payments (also part of variable pay) are also progressively being abolished under the new arrangements. The difference between base remuneration and total remuneration has continued to narrow as executive staff are translate to the new structure. During the year six executives converted to the new executive remuneration framework.

The comparison of year on year base remuneration reflects both the impact of the new remuneration structure together with a reduction in executives reported for the year due to a number of movements during 2012.

## NOTES TO THE FINANCIAL STATEMENTS

Income Band	Total Remuneration		Base Remuneration	
	2012	2011	2012	2011
\$100,000 - 109,999	-	-	-	-
\$120,000 - 129,999	-	-	-	-
\$130,000 - 139,999	-	-	-	-
\$140,000 - 149,999	-	2	1	4
\$150,000 - 159,999	3	1	2	3
\$160,000 - 169,999	-	3	1	1
\$170,000 - 179,999	1	2	-	1
\$180,000 - 189,999	-	-	2	2
\$190,000 - 199,999	1	2	2	2
\$200,000 - 209,999	1	2	2	1
\$210,000 - 219,999	3	1	1	4
\$220,000 - 229,999	1	1	2	3
\$230,000 - 239,999	1	1	1	1
\$240,000 - 249,999	1	1	1	-
\$250,000 - 259,999	1	1	3	-
\$260,000 - 269,999	1	-	1	6
\$270,000 - 279,999	1	2	2	-
\$280,000 - 289,999	1	2	3	4
\$290,000 - 299,999	3	-	-	3
\$300,000 - 309,999	2	2	3	2
\$310,000 - 319,999	-	4	4	2
\$320,000 - 329,999	4	4	-	3
\$330,000 - 339,999	3	3	4	-
\$340,000 - 349,999	1	-	-	1
\$350,000 - 359,999	3	2	-	1
\$360,000 - 369,999	1	1	-	1
\$370,000 - 379,999	-	1	3	-
\$380,000 - 389,999	-	2	3	-
\$390,000 - 399,999	1	1	-	-
\$400,000 - 409,999	-	1	-	1
\$410,000 - 419,999	2	1	1	1
\$420,000 - 429,999	-	-	-	1
\$430,000 - 439,999	1	-	-	2
\$440,000 - 449,999	1	-	-	-
\$450,000 - 459,999	1	-	2	1
\$460,000 - 469,999	-	2	1	-
\$470,000 - 479,999	-	-	1	1
\$480,000 - 489,999	1	1	1	-
\$490,000 - 499,999	1	-	-	-
\$500,000 - 509,999	1	1	1	-
\$520,000 - 529,999	1	-	1	1
\$540,000 - 549,999	2	-	-	1
\$550,000 - 559,999	1	1	1	-
\$560,000 - 569,999	1	2	-	-
\$570,000 - 579,999	1	-	1	-
\$590,000 - 599,999	-	1	-	-
\$600,000 - 609,999	1	1	-	-
\$630,000 - 639,999	1	-	-	-
\$640,000 - 649,999	-	1	-	-
\$660,000 - 669,999	-	1	-	-
\$770,000 - 779,999	1	-	-	-
Total Numbers:	51	54	51	54
Total Amount:	\$18,423,950	\$18,116,084	\$16,045,785	\$15,150,121

### Controlled Entities - Remuneration of Directors

Remuneration for Directors of Monash University controlled entities is reported in the table below, using the same remuneration definitions as used for Monash University. Directors of controlled entities who are also members of University Council have their remuneration reported under Monash University and are not included in this table.

Variations in base and total remuneration between 2011 and 2012 are minimal and can principally be explained by a weakening in Rand during the year.

Income Band	Total Remuneration		Base Remuneration	
	2012	2011	2012	2011
\$0 - 9,999	4	2	4	2
\$10,000 - 19,999	-	2	-	2
\$20,000 - 29,999	1	1	1	1
\$40,000 - 49,999	2	2	2	2
\$300,000 - 309,999	-	-	-	1
\$310,000 - 319,999	-	-	1	-
\$350,000 - 359,999	1	-	-	-
\$360,000 - 369,999	-	1	-	-
Total Numbers:	8	8	8	8
Total Amount:	\$497,704	\$502,923	\$452,704	\$448,923

### Controlled Entities - Remuneration of Executives

The reason for variation between 2011 and 2012 is an increase in the number of executives reported by one in 2012 and also reflects the impact of the weakening of the Rand.

Three Monash College executives terminated during the year, of which two received base remuneration below the \$100,000 threshold so their base remuneration is not counted in the table below. They are included for total remuneration with the inclusion of the payments in lieu of annual and long service leave on termination of employment.

Income Band	Total Remuneration		Base Remuneration	
	2012	2011	2012	2011
\$100,000 - 109,999	1	-	1	-
\$110,000 - 119,999	1	1	1	1
\$120,000 - 129,999	2	1	4	2
\$130,000 - 139,999	1	4	1	2
\$140,000 - 149,999	2	1	2	4
\$150,000 - 159,999	2	1	2	-
\$160,000 - 169,999	3	3	2	1
\$170,000 - 179,999	-	1	-	1
\$180,000 - 189,999	1	1	-	1
\$190,000 - 199,999	1	1	1	-
\$200,000 - 209,999	-	1	-	1
\$210,000 - 219,999	-	-	1	1
\$220,000 - 229,999	-	1	1	-
\$240,000 - 249,999	2	-	1	-
\$260,000 - 269,999	2	-	-	1
\$280,000 - 289,999	-	1	-	-
\$440,000 - 449,999	-	-	1	-
\$450,000 - 459,999	1	-	-	1
\$500,000 - 509,999	-	1	-	-
Total Numbers:	19	18	18	16
Total Amount:	\$3,540,230	\$3,347,750	\$3,115,835	\$2,895,278

## 37 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities and contingent assets as at 31 December 2012 (2011, nil).

Monash University has provided Letters of Comfort to Monash South Africa Ltd, Monash Property South Africa Pty Ltd, Monash Educational Enterprises NPC and Monash College Pty Ltd. These letters confirm the University's intention to provide financial support to the extent which may be necessary to ensure that the entities are able to pay their debts as and when they fall due, for a minimum period of 12 months from the formal adoption of the respective entity accounts.

