



SHAPING THE
FUTURE

ANNUAL REPORT 2008

April 2009

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The Hon Jacinta Allan MP
Minister for Skills and Workforce Participation
Level 36, 121 Exhibition Street
Melbourne VIC 3000

Dear Minister

In accordance with the provisions of the Financial Management Act 1994, I have much pleasure in submitting for your information and for presentation to Parliament the Annual Report of RMIT University for the year ended 31 December 2008.

The Annual Report was approved by the Council of RMIT University at its meeting on 23 March 2009.

Yours sincerely



Professor R Dennis Gibson AO
Chancellor

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RMIT University's 2008 Annual report and previous reports are available online at www.rmit.edu.au/about/annualreport

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Our cover: RMIT's innovative Design Hub is set to become a major landmark in the Melbourne CBD.

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ORGANISATIONAL OVERVIEW



MISSION OF RMIT UNIVERSITY

RMIT is a global university of technology with its heart in the city of Melbourne. We create and disseminate knowledge to meet the needs of industry and community, and foster in students the skills and passion to contribute to and engage with the world.

RMIT'S VISION TO 2010

- » Global in outlook and action, offering our students and staff a global passport to learning and work
- » Urban in orientation and creativity, reflecting and shaping the city of the 21st century
- » The first choice provider of work-relevant learning in Australia, preparing students for professions and vocations of the future
- » One of Australia's top research universities, internationally known for our applied focus and for excellence in research and research education in our chosen fields

CORE VALUES

To be useful, creative, connected, fair and passionate:

» Useful

Our graduates are creative, skilled and highly employable. Knowledge and skills developed in our students are relevant and applicable to the needs of communities, industry and individuals. Our staff are outcome-oriented and agile in their approach to meeting the needs of communities, industries and individuals.

» Creative

Opportunities for students and staff to fulfil their potential are created. Innovative curriculum and research solutions are sought, applied and rewarded. A creative and inventive culture is fostered.

» Connected

Students' aspirations, experience and needs are central to evaluating our performance and shaping improvement. Industry and community are active partners in our teaching and research. Global networks formed around enterprise, industry and communities underpin our operations. Teamwork is supported and encouraged.

» Fair

Learning opportunities cater for a diverse range of students, including those who may be disadvantaged in relation to education and/or labour markets. Respect for indigenous cultures is reflected in our work. Intellectual freedom and tolerance is nurtured and debate encouraged. A physically, culturally and socially safe work and study environment is provided for all staff and students. Ethical, honest and open dealings characterise relationships with students, staff and partners.

» Passionate

Meeting the needs and aspirations of our students and partners is a top priority. Excellence in teaching, scholarship and research is rewarded and supported. Cultural and social diversity is supported and celebrated.

CHANCELLOR'S STATEMENT

In 2008 RMIT continued with the successful implementation of its Strategic Plan, *RMIT 2010: Designing the Future*, under the leadership of Professor Margaret Gardner.

Continued delivery of the Strategic Plan initiatives has ensured RMIT's success in teaching and research and in financial performance. It has also reinforced the focus on RMIT's role as a global university of technology grounded in Melbourne and its commitment to meeting the needs of its students, industry partners and external stakeholders. RMIT continues to provide high quality, practically focused education, training and research.

RMIT achieved another strong financial operating surplus in 2008. Continued responsible financial management enabled a significant infrastructure program to be undertaken in 2008 and has allowed planning for further infrastructure developments including the Design Hub and the Swanston Academic Building.

I would like to thank all members of RMIT Council for their hard work and support during 2008. Dr Jane Gilmour OAM continued as Deputy Chancellor in 2008, in addition to her roles as Chair of the Campus Development Committee and member of the Remuneration Committee. Council was also joined on 18 February 2008 by Ms Fran Thorn and on 23 September 2008 by Ms Rhonda O'Donnell, and Council has benefited from their expertise during the year.

The Council secretariat has continued to provide both Council and the Chancellor with high quality support.

The full Annual Report shows that 2008 was a year of considerable achievement for the University by both our staff and students. I am confident that RMIT is well placed to continue to build on the achievements of 2008 into the future.



A handwritten signature in black ink, appearing to read 'R Dennis Gibson'.

Professor R Dennis Gibson AO
Chancellor

VICE-CHANCELLOR'S STATEMENT

RMIT made significant progress in 2008 on delivery of our Strategic Plan, *RMIT 2010: Designing the Future*, and Academic Plan, *Leading into the Future*.

Student demand was strong, with RMIT's Victorian campuses now home to more than 54,000 students, including 10,000 international students. Offshore, RMIT has almost 16,000 students at a variety of locations, including 4,000 students studying at RMIT Vietnam.

The use of technology for students improved, with 40,124 students enrolling online for the 2008 academic year, and expanded online access to lecture and course material with 2,534 podcast lectures and 78,630 downloads by students of this material.

RMIT's role as a global university of technology was further reinforced by a number of important initiatives. The principle of 'learning by doing' underpins RMIT's approach to teaching and learning, and this was boosted in 2008 with the adoption of RMIT's Work-Integrated Learning policy.

Around 700 students from Melbourne took advantage of RMIT's global passport to undertake international work placements, study tours and student exchanges in 2008. RMIT Vietnam continued to exceed all expectations, with sustained strong growth in student numbers. To encourage international work placements and closer links between RMIT in Melbourne and RMIT Vietnam, an International Work-Integrated Learning Hub was established at the Ho Chi Minh City campus.

In 2008, the University promoted equity and diversity in a number of ways including through the award of \$5.9 million in equity scholarships.

In addition, scholarships with a total value of \$136,000 were provided through the Northcote Trust to enable students to capitalise on pathways between TAFE and higher education.

Focus continued on improving teaching and learning outcomes. The Learning and Teaching Investment Fund allocated \$1.3 million in funding to 36 projects, including to projects designed to improve the student experience in areas such as e-learning, dual sector qualifications, work-integrated learning and global mobility. This investment is having significant impact, and in 2008 RMIT emerged with nine Citations from the Australian Learning and Teaching Council for Outstanding Contributions to Student Learning.

The ongoing development of the four RMIT Research Institutes has also been important, targeted at expanding our research capacity in designated areas. The year saw RMIT achieve strong outcomes in research output and grant outcomes. In particular, the University was awarded ARC funding of \$7.2 million through the Discovery and Linkage programs, and also more than \$1.7 million in NHMRC funding. RMIT conferred 181 doctoral degrees in 2008.

RMIT's strong financial management has allowed it to continue with its capital program in 2008. RMIT has continued the redevelopment of the Francis Ormond Building and the Emily McPherson Building, as well as designing the new Design Hub and the Swanston Academic Building. Environmental sustainability of our operations continued to be a focus, with the University achieving substantial efficiencies in energy and water use.

In December 2008, RMIT was fortunate to be allocated \$28.6 million by the Federal Government from the Education Investment Fund for the Design Hub project. The State Government also committed a total of \$7 million to RMIT's Advanced Manufacturing Centre which will work in tandem with the Design Hub.

These funds add to the \$14.4 million in funding from the Better Universities Renewal Fund, and \$16.7 million announced in December 2008 from the Teaching and Learning Capital Fund, both given to the University by the Federal Government.