Monash South Africa Ltd has a finance leasing facility from a South African financial institution. The value of the facility is \$2.3M (2011: \$2.3M) of which approximately \$1.5M (2011: \$1.6M) has been utilised at 31 December 2012. This facility is secured by a bank guarantee provided by Westpac Banking Corporation, which is supported by a letter of indemnity from Monash University Australia.

No other bank guarantees have been provided to third parties (2011: \$1.5M).

## NOTES TO THE FINANCIAL STATEMENTS

### 38 SUPERANNUATION FUNDS

The University contributes to the following superannuation funds on behalf of its employees:

#### (a) UniSuper Ltd

UniSuper Ltd offers eligible members the choice of three schemes known as:

- (i) Defined Benefit Division
- (ii) Accumulation 2
- (iii) Accumulation 1

##### (i) Defined Benefit Division

The UniSuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of amendments to Clause 34 of the UniSuper Trust Deed, a defined contribution plan under Accounting Standard AASB 119. It should be noted that, whilst the UniSuper Vested Benefit Index at 31 December 2012 remained below 100%, the University had no exposure to the deficit as the Trust Deed requires benefits to be reduced in the event of any structural deficit emerging in the fund.

The University makes contributions at the rate of 14% of gross salary. Employees contribute at the rate between 0% and 7% of gross salary.

##### (ii) Accumulation 2

This section of the scheme is a cash accumulation scheme and the University makes contributions at a rate of 14% of gross salary.

Employees contribute at a rate between 0% and 7% of gross salary.

The total contributions by the University to the Defined Benefit Division and Accumulation 2 for the year ended 31 December 2012 were \$64,676,933 (2011, \$59,601,396).

##### (iii) Accumulation 1

This section of the scheme is a cash accumulation productivity scheme and the University makes contributions at a rate of 3% to 9% of gross salary.

Total contributions by the University for the year ended 31 December 2012 were \$32,669,527 (2011, \$29,836,903).

#### (b) Government Superannuation Office (GSO) (an operating division of the Emergency Services Super Board)

Monash University has, in its staffing profile, a number of employees who are members of the State Superannuation Fund, which is a defined benefits scheme administered by GSO.

As at 30 June 2012, the State Superannuation Fund was carrying total liabilities for member benefits, in excess of the value of the scheme's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the scheme. The notional share of this public sector employee superannuation scheme's unfunded liabilities attributable to Monash University, as assessed by the scheme as at 30 June 2012, amounted to \$231,890,000 (2011, \$183,819,000).

The movement in the notional liability is recorded as a increase of \$48,071,000 (2011, decrease of \$1,077,000). The increase in the liability is principally due to a significant change in the discount rate used in determining the accrued benefit liability and changes to demographic

assumptions.

It should be noted that an arrangement exists between the Australian Government and the State Government to meet the unfunded liability attributable to Monash University's beneficiaries of the State Superannuation Scheme on an emerging cost basis. The arrangement is evidenced by the *State Grants (General Revenue) Amendment Act 1987*, *Higher Education Funding Act 1988* and subsequent amending legislation. Accordingly the unfunded liability (Deferred employee benefits for superannuation) and corresponding asset (Deferred Government superannuation contributions) have been recognised in the Statement of Financial Position. The recognition of both the asset and the liability consequently does not affect the year end net asset position of the university.

Total contributions by the University for the year ended 31 December 2012 were \$10,994,796 (2011, \$11,022,148).

The policy adopted for calculating employer contributions is based on the advice of the scheme's trustees, but generally the contribution rate represents 84.5% of pensions payable.

#### (c) Other Superannuation Funds

Contributions are made by the University to approved superannuation funds. These funds include accumulation and defined benefit funds and have no unfunded liabilities.

Total contributions of \$266,024 were made in 2012 (2011, \$88,432).

### 39 SEGMENT INFORMATION

The University operates predominantly in the field of education in Australia and provides teaching and research services.

The South African Campus is operated through controlled entities and the Malaysian Campus through a 45% (2011, 43%) ownership of associated entity Monash University Sunway Campus Malaysia Sdn Bhd.

### 40 EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the entity in future financial years. However, the following matter should be noted.

As announced by the Vice-Chancellors of Monash University and the University of Ballarat, Professors Ed Byrne and David Battersby on 22 February 2013 the Gippsland campus of Monash University and the University of Ballarat propose to join forces to investigate forming an expanded regionally focused university. There are a number of conditions to be met before this proposal is unconditional. These conditions include completion of due diligence processes by the universities, satisfaction of any requirements from TEQSA and formal approval of the proposal by the State and Federal governments. The financial implications of this proposal have not been reflected in the financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

### 41 COMMITMENTS FOR EXPENDITURE

#### (a) Capital commitments

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:				
<b>Property, Plant and Equipment, payable:</b>				
Within one year	24,312	77,337	24,312	76,497
Later than one year but not later than five years	374	12,370	374	12,370
	<b>24,686</b>	<b>89,707</b>	<b>24,686</b>	<b>88,867</b>

#### (b) Lease Commitments

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:

Within one year	18,146	17,067	15,955	15,080
Later than one year but not later than five years	66,752	67,867	61,453	60,488
Later than five years	201,084	206,257	201,084	206,257
	<b>285,982</b>	<b>291,191</b>	<b>278,492</b>	<b>281,825</b>

#### Representing:

Non-cancellable operating leases	265,120	267,193	259,117	259,438
Cancellable operating leases	19,375	22,387	19,375	22,387
Finance leases	1,674	1,869	-	-
Future finance charges on finance leases	(187)	(258)	-	-
	<b>285,982</b>	<b>291,191</b>	<b>278,492</b>	<b>281,825</b>

#### (c) Operating leases

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

Within one year	15,344	13,547	13,685	12,096
Later than one year but not later than five years	54,412	55,341	50,069	49,037
Later than five years	195,364	198,305	195,363	198,305
	<b>265,120</b>	<b>267,193</b>	<b>259,117</b>	<b>259,438</b>

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

Within one year	2,270	2,984	2,270	2,984
Later than one year but not later than five years	11,384	11,451	11,384	11,451
Later than five years	5,721	7,952	5,721	7,952
	<b>19,375</b>	<b>22,387</b>	<b>19,375</b>	<b>22,387</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 41 COMMITMENTS FOR EXPENDITURE (continued)

#### (d) Finance leases

	Consolidated		Monash University	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Commitments in relation to finance leases are payable as follows:</b>				
Within one year	642	665	-	-
Later than one year but not later than five years	1,032	1,204	-	-
Minimum lease payments	1,674	1,869	-	-
Future finance charges	(187)	(258)	-	-
Recognised as a liability	1,487	1,611	-	-
<b>Representing these liabilities:</b>				
Current	531	536	-	-
Non-current	956	1,075	-	-
	1,487	1,611	-	-

### 42 RELATED PARTIES

#### (a) Parent entities

The ultimate parent entity is Monash University.

#### (b) Subsidiaries

Interests in subsidiaries are set out in note 44.

#### (c) Directors and specified executives

Disclosures relating to directors and specified executives are set out in note 36.

#### (d) Transactions with related parties

The following transactions occurred with related parties:

##### Amounts received from:

Monash Accommodation Services Pty Ltd	2,749	-
Monash College Pty Ltd	12,276	13,254
Monash Commercial Pty Ltd	151	-
Monash Investment Trust	1,348	1,066
Monash Property South Africa Pty Ltd	1,482	1,355
Monash South Africa Limited	39	38
Monash University Foundation Trust	6,620	6,349
	24,665	22,062

##### Amounts paid to:

Monash Accommodation Services Pty Ltd	932	11,545
Monash College Pty Ltd	214	343
Monash Commercial Pty Ltd	5	6
Monash Investment Trust	229	219
Monash South Africa Limited	495	200
Monash University Foundation Trust	3,381	3,073
	5,256	15,386

Amounts receivable and payable between related parties are disclosed in notes 19 and 28 respectively.

## NOTES TO THE FINANCIAL STATEMENTS

### 43 RECONCILIATION OF OPERATING RESULT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Consolidated		Monash University	
	2012	2011	2012	2011
	\$000's	\$000's	\$000's	\$000's
Operating result for the year	93,505	96,622	77,931	83,328
Donated assets	(50)	(69)	(50)	(69)
Share of profits of associated and joint venture partnerships not received as dividends or distributions	(1,773)	(2,246)	-	-
Net income from Monash University Foundation	-	-	(6,878)	(6,434)
Net gain on investments	(10,769)	(15,200)	(7,032)	(12,706)
Net (gain) / loss on investment properties	(3,129)	(5,347)	(2,629)	653
Net (gain) / loss on sale of non-current assets	3,105	4,558	3,105	4,558
Net exchange differences	(168)	(1,634)	473	3,857
Depreciation, amortisation and impairment	90,417	86,549	85,076	83,106
Capitalised finance costs	(2,790)	(6,513)	(2,790)	(6,513)
Bad and impaired debt expense	1,026	556	553	(169)
Provisions	6,854	12,998	6,716	12,297
Fair value adjustment of loans receivable	-	-	3,645	5,143
Capitalised interest revenue	-	-	(1,359)	(1,229)
Impairment of investments	-	10,348	-	8,136
Realised gain on previously impaired investments	(5,959)	(7,025)	(3,647)	(2,856)
Income exchanged for equity in associated entities	(2,663)	(2,512)	(2,663)	(2,512)
Provision for current and deferred tax	(1,118)	-	-	-
Other non-cash items	716	(424)	836	(424)
<b>Changes in assets and liabilities:</b>				
(Increase)/decrease in receivables	(3,517)	3,367	(66)	25
(Increase)/decrease in prepayments	(2,998)	2,304	(3,207)	2,218
Decrease in inventories	318	682	305	575
Decrease in other current assets	367	354	367	354
Increase/(decrease) in payables	30,754	(1,077)	30,173	1,571
Increase/(decrease) in student fees received in advance	2,990	457	1,996	(559)
Increase in other income received in advance	5,439	4,604	6,319	4,923
Increase in other current liabilities	-	137	-	-
<b>Net cash inflow from operating activities</b>	<b>200,557</b>	<b>181,489</b>	<b>187,174</b>	<b>177,273</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 44 CONTROLLED ENTITIES

Entity (1)	Place of Incorporation	Countries where business carried on	Principal Activities	Details of Group Beneficial Interest		Details of Investment	
				2012 %	2011 %	2012 \$000	2011 \$000
Monash Commercial Pty Ltd	Victoria	Australia	Commercialisation of research and the provision of other services. No longer trading.	100%	100%	11,962	11,962
Monash Investment Holdings Pty Ltd	Victoria	Australia	Trustee of Monash Investment Trust.	100%	100%	10	10
Monash Investment Trust	Victoria	Australia	Manage investments on behalf of Monash University.	100%	100%	-	-
Monash South Africa Limited (2)	Victoria	South Africa	Operates a campus of Monash University in South Africa.	100%	100%	-	-
Monash Educational Enterprises NPC	South Africa	South Africa	Operation of non-core educational activities at Monash University's South African campus. No longer trading.	100%	100%	-	-
Monash Property South Africa Pty Ltd	Victoria	Australia / South Africa	Ownership and development of the South African campus property.	100%	100%	11,645	6,000
Monash College Pty Ltd	Victoria	Australia	Education activities on behalf of Monash University or in its own right.	100%	100%	500	500
Monash University Foundation Pty Ltd	Victoria	Australia	Trustee of Monash University Foundation Trust.	100%	100%	-	-
Monash University Foundation Trust	Victoria	Australia	Generation of investment income for future benefit of Monash University.	100%	100%	-	-
Monash Accommodation Services Pty Ltd	Victoria	Australia	Construction and supply of affordable rental accommodation in accordance with the National Rental Affordability Scheme.	100%	100%	11,963	11,545
<b>Total</b>						<b>36,080</b>	<b>30,017</b>

#### Notes:

- (1) Subsidiary companies of controlled entities are indented.  
(2) Economic dependency - Monash University provides financial support to these companies.