RMIT's strengths are clearly articulated in its strategic vision, and in 2008 work was undertaken to ensure this is underpinned by a coherent and contemporary representation of the University. A review of RMIT's visual material was completed to ensure that the University's look conveys our strategic direction and cultural values clearly to students, partners and communities.

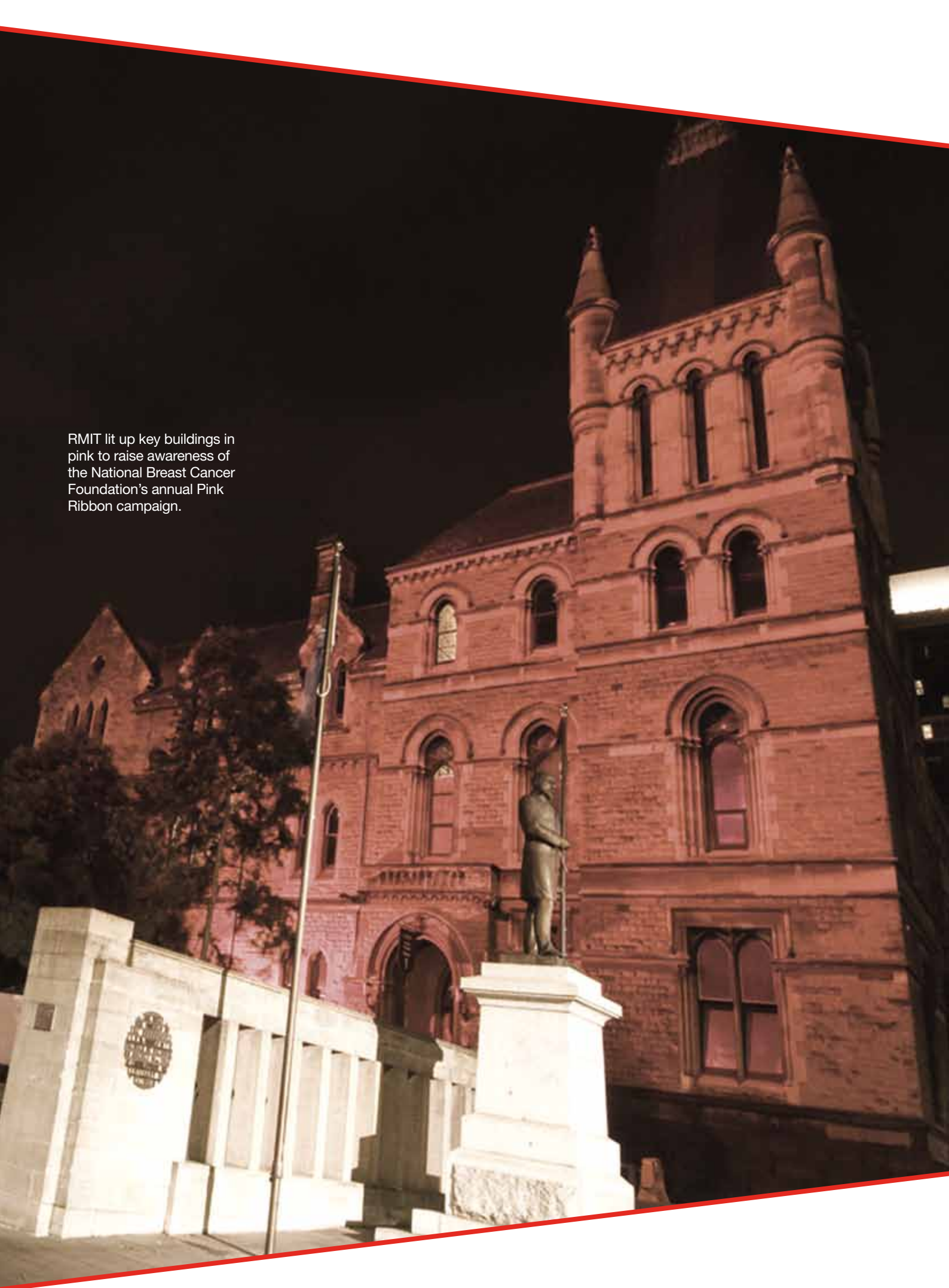
The success of RMIT in 2008 is testament to the sustained efforts of our staff and students. I wish to thank them for their efforts. As a result, RMIT has continued to deliver a strong result and is well placed to meet the challenges posed by the current difficult global economic environment.



Margaret Gardner

Professor Margaret Gardner AO
Vice-Chancellor and President

RMIT lit up key buildings in pink to raise awareness of the National Breast Cancer Foundation's annual Pink Ribbon campaign.



ABOUT RMIT

RMIT is a global university of technology with its heart in the city.

One of Australia's original educational institutions, RMIT is now the largest dual sector university in Australia. Since its formation in 1887, RMIT has established an international reputation for excellence in professional and vocational education and high-quality outcome-oriented research.

In 2008, 54,546 students were enrolled at RMIT campuses in Melbourne's central business district, in Brunswick and Bundoora in the city's northern suburbs, and at learning centres in Hamilton and East Gippsland in regional Victoria. This includes 10,077 onshore international students.

A further 15,700 students were enrolled offshore, including 3,964 at RMIT campuses in Ho Chi Minh City and Hanoi. The University has strong links with partner institutions which provide RMIT award programs in Singapore, Hong Kong, Kuala Lumpur, Shanghai and Guangzhou, as well as teaching and research connections on every continent.

RMIT creates and disseminates knowledge to meet the needs of industry and the community, and fosters in students the skills, passion and confidence to actively engage with and contribute to their chosen field. This results in consistently excellent employment outcomes for graduates from both higher education and VET programs.

The University has a long and proud history of engagement internationally and with industry—the two key themes presented in this Annual Report.

A key element in our strategic vision is the strengthening of RMIT's standing as a truly global university, encompassing onshore and offshore education as well as international networks for research activities and research students. The University's premise of offering a global passport is also embodied in its internationalised curriculum and pedagogy, in the worldwide accreditation and recognition of its programs, and in student and staff mobility.

Industry engagement is deeply embedded in RMIT's commitment to work-integrated learning, and in industry collaboration and input into the University's education and training programs and research activities. The University has adopted a strategy focused on building strong external and internal networks in five key industries: aerospace and aviation; automotive; building and infrastructure; health and community services; and media and communications.

As part of its strategic vision, RMIT also aims to strengthen linkages between vocational and higher education in order to develop work-relevant pathways between the sectors and dual sector qualifications combining the best of both.

RMIT University is a self-accrediting institution established under Victorian Government legislation. RMIT's objects under its Act are to foster excellence in teaching, training, scholarship and research and to engage in educational and community service. The University has the power to confer degrees, diplomas, certificates and other awards, and is also a major provider of vocational education and training (VET) programs.

SENIOR OFFICERS AS AT 31 DECEMBER 2008



Vice-Chancellor and President

Professor Margaret Gardner AO

BEcon (Hons), PhD Syd., DUniv Griffith, FAIM, GAICD

Professor Gardner is RMIT's Chief Executive Officer for both higher education and vocational education. She is responsible for ensuring strong, effective leadership and clear direction within the University through an appropriate vision and strategic plan.

Professor Gardner has had a prominent academic career, having held leadership positions in Griffith University, the University of Queensland and QUT. In 1988 she was a Fulbright postdoctoral fellow, spending time at the Massachusetts Institute of Technology, Cornell University and the University of California, Berkeley.