**NOTES TO THE FINANCIAL STATEMENTS**

**44 CONTROLLED ENTITIES (continued)**

**Summary of Financial Results**

**Income Statement**

Entity	Total Revenue		Total Expenditure		Foreign Exchange Gain / (Loss)		Tax		Operating Net Result		Contribution to University Operating Result	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Monash College Pty Ltd	55,562	52,027	56,346	53,721	-	-	-	-	(784)	(1,694)	(784)	(1,694)
Monash Commercial Pty Ltd	6	9	151	1	-	-	-	(2)	(145)	8	(145)	8
Monash Investment Trust	538	675	208	71	-	-	-	-	330	604	330	604
Monash University Foundation Trust	17,894	25,255	1,983	7,366	-	-	-	-	15,911	17,889	15,911	17,889
Monash South Africa Limited	23,299	23,614	26,004	28,075	-	-	-	-	(2,705)	(4,461)	(2,705)	(4,461)
Monash Property South Africa Pty Ltd	3,509	3,467	1,746	2,965	-	-	(973)	303	1,763	502	1,763	502
Monash Educational Enterprises NPC	13	13	12	-	-	-	-	-	-	13	-	13
Monash Accommodation Services Pty Ltd	13,113	-	11,063	4,535	-	-	-	-	2,050	(4,535)	2,050	(4,535)
<b>Total</b>	<b>113,934</b>	<b>105,060</b>	<b>97,513</b>	<b>96,734</b>	<b>-</b>	<b>-</b>	<b>(973)</b>	<b>301</b>	<b>16,420</b>	<b>8,326</b>	<b>16,420</b>	<b>8,326</b>

**Balance Sheet**

Entity	Working Capital		Physical Assets		Total Assets	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Monash College Pty Ltd	(7,329)	(7,637)	4,881	5,523	16,183	15,376
Monash Commercial Pty Ltd	1	146	-	-	1	151
Monash Investment Trust	5,756	6,588	-	-	7,413	13,547
Monash University Foundation Trust	9,945	6,191	33,400	32,900	224,234	202,661
Monash South Africa Limited	690	140	4,150	4,373	9,000	8,168
Monash Property South Africa Pty Ltd	2,445	3,162	33,056	33,005	36,639	36,683
Monash Educational Enterprises NPC	4	4	-	-	24	13
Monash Accommodation Services Pty Ltd	5,180	(21)	62,828	64,814	68,021	64,814
<b>Total</b>	<b>16,692</b>	<b>8,573</b>	<b>138,315</b>	<b>140,615</b>	<b>361,515</b>	<b>341,413</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**44 CONTROLLED ENTITIES (continued)**

**Balance Sheet (continued)**

	Internal Borrowings		External Borrowings		Total Liabilities		Equity	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000	2012 \$000	2011 \$000
Monash College Pty Ltd	-	-	22	26	14,643	13,052	1,540	2,324
Monash Commercial Pty Ltd	-	-	-	-	-	5	1	146
Monash Investment Trust	-	-	-	-	10	5,010	7,403	8,537
Monash University Foundation Trust	1,554	1,554	-	-	2,306	2,243	221,928	200,418
Monash South Africa Limited	30,368	28,526	1,734	1,936	35,569	33,510	(26,570)	(25,342)
Monash Property South Africa Pty Ltd	17,787	25,345	-	-	22,137	25,861	14,502	10,822
Monash Educational Enterprises NPC	19,667	20,814	-	-	19,687	20,823	(19,663)	(20,810)
Monash Accommodation Services Pty Ltd	58,534	57,786	-	-	58,547	57,807	9,474	7,007
<b>Total</b>	<b>127,910</b>	<b>134,025</b>	<b>1,756</b>	<b>1,962</b>	<b>152,899</b>	<b>158,311</b>	<b>208,615</b>	<b>183,102</b>



NOTES TO THE FINANCIAL STATEMENTS

45 FINANCIAL INSTRUMENTS DISCLOSURE

Consolidated 2012

	Fixed Interest Rate Maturities								
	Floating Interest Rate	1 Year or less	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Non Interest Bearing	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Financial Assets</b>									
Cash at Bank	7,141	-	-	-	-	-	-	139	7,280
Managed Funds	-	75,715	-	-	-	-	-	-	75,715
Bank Call Deposits	1,256	-	-	-	-	-	-	-	1,256
Discount securities	-	-	-	-	-	-	-	-	-
Shares	-	-	-	-	-	-	-	15,723	15,723
Managed Trusts	-	-	-	-	-	-	-	350,329	350,329
Other Managed Investments	6,259	-	-	-	-	-	-	-	6,259
Receivables	-	-	-	-	-	-	-	61,013	61,013
<b>Total Financial Assets</b>	<b>14,656</b>	<b>75,715</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>427,204</b>	<b>517,575</b>
<b>Financial Liabilities</b>									
Bank overdrafts	418	-	-	-	-	-	-	-	418
Loans - Bank	1,755	62,165	46,915	14,752	5,863	6,848	175,119	-	313,417
Payables	-	-	-	-	-	-	-	135,802	135,802
<b>Total Financial Liabilities</b>	<b>2,173</b>	<b>62,165</b>	<b>46,915</b>	<b>14,752</b>	<b>5,863</b>	<b>6,848</b>	<b>175,119</b>	<b>135,802</b>	<b>449,637</b>
<b>Net Financial Assets</b>	<b>12,483</b>	<b>13,550</b>	<b>(46,915)</b>	<b>(14,752)</b>	<b>(5,863)</b>	<b>(6,848)</b>	<b>(175,119)</b>	<b>291,402</b>	<b>67,938</b>

Consolidated 2011

	Fixed Interest Rate Maturities								
	Floating Interest Rate	1 Year or less	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Non Interest Bearing	Total
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Financial Assets</b>									
Cash at Bank	2,145	-	-	-	-	-	-	140	2,285
Managed Funds	-	46,996	-	-	-	-	-	-	46,996
Bank Call Deposits	2,873	-	-	-	-	-	-	-	2,873
Shares	-	-	-	-	-	-	-	15,936	15,936
Managed Trusts	-	-	-	-	-	-	-	302,864	302,864
Other Managed Investments	5,525	-	-	-	-	-	-	-	5,525
Receivables	-	-	-	-	-	-	-	58,652	58,652
<b>Total Financial Assets</b>	<b>10,543</b>	<b>46,996</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>377,592</b>	<b>435,131</b>
<b>Financial Liabilities</b>									
Bank overdrafts	4,202	-	-	-	-	-	-	-	4,202
Loans - Bank	1,962	50,950	18,875	46,939	14,754	5,862	181,949	-	321,291
Payables	-	-	-	-	-	-	-	104,217	104,217
<b>Total Financial Liabilities</b>	<b>6,164</b>	<b>50,950</b>	<b>18,875</b>	<b>46,939</b>	<b>14,754</b>	<b>5,862</b>	<b>181,949</b>	<b>104,217</b>	<b>429,710</b>
<b>Net Financial Assets</b>	<b>4,379</b>	<b>(3,954)</b>	<b>(18,875)</b>	<b>(46,939)</b>	<b>(14,754)</b>	<b>(5,862)</b>	<b>(181,949)</b>	<b>273,375</b>	<b>5,421</b>

NOTES TO THE FINANCIAL STATEMENTS

Monash University 2012

	Fixed Interest Rate Maturities								Total \$000's
	Floating Interest Rate \$000's	1 year or less \$000's	Over 1 to 2 years \$000's	Over 2 to 3 years \$000's	Over 3 to 4 years \$000's	Over 4 to 5 years \$000's	Over 5 years \$000's	Non Interest Bearing \$000's	
	<b>Financial Assets</b>								
Cash at bank	-	-	-	-	-	-	-	135	135
Managed Funds	-	75,715	-	-	-	-	-	-	75,715
Shares	-	-	-	-	-	-	-	38,150	38,150
Managed Trusts	-	-	-	-	-	-	-	230,325	230,325
Receivables	-	-	-	-	-	-	-	72,563	72,563
<b>Total Financial Assets</b>	<b>-</b>	<b>75,715</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>341,173</b>	<b>416,888</b>
<b>Financial Liabilities</b>									
Bank overdraft	418	-	-	-	-	-	-	-	418
Loans - Bank	-	62,165	46,915	14,752	5,863	6,848	175,119	-	311,662
Payables	-	-	-	-	-	-	-	139,921	139,921
<b>Total Financial Liabilities</b>	<b>418</b>	<b>62,165</b>	<b>46,915</b>	<b>14,752</b>	<b>5,863</b>	<b>6,848</b>	<b>175,119</b>	<b>139,921</b>	<b>452,001</b>
<b>Net Financial Assets</b>	<b>(418)</b>	<b>13,550</b>	<b>(46,915)</b>	<b>(14,752)</b>	<b>(5,863)</b>	<b>(6,848)</b>	<b>(175,119)</b>	<b>201,252</b>	<b>(35,113)</b>

Monash University 2011

	Fixed Interest Rate Maturities								Total \$000's
	Floating Interest Rate \$000's	1 year or less \$000's	Over 1 to 2 years \$000's	Over 2 to 3 years \$000's	Over 3 to 4 years \$000's	Over 4 to 5 years \$000's	Over 5 years \$000's	Non Interest Bearing \$000's	
	<b>Financial Assets</b>								
Cash at bank	-	-	-	-	-	-	-	137	137
Managed Funds	-	46,996	-	-	-	-	-	-	46,996
Shares	-	-	-	-	-	-	-	26,997	26,997
Managed Trusts	-	-	-	-	-	-	-	199,369	199,369
Receivables	-	-	-	-	-	-	-	86,420	86,420
<b>Total Financial Assets</b>	<b>-</b>	<b>46,996</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>312,923</b>	<b>359,919</b>
<b>Financial Liabilities</b>									
Bank overdraft	4,197	-	-	-	-	-	-	-	4,197
Loans - Bank	-	50,950	18,875	46,939	14,754	5,862	181,949	-	319,329
Payables	-	-	-	-	-	-	-	107,099	107,099
<b>Total Financial Liabilities</b>	<b>4,197</b>	<b>50,950</b>	<b>18,875</b>	<b>46,939</b>	<b>14,754</b>	<b>5,862</b>	<b>181,949</b>	<b>107,099</b>	<b>430,625</b>
<b>Net Financial Assets</b>	<b>(4,197)</b>	<b>(3,954)</b>	<b>(18,875)</b>	<b>(46,939)</b>	<b>(14,754)</b>	<b>(5,862)</b>	<b>(181,949)</b>	<b>205,824</b>	<b>(70,706)</b>

## NOTES TO THE FINANCIAL STATEMENTS

	Total consolidated carrying amount as per statement of financial position		Aggregate net fair value	
	2012 \$000's	2011 \$000's	2012 \$000's	2011 \$000's
<b>Financial Assets</b>				
Cash and cash equivalents	8,536	5,158	8,536	5,158
Managed Funds	75,715	46,996	75,715	46,996
Receivables	61,013	58,652	61,013	58,652
Other financial assets	6,259	5,525	6,259	5,525
Available-for-sale financial assets	352,694	305,319	352,694	305,319
<b>Total Financial Assets</b>	<b>504,217</b>	<b>421,650</b>	<b>504,217</b>	<b>421,650</b>
<b>Financial Liabilities</b>				
Payables	135,802	104,217	135,802	104,217
Borrowings	313,835	325,493	313,835	325,493
<b>Total Financial Liabilities</b>	<b>449,637</b>	<b>429,710</b>	<b>449,637</b>	<b>429,710</b>

### Fair Values

Receivables, payables and borrowings are measured at amortised cost. All other financial instruments are measured at fair value. Where their value cannot be reliably measured they are measured at cost. Receivables excludes net GST refundable.

Fair value has not been disclosed for the investments in unlisted securities as their fair value cannot be reliably measured. The fair value of these investments cannot be measured reliably due to no current active market and no recent on-selling activity to interested parties. The carrying amount of these investments, disclosed under other financial assets is \$13.4 million (refer note 23).

At the date of preparing these financial statements, the Group has no intention to dispose of these investments.

- Investments in managed funds are included in the accounts on the basis of statements from investment managers and are valued at closing market prices, adjusted for any transaction costs necessary to realise the asset. The money market securities are valued at net realisable market prices.
- Discount securities are recorded at net fair values and bank call deposits are stated at cost.

The balance of Monash University's investments also includes direct property holdings which are shown at valuations advised annually by qualified independent valuers.

### Financial Assets Measured at Fair Value

Financial instruments are required to be classified at fair value based upon the reference of the source of inputs used to derive their fair value. This classification used the following three level hierarchy:

Level 1 - quoted prices in active markets.

Level 2 - quoted prices in non-active markets and inputs other than quoted prices that are observable, either directly or indirectly.