Professor Gardner currently chairs the Museums Board of Victoria and holds a directorship on the Australian Learning and Teaching Council. She is also a member of DFAT's Council on Australia Latin America Relations, Enterprise Connect Manufacturing Centres' Interim Advisory Board, the LH Martin Institute Advisory Board and the Australian Defence Force's Reference Group on Women.

In 2007, Professor Gardner was made an Officer of the Order of Australia in recognition of service to tertiary education, particularly in the areas of university governance and gender equity, and to industrial relations in Queensland.



Deputy Vice-Chancellor Academic

Professor Jim Barber

BSocSc (RMIT), BA (Hons), MSocWork (Flinders), PhD (Adelaide)

As DVC Academic, Professor Barber is responsible for academic strategy, policy and planning, profile management, quality, organisational reviews, academic staffing, and teaching and learning. He is also Standing Deputy to the Vice-Chancellor.

Professor Barber has extensive experience in academic management, teaching and research in Australia and Canada. He holds a PhD in experimental psychology, a Masters degree in social work, and Bachelor degrees in Arts (First Class Honours) and Social Science.

Professor Barber has an international research reputation and is the author of six books and numerous refereed journal articles in the field of human services. He is a recipient of the Pro Humanitate Medal, North America's highest literary award in the field of child welfare, and received the Vice-Chancellor's Award for Excellence in Teaching whilst Head of the School of Social Administration at Flinders University.

Prior to joining RMIT, Professor Barber was Dean of the Faculty of Social Work at the University of Toronto.



Vice President Resources and Chief Operating Officer

Mr Steve Somogyi

MSc (Melb), SM (MIT), FIA

The Vice President Resources contributes to operational and system development and effectiveness, and to the strategic improvement of facilities and people resources. He is responsible for leadership of the corporate resources areas of the University, including Chancellery, Financial Services, Information Technology Services, Internal Audit and Risk Management, Legal Services, People and Culture, Property Services and the University Secretariat.

Mr Somogyi was appointed as Vice President Resources and Chief Operating Officer in April 2006. He has extensive experience in the financial services and health care industries, including 27 years with National Mutual.

He is a Director of RMIT Foundation, VERNET, Guild Group and ING Australia. He is also a member of the Commonwealth Government's Safety, Rehabilitation and Compensation Commission, and a Fellow of the Institute of Actuaries in Australia and the UK.



Pro Vice-Chancellor Business

Professor Gill Palmer

BSocSc (Hons), MSc (Industrial Admin) (LSE), PhD (London City), GAICD

Professor Palmer was appointed PVC Business in February 2008, having previously been Dean of the Faculty of Business and Economics at Monash University from July 2000.

She has an extensive background in the development of business education, including leadership roles at London School of Economics, CASS Business School (UK), Queensland University of Technology and the University of Wollongong before her move to Monash, and in management roles with the British Government. She has also managed a business consultancy.

Active in relevant professional associations for many years, Professor Palmer has been President of the Australian and New Zealand Academy of Management and the Association of Industrial Relations Academics of Australia and New Zealand. She has also chaired an ARC review of management research and was a foundation Board member of the Australia and New Zealand School of Government.

Professor Palmer has an accomplished academic reputation with eight books and many articles published on human resource management and employment relations.



Pro Vice-Chancellor Design and Social Context

Professor Colin Fudge

BArch (Hons), MA (Town and Regional Planning) (Sheffield), Hon.FRIBA, MRTPI, FRSA

Professor Fudge was appointed PVC of the College of DSC in August 2008, having previously held PVC roles at the University of West England.

He has worked in the two universities in Bristol and the University of Cardiff (UK), Chalmers University (Sweden), the UK Government, Swedish Government, EU Brussels and the Victorian State Government.

Professor Fudge has contributed through interdisciplinary and transdisciplinary research on public policy formulation and implementation; cities, sustainable development and adaptation to climate change; public health; demographic change; and urban design. This has been recognised through the award of the Royal Professorship of Environmental Science by the Swedish Academy of Sciences, and an Honorary Fellowship of the Royal Institute of British Architects.

He continues to hold advisory roles in government, academic and industry organisations including the EU, Commission for Architecture and the Built Environment, Chalmers University, London School of Economics and Political Science, World Health Organisation and the Anglo-Swedish Ministerial Board on Climate Change.



Pro Vice-Chancellor Science, Engineering and Technology

Professor Peter Coloe

BSc (Hons), PhD (Monash), FASM

Professor Coloe was appointed Pro Vice-Chancellor SET in August 2008, having previously headed the School of Applied Sciences. He has contributed significantly to RMIT's management, education and research activities over his 20-year career at the University, and has served on the RMIT Council since 1999.

Since 2000, Professor Coloe has chaired RMIT's Academic Board and has championed many of the University's teaching and learning developments, particularly in the study of science. A prolific researcher as well as a sought-after research supervisor, Professor Coloe has more than 160 publications and has been awarded three worldwide patents which have gained him international recognition.

Professor Coloe is an advisor to the Federal Government's Biosecurity Australia risk assessment panel and to the Victorian Government's biotechnology task force. He is a member of Microbiology Australia's Editorial Board, a Council Member of the Australian Society for Microbiology, an ARC and NHMRC grants referee, and a member of the International Union of Microbiological Societies.



Pro Vice-Chancellor International and Development

Dr Madeleine Reeve

BA (Melb), BEd (Monash), MEd (CCA), PhD (James Cook)

Dr Reeve is responsible for the development and implementation of the University's domestic and international positioning including student recruitment, business development, alumni, fundraising, corporate events and publications, university brand management and public affairs, offshore partnerships for the delivery of award programs, and international institutional linkages to support student mobility. She oversees the establishment of new models of interaction and partnership in a wide range of locations.

The portfolio's functional areas include University Marketing, Media and Communications, Alumni and Development, International Services (international student recruitment and education abroad), RMIT University International College, and Global Business Development (incorporating the facilitation of strategic industry partnerships).

Dr Reeve is a Director on the Boards of RMIT International Pty Ltd, RMIT Training Pty Ltd, RMIT Vietnam Holdings Pty Ltd and RMIT International University Vietnam.



Pro Vice-Chancellor Research and Innovation

Professor Daine Alcorn

BSc (Hons), MSc, PhD (Melb)

Professor Alcorn is responsible for leading RMIT's research activities and building the University's capability in research and innovation.

Professor Alcorn has a broad-based teaching and research background in health and life sciences, and has been closely involved in the development of interactive multimedia teaching programs. Her research is in the area of renal development, structure and function. She has more than 100 publications.

Professor Alcorn has been a regular member of accreditation teams of the Australian Medical Council and has contributed to reviews of the medical programs at the University of Western Australia, University of Tasmania, University of Adelaide and Bond University. She has served on the NHMRC Research Committee and chaired the NHMRC Research Fellowships Committee. She is currently a Board Member of Museums Victoria and Chair of the Victorian Cancer Agency Consultative Council.



Pro Vice-Chancellor Students

Professor Joyce Kirk

BA (Syd), DipEd (Syd), MLitt (NE), MA (Lib) (CCA), PhD (UTS)

Professor Kirk is responsible for identifying and planning services to meet the needs and aspirations of RMIT's different student groups. She works closely with administrative, academic and teaching staff to implement and enhance a University-wide student-focused learning environment. Her portfolio includes responsibility for the Student Services and Academic Registrar Groups, as well as for RMIT Union. Professor Kirk monitors the University's funding agreement with the RMIT Student Union.

Prior to joining RMIT in 2004, Professor Kirk was Dean of the Faculty of Humanities and Social Sciences at University of Technology, Sydney. She is a member of the editorial boards of international and national journals and contributes to professional and research conferences as a program committee member and speaker. Professor Kirk maintains an active interest in the field of information management.



Director TAFE

Mr Allan Ballagh

DipEd (Melb State College), BEng (Gordon), MEd (RMIT), Grad Cert Enterprise Management (Swinburne)

The Director TAFE provides leadership and expert advice to the portfolio, and ensures the development and promotion of RMIT's capacity to innovate in vocational education provision and pedagogy. Mr Ballagh is also Deputy Chair of the Academic Board and is RMIT's nominee to the Victorian TAFE Association CEO Council.

Mr Ballagh has a broad range of leadership and management experience in the TAFE sector and is currently the representative for TAFE Directors Australia on the National Quality Council's Training Package Steering Committee. He is also a member of the Capital City Local Learning and Employment Network Management Committee.

2008 GALLERY



Professor Gardner introduces Ms Gillard and Mr Swan to Professor Dennis Gibson AO, RMIT Chancellor.

Deputy Prime Minister and Treasurer visit City campus

The Deputy Prime Minister, Julia Gillard, and the Treasurer, Wayne Swan, visited RMIT University in May to meet with Vice-Chancellor and President, Professor Margaret Gardner AO. They discussed Federal Budget funding initiatives and the challenges facing Australia's education and training sector.

Victorian Women's Suffrage centenary celebrations

RMIT University celebrated the achievements of Victorian women with an event in Storey Hall on the eve of the 100th anniversary of the passage of the Adult Suffrage Bill in Victorian Parliament. Speakers included Minister for Women's Affairs, Maxine Morand, who also presented to RMIT the Victorian Honour Roll of Women certificate of Dr Ethel Osborne, after whom the University's Ethel Osborne Hall is named. Key buildings on the City campus were illuminated in purple to coincide with the celebrations.



The Royal Historical Society of Victoria took part in a re-enactment as part of the centenary celebrations.



A stained glass window at the western entrance to Building 1.



Dobell's Cow, by John Kelly, who completed a bachelor degree and postgraduate research in painting at RMIT. His Dobell's cows series stemmed from his interest in William Dobell's wartime work as a camouflage artist making decoy cows for airfields.

Treasures in the heart of the city

In February, RMIT launched a book celebrating its architecture and art, throwing a light on some of Melbourne's hidden treasures. *'A Skilled Hand and Cultivated Mind'* is written by two RMIT academics, Harriet Edquist, Professor of Architectural History, and Elizabeth Grierson, Professor of Art and Philosophy. The title refers to RMIT's motto, adopted on its opening in 1887.

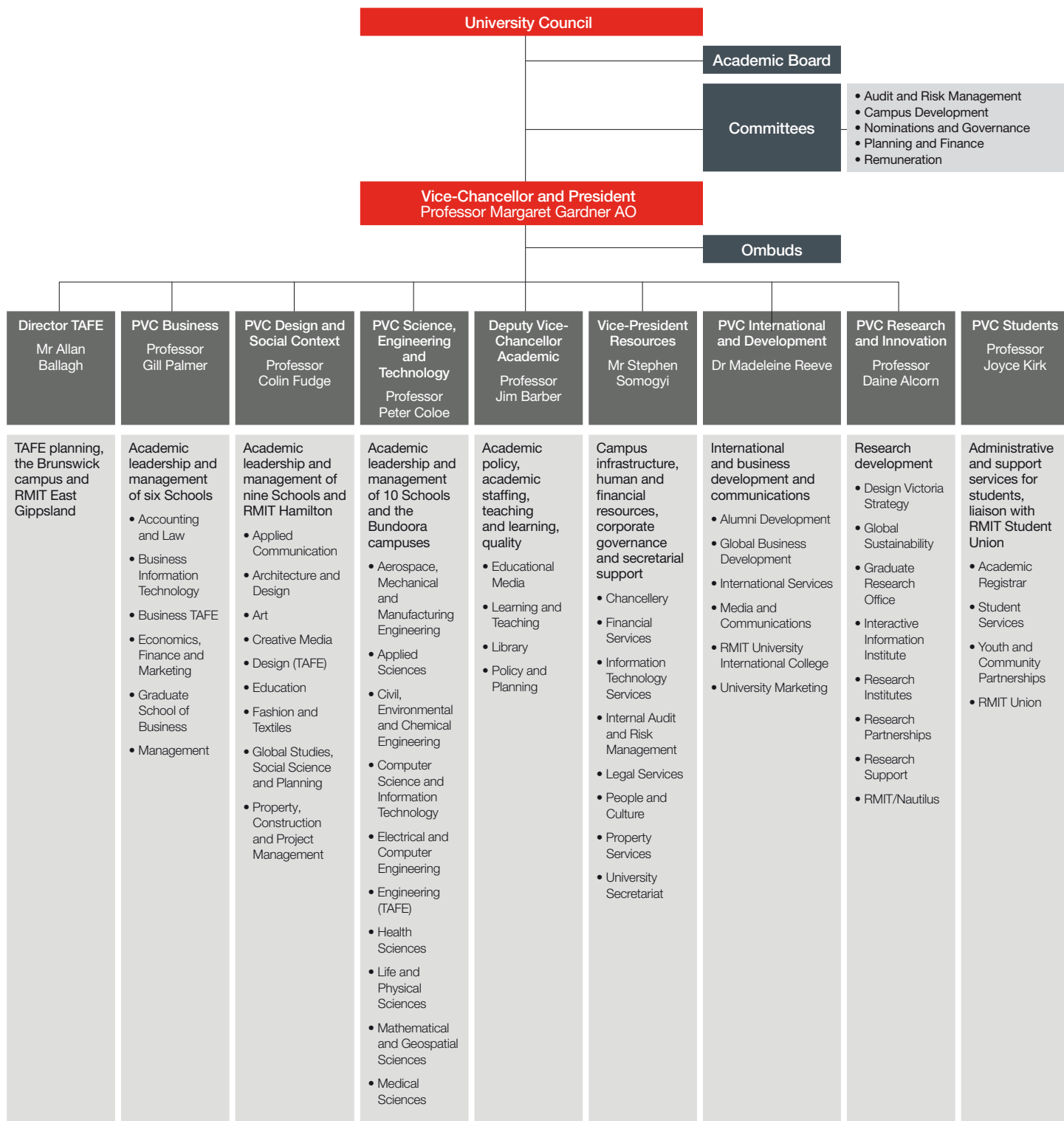


RMIT marks a Fair Trade first

RMIT University was declared a Fair Trade Workplace by the Fair Trade Association of Australia and New Zealand—the first Australian university to gain such accreditation. The announcement came during Fair Trade Fortnight in May 2008.

ORGANISATIONAL SUMMARY AS AT 31 DECEMBER 2008

This organisational summary provides a graphical representation of the management structure of RMIT University as at 31 December 2008. Up-to-date versions of the organisational summary are available on RMIT's website.