Level 3 - inputs that are not based on observable market data.

Fair value measurements recognised in the Statement of Financial Position are categorised as follows:

#### Consolidated 2012

		Level 1	Level 2	Level 3
	\$000's	\$000's	\$000's	\$000's
<b>Financial Assets</b>				
Available-for-sale financial assets	352,694	352,694	-	-
Managed Funds	75,715	75,715	-	-
<b>Total Financial Assets</b>	<b>428,409</b>	<b>428,409</b>	-	-

#### Consolidated 2011

		Level 1	Level 2	Level 3
	\$000's	\$000's	\$000's	\$000's
<b>Financial Assets</b>				
Available-for-sale financial assets	305,319	305,319	-	-
Managed Funds	46,996	46,996	-	-
<b>Total Financial Assets</b>	<b>352,315</b>	<b>352,315</b>	-	-

## NOTES TO THE FINANCIAL STATEMENTS

### (a) Significant accounting policies, terms and conditions

#### Financial Assets

##### Receivables (Note 19)

Sundry debtors are generally required to be settled within 30 days. No interest is currently charged on student loans. The Group impairs specific amounts receivable where it considers recovery unlikely.

The Group does not specifically provide for all receivables over 120 days because historical experience is such that these receivables are generally collected regardless of their age.

Receivables from related entities result from commercial dealings and are made on commercial terms and conditions.

##### Available-for-Sale Financial Assets (Note 22)

Available-for-sale financial assets on hand comprise investments in managed funds. These financial instruments are traded in an organised financial market and are recorded at market value. Unrealised market adjustments are initially recognised in equity. Investment gains and losses realised from the sale of investments are then transferred from equity and reflected in the Income Statement.

In respect of managed funds, where the manager considers it in the interests of prudent support, management, protection or enhancement of any existing or proposed investment, the manager may enter into futures, options, hedging, interest or currency swaps or arrangements. Under no circumstances can an external fund manager or internal treasury staff member enter into such a financial arrangement unless there is sufficient assets (or liabilities) to support the transaction.

Managed funds include investments in various pooled funds, including overseas investments. The foreign currency and other risks are managed for the pool by the fund manager.

Management of Monash University and Monash University Foundation review the managed portfolios monthly and both report to either University Council or the Board of Trustees at least quarterly.

#### Financial Liabilities

##### Payables (Note 28)

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity. Payables are normally settled within 30 days from the month of billing. Generally, no interest is charged on payables as the Group has controls in place to ensure payables are paid within the credit timeframe. The economic entity generally makes payment to its suppliers within agreed terms of trade.

##### Borrowings - Bank (Note 29)

The bank loans are drawn on a commercial bill facility and are carried at amortised cost. Interest is charged at a fixed rate, repayable quarterly, and expensed as it accrues.

### (b) Financial Risk Management Objectives

The Group's activities expose it to a variety of financial risks; market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. On occasions the Group and/or its fund managers use derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. The Group uses different methods to measure different types of risk exposures. These methods include sensitivity analysis on investment returns and other price risks, and ageing analysis for credit risk. As far as possible, borrowings are made on a fixed interest rate basis.

Policies cover specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. Risk management is carried out by a central treasury department under policies approved by the University's Council. Treasury identifies, evaluates and hedges financial risks in co-operation with the Group's operating units. These policies provide written principles for overall risk management.

### (c) Foreign Exchange Risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Significant exchange rate exposures are managed within approved parameters, and where appropriate utilise forward exchange contracts.

## NOTES TO THE FINANCIAL STATEMENTS

### (c) Foreign Exchange Risk (continued)

The carrying value of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is shown in the table below, together with sensitivity analysis which details the Group's sensitivity to a 10% decrease and 5% increase in the Australian Dollar against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items for the Group and adjusts their translation at the period end for a change in foreign currency rates. Translation of foreign controlled entity monetary assets and liabilities only impact equity.

Consolidated 2012	Carrying Amount \$000's	Foreign exchange risk			
		Result	Equity	Result	Equity
		-10% \$000's	-10% \$000's	+5% \$000's	+5% \$000's
<b>Financial Assets</b>					
Cash at Bank	7,053	488	705	(244)	(353)
Bank Call Deposits	1,256	-	126	-	(63)
Receivables	3,804	-	380	-	(190)
<b>Financial Liabilities</b>					
Payables	2,042	(204)	(204)	102	102
Loans - Bank	1,734	(173)	(173)	87	87

Consolidated 2011	Carrying Amount \$000's	Foreign exchange risk			
		Result	Equity	Result	Equity
		-15% \$000's	-15% \$000's	+10% \$000's	+10% \$000's
<b>Financial Assets</b>					
Cash at Bank	3,683	466	552	(311)	(368)
Bank Call Deposits	2,873	-	431	-	(287)
Receivables	3,186	-	478	-	(319)
<b>Financial Liabilities</b>					
Payables	1,417	(213)	(213)	142	142
Loans - Bank	1,936	(290)	(290)	194	194

### (d) Market Risk - Other Price Risk

Exposure to other price risk arises due to the inherent risk of the possibility of unfavourable movements in the market value of the investments. The Group's objective in managing equity market risk is to minimise negative impacts on investment values due to the volatility of the stock market.

The Group appoints an external, independent investment managers to monitor the volatility of stock market investments in light of the performance benchmark set out in the investment policy.

The investment managers are expected to achieve this performance benchmark while recognising the risk, through the appropriate diversification of investments in different asset classes as per the mandated allocations set out in the investment policy.

The Group has maintained a long-term strategy to manage its investment portfolio which aims to reduce the impact of investment volatility on the value of the portfolio over the longer term.

The investment managers are expected to undertake extensive analysis of the variables that may influence market prices, including economic and market cycles, currency movements and stock specific risks in achieving these benchmarks.