STATISTICAL SNAPSHOT

Enrolments (headcount) by Sector	2004	2005	2006	2007	2008*
HE	39,459	39,301	42,103	43,974	47,641
VET	21,198	22,357	20,967	21,683	22,604
By Type					
Domestic	42,446	42,407	41,708	42,772	44,469
International:					
Onshore	8,585	8,626	8,899	9,134	10,077
Offshore	9,030	9,581	10,622	10,837	11,735
Vietnam	596	1,044	1,841	2,914	3,964
By Award Level					
Postgraduate Research	1,740	1,702	1,687	1,612	1,621
Postgraduate Coursework	8,794	8,674	8,701	8,759	9,543
Undergraduate	28,925	28,925	31,715	33,603	36,477
VET	21,198	22,357	20,967	21,683	22,604
Total	60,657	61,658	63,070	65,657	70,245

Fee Type (load%)					
HE					
Government-funded	51	50	48	46	44
Australian fee-paying	9	9	8	8	8
International	39	41	42	45	47
Other	1	1	1	1	1
VET					
Government-funded	68	69	71	72	71
Australian fee-paying	8	9	8	9	10
International	23	20	18	16	16
Other	1	2	3	3	3

Commencements Melbourne					
HE					
Domestic Students	8,405	8,558	8,837	8,319	8,905
International Students	3,366	3,325	3,673	3,760	4,141
VET					
Domestic Students	N/A	12,279	11,810	12,993	13,571
International Students [#]	N/A	723	722	754	877

Enrolment Load					
HE EFTSL	28,061	28,370	30,316	32,001	34,593
VET SCH	8,361,310	7,825,162	7,576,491	8,171,892	8,208,224

* 2008 HE enrolment preliminary data at January 2009

Restated due to previous inclusion of offshore

N/A: Not available

Graduate Outcomes (Domestic) %	2004	2005	2006	2007	2008
HE Student Satisfaction (domestic)	63.8	65.8	68.6	68.6	67.0
HE Student Satisfaction (domestic and international)	63.1	65.7	66.8	66.7	66.9
VET Student Satisfaction (domestic) ¹	78.6	82.9	83.9	82.7	84.6
HE Graduates in Full-time Employment (domestic) ²	84.2	83.6	86.8	83.7	85.9
HE Graduates in Full-time Employment (domestic and international) ²	83.1	84.4	85.9	82.9	83.6
VET Graduates in Employment (domestic) ^{1,3}	78.8	82.8	79.0	83.2	80.4

1 VET results not available for international graduates.

2 Percentage of those available for full-time employment.

3 Includes in full-time and part-time employment

Sources: HE: GCA, CEQ and GDS data files, 2004-2007; 2008 RMIT data file. VET: NCVER, SOS RMIT and State data files, 2004-2008.

Student Completions	2004	2005	2006	2007	2008
HE	7,692	7,780	8,026	8,410	8,960 ¹
VET	4,479	5,820	5,535	5,290	5,557

¹ Preliminary result pending confirmation of DEEWR reportable data

Foundation Studies Enrolments (headcount)	2004	2005	2006	2007	2008
Melbourne	N/A	345	392	456	632
Vietnam [^]	N/A	406	94	N/A	N/A
Other Offshore	N/A	34	13	N/A	N/A
Total		785	499	456	632

[^] Transition of enrolments at RMIT Vietnam into Higher Education Diplomas

N/A: Not applicable

Staff	2007	2008
Total FTE* RMIT University	3,336.9	3,529.8
Total FTE* RMIT Vietnam	291.0	392.5

* Full-time equivalent (two people both working 0.5 time fraction = 1 FTE)

For detailed employment statistics, please refer to Page 33.

FINANCIAL PERFORMANCE

The consolidated 2008 net operating result for RMIT University and its subsidiaries was \$71.0 million, compared to \$53.5 million in 2007, building on the strong results of recent years.

RMIT University's operating result was \$54.5 million, compared to \$35.2 million in 2007, but this includes a grant of \$14.4 million from the Better Universities Renewal Fund. If that amount is excluded, the operating result would be \$40.1 million, equating to 6.1 per cent of revenue.

University revenue increased by 12.1 per cent from \$594.5 million to \$666.5 million, excluding the effect of income received from the Commonwealth for deferred superannuation benefits. On a consolidated basis, with the same exclusions, revenue increased by 13.0 per cent from \$651.2 million to \$735.6 million.

The following comments refer to RMIT University only, unless specified otherwise.

Australian Government Financial Assistance, including HECS-HELP, increased by 8.5 per cent from \$239.8 million to \$260.3 million. Commonwealth Supported Places (CSP) were ahead of target. The additional operating grant and student contribution funding for teaching and learning activities amounted to \$20.3 million, plus \$400,000 by way of additional Commonwealth scholarships which are directly disbursed to students. Commonwealth research grants were in line with the previous year at \$21.4 million.

State Government grants totalled \$68.3 million. Of that amount, TAFE-specific funding was \$67.2 million (up by \$2.5 million), with additional student load. Recurrent grants increased by \$2.3 million to \$61.7 million. Capital grants increased by \$300,000 to \$3.0 million, but other grants decreased by \$800,000 to \$3.6 million as some programs were completed. In total, State Government receipts increased by 3.3 per cent for the year.

Course fees and charges increased by 11.7 per cent, from \$194.2 million to \$216.9 million, with gains made in all sectors. Australian undergraduate fee-paying revenue increased by only 5.2 per cent to \$12.2 million as no new enrolments can be made following a change in government policy. Domestic postgraduate revenue was 7.6 per cent higher at \$23.3 million.

International fee-paying student fee revenue increased by 13.9 per cent to \$178.1 million across all sectors. Other fees and charges increased by 10.3 per cent to \$8.6 million, including additional revenues from Open Universities Australia.

Investment revenue increased by \$2.7 million to \$8.7 million due to higher cash balances, amplified by an improved yield. The University has made no investments in 'sub-prime' securities. Our Council-approved investment policy ensures only high quality securities issued by prudentially safe institutions are utilised.

Income received from the Commonwealth for deferred superannuation benefits was higher than in 2007 as the estimated unfunded liability increased. This varies considerably from year to year but has no impact on the operating result as the revenue is matched by a corresponding expense.

Employee benefits and on-costs increased by 9.3 per cent to \$388.1 million, excluding the effect of deferred superannuation benefits, with higher rates of salary increases incurred due to existing industrial agreements and the recruitment of additional staff.

Expenditure on academic and teaching salaries increased by \$17.2 million or 8.2 per cent. Non-academic salaries increased \$15.7 million or 10.4 per cent. The average number of full-time equivalent staff in 2008 was 3,325—130 higher than the previous year.

Repairs and maintenance increased by 29.8 per cent to \$20.9 million as work progressed on reducing maintenance backlogs. Depreciation expense rose by 16.6 per cent to \$31.0 million, reflecting higher capital expenditure.

The current ratio decreased from 87.1 per cent to 74.1 per cent. Current assets decreased slightly from \$178.2 million to \$172.1 million. The proceeds of the former CUB site settlement were received and when coupled with strong cash flow from operations, cash balances for RMIT University increased by \$32.4 million. Capital expenditures were higher in 2008 at \$125.7 million, compared to \$75.0 million last year. The consolidated position was also very strong at year end, with operating cash flows of \$178.7 million funding capital investment mostly in property, plant and equipment of \$129.4 million.