## NOTES TO THE FINANCIAL STATEMENTS

### (d) Market Risk - Other Price Risk (continued)

The following tables show the Group's maximum exposure to equity market risk, and a sensitivity analysis of other price risk:

Consolidated 2012	Carrying Amount \$000's	Market price risk		
		Equity -15%	Equity -5%	Equity +10%
		\$000's	\$000's	\$000's
<b>Financial Assets</b>				
Shares	15,723	(2,358)	(786)	1,572
Other financial assets	350,329	(52,549)	(17,516)	35,033

Consolidated 2011	Carrying Amount \$000's	Market price risk		
		Equity -20%	Equity -10%	Equity -5%
		\$000's	\$000's	\$000's
<b>Financial Assets</b>				
Shares	15,936	(3,187)	(1,594)	(797)
Other financial assets	302,864	(60,573)	(30,286)	(15,143)

### (e) Interest Rate Risk

The University is not exposed to interest rate risk as it borrows funds at fixed interest rates. Some companies within the group are exposed to interest rate risks as they borrow at floating interest rates (through finance leasing facilities). This risk is managed by these entities by ensuring facilities are appropriately approved and monitored regularly. Such facilities are not significant to the Group.

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

Consolidated 2012	Carrying Amount \$000's	Interest rate risk			
		Result -1%	Equity -1%	Result +0.5%	Equity +0.5%
		\$000's	\$000's	\$000's	\$000's
<b>Financial Assets</b>					
Cash at Bank	7,280	(73)	(73)	36	36
Bank Call Deposits	1,256	(13)	(13)	6	6
Other Managed Investments	6,259	(63)	(63)	31	31
<b>Financial Liabilities</b>					
Bank overdraft	418	4	4	(2)	(2)
Loans - Bank	1,755	18	18	(9)	(9)



## NOTES TO THE FINANCIAL STATEMENTS

### (e) Interest Rate Risk (continued)

Consolidated 2011	Interest rate risk				
	Carrying Amount	Result	Equity	Result	Equity
		\$000's	-1% \$000's	-1% \$000's	+1% \$000's
<b>Financial Assets</b>					
Cash at Bank	2,285	(23)	(23)	23	23
Bank Call Deposits	2,873	(29)	(29)	29	29
Other Managed Investments	5,525	(55)	(55)	55	55
<b>Financial Liabilities</b>					
Bank overdraft	4,202	42	42	(42)	(42)
Loans - Bank	1,962	20	20	(20)	(20)

### (f) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

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

### (g) Liquidity Risk Management

An appropriate liquidity risk management framework is in place for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in Note 29 is a listing of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

**NOTES TO THE FINANCIAL STATEMENTS**

**46 ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE**

**(a) DIIRTE - CGS and Other DIIRTE Grants**

	Commonwealth Grants Scheme		Indigenous Support Program		Partnership and Participation Program		Disability Support Program		Capital Development Pool	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	295,311	267,775	487	476	7,267	3,569	177	156	-	-
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the year	295,311	267,775	487	476	7,267	3,569	177	156	-	-
Surplus from the previous year	-	-	-	-	-	375	156	210	-	5,142
Total revenue including accrued revenue	295,311	267,775	487	476	7,267	3,944	333	366	-	5,142
Less expenses including accrued expenses	295,311	267,775	487	476	5,528	3,944	114	210	-	5,142
Surplus / (deficit) for the year	-	-	-	-	1,739	-	219	156	-	-

	Superannuation Program		Diversity and Structural Adjustment Fund		Transitional Cost Program		Other		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	11,526	9,982	-	515	51	439	2,831	-	317,650	282,912
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the year	11,526	9,982	-	515	51	439	2,831	-	317,650	282,912
Surplus from the previous year	-	-	576	525	-	-	-	-	732	6,042
Total revenue including accrued revenue	11,526	9,982	576	1,040	51	439	2,831	-	318,382	288,954
Less expenses including accrued expenses	11,526	9,982	527	464	51	439	2,831	-	316,375	288,223
Surplus for the year	-	-	49	576	-	-	-	-	2,007	731

**NOTES TO THE FINANCIAL STATEMENTS**

**(b) Higher Education Loan Programmes**

	HECS - HELP 2012	2011	FEE - HELP 2012	2011	OS - HELP 2012	2011	SA-HELP 2012	2011	Total 2012	2011
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	153,935	141,408	29,979	28,934	2,664	3,167	3,724	-	190,302	173,509
Net accrual adjustments	(2,853)	1,099	2,016	58	(149)	(1,116)	18	-	(968)	41
Revenue for the year	151,082	142,507	31,995	28,992	2,515	2,051	3,742	-	189,334	173,550
Deficit from the previous year	-	-	-	-	(516)	(36)	-	-	(516)	(36)
Total revenue including accrued revenue	151,082	142,507	31,995	28,992	1,999	2,015	3,742	-	188,818	173,514
Less expenses including accrued expenses	151,082	142,507	31,995	28,992	2,515	2,531	3,742	-	189,334	174,030
Deficit for reporting period	-	-	-	-	(516)	(516)	-	-	(516)	(516)

**(c) Scholarships**

	Australian Postgraduate Awards	International Postgraduate Research Scholarships	Commonwealth Education Cost Scholarships	Commonwealth Accommodation Scholarships	Indigenous Access Scholarships	Total
	2012	2011	2012	2011	2012	2011
	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	17,977	15,307	1,599	1,541	176	65
Net accrual adjustments	-	-	-	-	-	-
Revenue for the year	17,977	15,307	1,599	1,541	176	65
Surplus / (deficit) from the previous year	1,116	90	(210)	(74)	-	-
Total revenue including accrued expenses	19,093	15,397	1,389	1,467	176	65
Less expenses including accrued expenses	17,100	14,281	1,389	1,677	79	65
Surplus / (deficit) for the year	1,993	1,116	-	(210)	97	-

**NOTES TO THE FINANCIAL STATEMENTS**

**(d) DIISR Research**

	Joint Research Engagement		Research Training Scheme		Research Infrastructure Block Grants		Implementation Assistance Program		Australian Scheme for Higher Education Repositories		Commercialisation Training Scheme		Sustainable Research Excellence in Universities		Total			
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
Financial assistance received in cash during the year	25,523	24,196	48,877	46,795	20,702	19,863	-	-	-	-	-	531	14,319	10,202	109,421	101,587	-	
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the year	25,523	24,196	48,877	46,795	20,702	19,863	-	-	-	-	-	531	14,319	10,202	109,421	101,587	-	
Surplus / (deficit) from the previous year	-	-	-	-	-	-	-	-	-	-	-	419	449	-	-	419	449	-
Total revenue including accrued revenue	25,523	24,196	48,877	46,795	20,702	19,863	-	-	-	-	419	980	14,319	10,202	109,840	102,036	-	
Less expenses including accrued expenses	25,523	24,196	48,877	46,795	20,702	19,863	-	-	-	-	30	561	14,319	10,202	109,451	101,617	-	
Surplus / (deficit) for the year	-	-	-	-	-	-	-	-	-	-	389	419	-	-	-	389	419	-

The reported surplus for the Commercialisation Training Scheme of \$389k for 2012 is expected to be rolled over for future use.