Current liabilities increased by \$27.8 million due to higher accounts payable of \$16.2 million as a result of the capital expenditure program and student fees paid in advance. The consolidated current ratio is almost 1:1.

Cunningham Property Consultants Pty Ltd undertook their triennial review of land and buildings. As a result, the Asset Revaluation Reserve was increased by \$26.2 million for land and \$30.6 million for buildings. During the year the property at 444 Swanston Street was acquired, further consolidating our holdings on the Victoria Street frontage in Melbourne.

RMIT Vietnam continued its sustained growth and continues to generate strong cash flows. It is investing in additional buildings and infrastructure to meet its fast-growing student load. RMIT Training Pty Ltd increased its operating result, with strong demand for its English language courses.

Due to market movements the investment portfolio of RMIT Foundation declined in value by \$3.7 million during 2008, but the Foundation is holding a large proportion of its assets in cash deposits and reported an operating result of \$600,000 despite the challenging economic environment.

Spatial Vision Innovations Pty Ltd reported a stable operating result. The activities of RMIT International Pty Ltd ceased in 2008 and the company has now been deregistered. Meltech Services Limited does not trade and will be de-registered in 2009. No new subsidiaries were incorporated during the year.



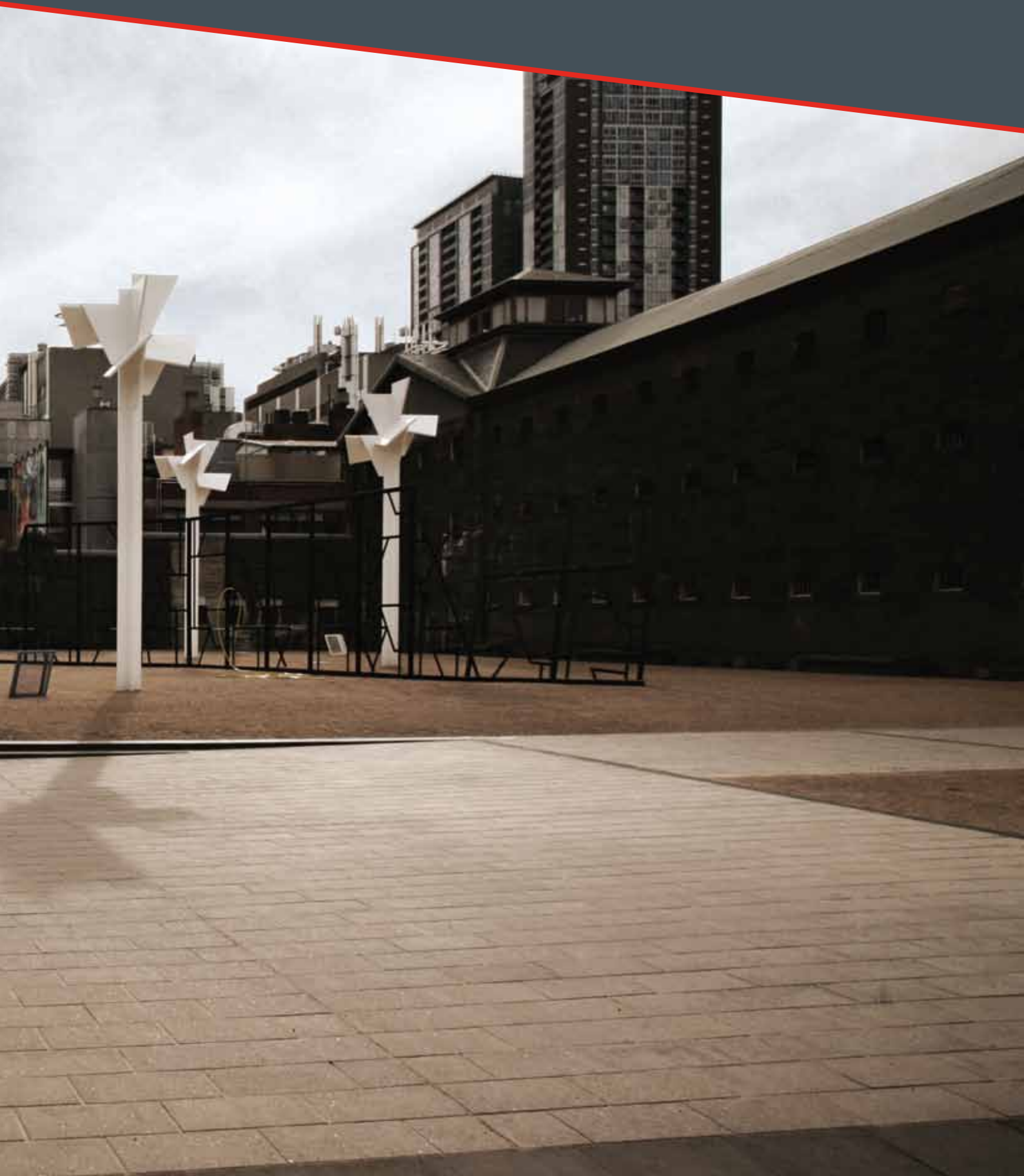
RMIT Alumni Courtyard

Open to Public 7.00am - 7.00pm Monday - Friday

Gaol Hospital Compound and Wardmen's Yard (1865 - 1925)
Police Garage (1925 - 1994)

2

2008 FOCUS



GLOBAL VISION

RMIT has been an active participant in international education for more than 50 years.

Today, international students—both onshore and offshore—make up 30 per cent of RMIT University's student body, one of the highest proportions in Australia and world-wide.

Strategic Approach

A key component of RMIT University's vision to 2010 is to be global in outlook and action, offering students a global passport to learning and work.

The strategic components of this vision are to:

- » ensure student and staff diversity and international connectivity
- » increase the number of students undertaking an international education experience
- » ensure that most programs are professionally accredited or recognised internationally as well as nationally
- » deliver internationally relevant programs at a network of sites offshore and onshore
- » internationalise programs through courses, work experience or pedagogy.

The significance of RMIT's vision is reflected in the University's increasingly internationalised curriculum, formal institutional linkages, recruitment of international students, and global network of partnerships which support student and staff mobility and prepare our students for today's globalised workplace.

RMIT's research agenda is also a beneficiary of the University's international focus through ever-increasing access to new research partnerships and opportunities.

2008 Outcomes

In 2008, RMIT achieved its target of 39 per cent of total load for international students across both HE and VET sectors onshore and offshore. More than 10,000 international students were enrolled onshore, and 55 programs were provided to 11,700 students in association with 23 offshore partners including 20 major programs with four key partners in Singapore, Malaysia, Hong Kong and China.

RMIT also delivers 14 HE programs at its Vietnam campuses to 4,000 students, bringing the total number of offshore students to almost 15,000.

Students from more than 100 countries make up about one-quarter of RMIT's student body. They choose to study at RMIT for the richness of campus life, the quality of teaching, learning and research, and the value of an RMIT qualification, recognised internationally by employers and professional associations. They bring diversity and fresh perspectives to the University.

The number of international students commencing in award programs in Melbourne in 2008 (not including English language students) was 5,645 (2007:5,037), making a total international student population (new and continuing) of 10,400 (2007:7,964).

Business College programs remained the most popular area of study in 2008 with 37 per cent of all international onshore commencements, followed closely by the College of SET with 35 per cent and the College of DSC with 28 per cent.

RMIT University International College commenced its third full year of operations in 2008. The College coordinates recruitment and services offered to international students in Foundation Studies, including English language tuition and a range of diplomas with pathways to specialised degree programs. Commencing students in Foundation Studies numbered 586 (up from 413 in 2007), while 195 students undertook the Diploma of Business (2007:173) and 108 students enrolled in associate degrees (2007:93).

Associate degree programs were first introduced in 2006 in the information technology and engineering disciplines and have been growing in number since then. In 2008, new associate degree programs in engineering, information technology and design were introduced.

International students enrolled on scholarships totalled 725 in 2008, an increase of 63 per cent against 2007 (445 enrolments). Newly commencing sponsored students in 2008 came primarily from Saudi Arabia, the United Arab Emirates and Malaysia.

Three Endeavour International Postgraduate Research Scholarship living allowance awards were provided to commencing students in PhD research programs.

In all, scholarships were funded by more than 40 providers in 26 countries.

Top 10 Source Countries for International Onshore Commencements

Country	%
China	26
India	10
Malaysia	10
Indonesia	6
Vietnam	5
Thailand	4
Singapore	3
Hong Kong	3
South Korea	3
Sri Lanka	3

Offshore Higher Education Award Completions

Country	No.
Singapore	1,485
Hong Kong	739
Vietnam	463
Africa	223
China	185
Malaysia	142
Japan	34
Sri Lanka	14
New Zealand	1
Total	3,286

Figures are for 2007. Completions data for 2008 will be available in May 2009. Data not available for VET.

Student Mobility

RMIT actively encourages international student mobility through which students are able to work, study or undertake research overseas. Students have a growing range of opportunities to gain international industry-based experience, immerse themselves in different cultural and working environments, and enhance their professional skills through exposure to cutting-edge learning and practice.

The University has more than 120 agreements with educational institutions throughout the world for semester-length student exchange. Many agreements allow for study tours with reciprocal exchange and in-bound study abroad (fee-paying non-award semesters of study). They also provide for staff exchange and other forms of cooperation, including research.

During 2008, 22 international Memoranda of Understanding were signed with institutions in China, the UK, USA, India, Chile, France, Italy, Japan, Kenya, Mexico and Taiwan. A further eight MOUs were in the final stages of negotiation.

In 2008, overseas students at RMIT on study abroad numbered 174 (2007: 205), primarily from Germany and the US. A further 285 students arrived on inbound study exchange (2007: 200), and RMIT sent 230 students on semester-length overseas exchange (2007: 205).

A further 411 students went on study tours in 2008 and four RMIT students studied overseas on the Study Abroad program. Fieldwork, research, projects and placements accounted for 68 outbound students in 2008.



RMIT student Joel Benetti (centre, with friends from Penn State University) spent a semester in the US after being awarded a \$9,000 indigenous overseas placement.



Students and academics from RMIT's School of Architecture and Design visited the University of Technology in Papua New Guinea to attend a workshop on the structural and artistic potential of PNG bamboo.





Members of the Global GU8 Consortium met at RMIT's City campus in September.

RMIT International Industry Experience and Research Program

The RMIT International Industry Experience and Research Program (RIIERP) provided opportunities for 116 students (2007: 167) to undertake significant international work experience and research.

This prestigious program is open to both undergraduate and postgraduate students. Places are offered on the basis of academic merit and performance in interviews to establish candidates' suitability.

About 165 companies in 16 countries were involved in the program in 2008, contributing approximately \$2 million through generous living allowances to students. RIIERP participants include major global companies such as BMW, Volkswagen, Robert Bosch and Siemens.

Traditionally strong in Europe, RIIERP has entered into agreements with companies in Asia (China, Thailand, Japan and Singapore), the US and Canada who are increasingly making a significant contribution to the program's activities.

During 2008, arrangements were finalised for work experience places to be made available at additional industry leaders such as Bugatti and Bosal-ORIS in Germany. Currently BMW, Daimler and Bosal-ORIS are involved in a joint project to develop a new vehicle. Three RMIT students, each operating from one of the project partner companies, have been selected to work on this major project.

Progress was made during 2008 in the establishment of collaborative links between corporative research centres of partner companies and some research groups at RMIT.

International Delegations

RMIT hosted 54 high level delegations. Visiting delegates numbered 344.

Delegations from China continue to be the most frequent, followed by Vietnam, Malaysia, Thailand, and for the first time India with four visits. These included visits by the Sheriff of Mumbai accompanied by representatives of the University of Mumbai. RMIT was also honoured to receive a visit from Professor R.A. Yadav, Chair of the All India Council of Technical Education.

Dignitaries from Brunei visited RMIT to gain insights into the VET sector in Australia.

RMIT hosted 100 delegates from Thailand, including a large group completing a training program on administrative development initiated by the Thai Commission on Higher Education. RMIT management met with representatives of the Thai Council for Education and discussed matters relating to administration and governance.

Three delegations from Latin America also visited RMIT during the year, including two from Brazil and one from Chile.

Over three days in September, RMIT hosted the fifth meeting of the Global U8 Consortium's Council of Presidents. GU8 is a consortium of eight universities from Australia (represented by RMIT), France, Israel, Japan, China, South Korea, UK and USA. Through GU8, RMIT actively participates in student exchange and in international research in the areas of global logistics, marine affairs, business administration and advanced technology.

The meeting, which was attended by representatives of six member universities, addressed trends in global education, focusing on the growing demand for cross-cultural education.



International delegations to RMIT's City campus included a high-level trade delegation from Brazil.

Transnational Education

Of the 70,000 students who study at RMIT, 11,735 study in programs delivered through our partners outside Australia, in cities such as Singapore, Hong Kong, Kuala Lumpur, Shanghai and Guangzhou. RMIT has formed close partnerships with universities and educational providers in these and other cities in Asia. Currently, 60 award programs are delivered through international partnerships, with some programs including a period of study in Australia.

In mid 2008, RMIT launched a new partnership management model to improve efficiencies and support for offshore partnership award programs. Central to the model is the appointment of partnership managers who undertake a broad project management role that includes monitoring key program-related activities, coordinating contractual matters, and acting as a primary point of contact for partner communications on matters such as RMIT policy and procedures. As well as the partnership manager appointments, key academic and administrative roles have been defined as part of this model.

During 2008, the first of the student and staff handbooks were drafted and trialed after extensive consultation with partners, colleges and academic service areas of the University. The handbooks are designed to enable offshore students and staff to use RMIT policies and procedures, thereby creating a more equitable environment for offshore students.

A new policy on offshore teaching models is in the first stages of implementation. The policy includes entry-level English language as well as the minimum percentage of a program that is delivered by RMIT staff (25 per cent for undergraduate and 50 per cent for postgraduate programs). This was conveyed to our partners via a regular newsletter which was introduced in 2008, and Colleges and the Global Business Development unit are working with partners to implement this policy.



More than 2,600 RMIT University students celebrated their achievements at graduation ceremonies in Singapore, Kuala Lumpur and Hong Kong.