**(e) Other Capital Funding**

	Better Universities Renewal Funding		Teaching and Learning Capital Fund		Education Investment Fund		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial assistance received in cash during the year	-	-	-	-	50,510	39,941	50,510	39,941
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the year	-	-	-	-	50,510	39,941	50,510	39,941
Surplus from the previous year	-	5,337	5,337	8,304	12,797	30,485	12,797	44,126
Total revenue including accrued revenue	-	5,337	5,337	8,304	63,307	70,426	63,307	84,067
Less expenses including accrued expenses	-	-	5,337	8,304	52,666	57,629	52,666	71,270
Surplus for reporting period	-	-	-	-	10,641	12,797	10,641	12,797

**NOTES TO THE FINANCIAL STATEMENTS**

**(f) Australian Research Council Grants**

	<b>(i) Discovery</b>		<b>Projects</b>		<b>Fellowships</b>		<b>Indigenous Researchers Development</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Financial assistance received in cash during the year	33,741	28,727	13,244	7,295	-	-	46,985	-	46,985	36,022
Net accrual adjustments	(619)	(1,026)	1,828	1,446	(60)	(18)	1,149	(18)	1,149	402
Revenue for the year	33,122	27,701	15,072	8,741	(60)	(18)	48,134	(18)	48,134	36,424
Surplus from the previous year	13,359	11,073	3,095	1,765	60	202	16,514	202	16,514	13,040
Total revenue including accrued revenue	46,481	38,774	18,167	10,506	-	184	64,648	184	64,648	49,464
Less expenses included in accrued expenses	29,286	25,415	9,347	7,411	-	124	38,633	124	38,633	32,950
Surplus for the year	17,195	13,359	8,820	3,095	-	60	26,015	60	26,015	16,514

**(ii) Linkages**

	<b>Special Research Initiatives</b>		<b>Infrastructure</b>		<b>International</b>		<b>Projects</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Financial assistance received in cash during the year	2,153	2,074	2,651	749	-	-	11,001	11,170	15,805	13,993
Net accrual adjustments	786	618	-	-	-	-	(806)	(977)	(20)	(359)
Revenue for the year	2,939	2,692	2,651	749	-	-	10,195	10,193	15,785	13,634
Surplus from the previous year	1,400	1,642	9,465	8,865	29	54	6,401	5,614	17,295	16,175
Total revenue including accrued revenue	4,339	4,334	12,116	9,614	29	54	16,596	15,807	33,080	29,809
Less expenses included in accrued expenses	3,939	2,934	8,360	149	18	25	11,049	9,406	23,366	12,514
Surplus for the year	400	1,400	3,756	9,465	11	29	5,547	6,401	9,714	17,295

**NOTES TO THE FINANCIAL STATEMENTS**

**(f) Australian Research Council Grants (continued)**

	<b>(iii) Networks and Centres</b>		<b>Total</b>	
	<b>Centres 2012 \$000</b>	<b>2011 \$000</b>	<b>2012 \$000</b>	<b>2011 \$000</b>
Financial assistance received in cash during the year	4,174	4,020	4,174	4,020
Net accrual adjustments	64	(371)	64	(371)
Revenue for the year	4,238	3,649	4,238	3,649
Surplus from the previous year	3,481	4,564	3,481	4,564
Total revenue including accrued revenue	7,719	8,213	7,719	8,213
Less expenses including accrued expenses	4,331	4,732	4,331	4,732
Surplus for the year	3,388	3,481	3,388	3,481

## DECLARATION

### 2012 CONSOLIDATED FINANCIAL STATEMENTS

In our opinion:

- (a) the consolidated financial statements and notes of Monash University and its controlled entities present fairly the financial transactions during the financial year ended 31 December 2012 and the financial position for the year ended on that date,
- (b) the financial statements have been prepared in accordance with the Australian Accounting Standards and other mandatory professional reporting requirements, the *Financial Management Act 1994* including financial reporting directives, and the relevant financial reporting requirements of the Department of Industry, Innovation, Science, Research and Tertiary Education and
- (c) the amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended and Monash University has complied with the requirements of applicable legislation, contracts, agreements and program guidelines in making this expenditure.

As at the date of this declaration:

- (a) we are not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate, and
- (b) there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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



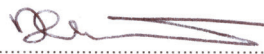
Dr A. Finkel AM  
Chancellor



Professor E. Byrne AO  
Vice-Chancellor and President



D. M. Pitt  
Chief Financial Officer and  
Senior Vice-President



D. G. McWaters  
Principal Accounting Officer  
Executive Director, Corporate Finance

Dated 20 March 2013



## INDEPENDENT AUDITOR'S REPORT

### To the Council, Monash University

#### *The Financial Report*

The accompanying financial report for the year ended 31 December 2012 of the Monash University which comprises statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, notes to the financial statements, and the Chancellor, Vice-Chancellor, Chief Finance Officer and Principal Accounting Officers' declaration has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising the Monash University and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 42 to the financial statements.

#### *The Councils' Responsibility for the Financial Report*

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

#### *Auditor's Responsibility*

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

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

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

## Independent Auditor's Report (continued)

### *Independence*

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

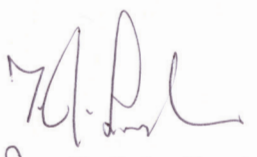
### *Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of Monash University and the economic entity as at 31 December 2012 and of their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

### *Matters Relating to the Electronic Publication of the Audited Financial Report*

This auditor's report relates to the financial report of the Monash University for the year ended 31 December 2012 included both in the Monash University's annual report and on the website. The Council Members of the Monash University are responsible for the integrity of the Monash University's website. I have not been engaged to report on the integrity of the Monash University's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE  
21 March 2013

  
Dr Peter Frost  
Acting Auditor-General



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