RMIT English Worldwide

RMIT English Worldwide (REW), an arm of RMIT Training Pty Ltd, was established to support the University by providing English language training to international students for entry to tertiary study. In recent years, the business has expanded the scope of its activities into corporate and industry markets.

The core products of REW are English for Academic Purposes (EAP) for intending and potential tertiary students, and Concurrent English courses delivered in combination with selected RMIT diploma programs. EAP programs are conducted at the Melbourne Language Centre under the national ELICOS accreditation framework, as well as at partner institutions offshore. The Concurrent English program was introduced by REW in 2007 at RMIT Vietnam.

In 2008, the demand for study in Melbourne was higher than had been forecast. ELICOS revenue was \$12.3 million, representing a total of 34,793 weeks (2007: 21,527). New students totalled 1,856 (2007: 1,296).

China was the largest source of new students at REW Melbourne (839). A total of 247 students from Saudi Arabia purchased 9,360 weeks, many of whom were on government scholarship programs.

The other region to be well represented at REW Melbourne was Vietnam (138 students purchased 2,792 weeks). The increase from Vietnam was in response to changed visa conditions.

Revenue of \$1.8 million was recorded from sales to offshore partners in Vietnam, Thailand, China, Singapore and Saudi Arabia. The number of students participating in Academic English programs offshore was 7,925. In 2008, REW won a new contract in Saudi Arabia to provide Academic English training programs to students at King Fahd University of Petroleum and Minerals. In the September semester, 3000 students were enrolled in REW courses at King Fahd University.

More than 80 per cent of ELICOS students are on the pathway to RMIT University. Those students who enrol directly for ELICOS may, on completion of their language studies, continue to study in Australia at a tertiary institution, often RMIT.

REW also offers training to corporate clients from many regions of the world. The largest industry sector is aviation. The Aviation English program is a response to international regulation by the International Civil Aviation Organisation mandating English language proficiency for practitioners in member states of the United Nations. REW is regarded as the dominant supplier of Aviation English services internationally.

At the end of the year, 14,000 international aviation industry employees had taken the RMIT Language Test for Aviation, and the Aviation English training program had been implemented in 20 countries. In 2008, training and testing were delivered for more than 60 airlines worldwide. One thousand personnel from air navigation service providers in Saudi Arabia, Oman, the Netherlands, Italy and Brazil were trained or tested.



RMIT Vietnam

RMIT Vietnam has enjoyed rapid and continuous growth and development since it opened its doors in 2001. Both the number of students enrolled and the number of academic programs offered at RMIT Vietnam have continued to grow strongly. Between first semester 2007 and the final semester of 2008, for example, total enrolments grew from 2,899 to over 5,000.

Following 2008 graduations of 371 degree students, RMIT Vietnam now boasts 1,095 alumni who have studied in Ho Chi Minh City and Hanoi.

For the sixth year in succession, RMIT Vietnam received a Golden Dragon Award from the Vietnamese Government. This prestigious award is made to the top one per cent of foreign-invested enterprises in Vietnam for their contribution to the development of Vietnam's economy. The University was also awarded a Certificate of Merit from the Prime Minister of the Socialist Republic of Vietnam for RMIT Vietnam's contribution to the nation.

Also in 2008, RMIT Vietnam was awarded the Best Overall Business Excellence Award by the Australian Chamber of Commerce in Vietnam (AusCham), for the third consecutive year.

New academic programs in Accountancy, Business Information Systems and Professional Communication were launched during 2008. The already-established Information Technology program was substantially revamped and updated to recognise and respond to emerging needs.

With the aim of ensuring that the quality of programs and services continues to receive priority as RMIT Vietnam grows, a specialised unit was set up to address quality processes and systems and to provide advice to all programs on the development and achievement of quality standards.

An additional level of teaching and learning space in the Saigon South building was completed during the year. Construction also commenced on new sports and recreation facilities including 240-bed student accommodation. Consultants have been appointed to plan a second five-storey academic building to be located east of the main campus alongside the first academic building.

An RMIT Vietnam alumna was a first prize winner in AusCham's Young Starters Business Grant 2008. Ms Nguyen Thuy Tinh Ca and two teammates won US\$5,000 in funding for their 'Lovella One Stop Hair Shop' project aimed at the children's market.

Two RMIT Vietnam students majoring in Commerce, Nguyen Hoang Long and Ho Nhu Thao, won second and fourth prize in an English language contest organised by the University of Cambridge's English teaching program. Nguyen Hoang Long and the first prize winner will represent Vietnam in the Asian finals in Singapore against competitors from China, Malaysia, Thailand, Indonesia and Singapore. More than 900 Vietnamese university students and young professionals entered the competition.

RMIT Vietnam worked closely with industry in a number of key areas:

- » During the year, 566 intern opportunities were provided.
- » Forums of interest to the business community were conducted, including a presentation by KPMG's International Head of Corporate Citizenship and Diversity, Lord Michael Hastings.
- » An Industry Night was held featuring prominent local industry figures relevant to each of the four newest academic programs offered at RMIT Vietnam—Accountancy, Business Information Systems, Information Technology and Professional Communication.



His Excellency Nguyen Tan Dung, Prime Minister of Vietnam, presents a Certificate of Merit to Professor Margaret Gardner AO and Dr Michael Mann, RMIT Vietnam President.



Academics and official guests at RMIT Vietnam's Ho Chi Minh City graduation, including Professor Dennis Gibson AO (front row, third from left); Dr Michael Mann, RMIT Vietnam President; Bronwyn Pike, Minister for Education, Victoria; and Professor Margaret Gardner AO.

RMIT Vietnam also continued to meet its broader community responsibilities:

- » Full and partial scholarships were granted to students throughout Vietnam to study at the University. More than 150 full tuition scholarships were supported, including entry into new academic programs offering the potential for high employment growth. Each scholarship is worth more than VND276 million (US\$17,300).
- » Support was provided to the Ho Chi Minh City Women's Union for a HIV/AIDS awareness campaign.
- » The development of Learning Resource Centres in regional locations in Vietnam continued to be supported.

RMIT Vietnam remains focused on working to ensure that the University can continue to be an innovative and positive presence in Vietnamese education, with its role being not just a national one but a regional one—as the increasingly important Asian hub of RMIT University.



Three graduates of Le Hong Phong High School in Ho Chi Minh City were among those who received scholarship awards from RMIT Vietnam.

INDUSTRY ENGAGEMENT

RMIT University prides itself on the strong industry links it has forged over the University's 121-year history.



Professor Margaret Gardner AO addresses the RMIT Health and Community Services Forum held at the City campus in July.

RMIT's collaboration with industry is integral to its leadership in applied research and education, and to the development of highly skilled, work-ready, globally-focused graduates. The many facets of University engagement with industry include collaborative research projects, student placements, strategic alliances and industry guest lecturing.

Industry plays an important ongoing advisory role through the University's Program Advisory Committees (PACs). Every RMIT School has a range of PACs which are responsible for guiding the development of new VET and Higher Education programs and ensuring existing programs are relevant to industry requirements.

The University's commitment to work-relevant education is delivered through Work-Integrated Learning (WIL) and partnerships with industry. WIL is built into VET and Higher Education programs across the University and includes cooperative education, field placements, internships, simulated work experiences and collaborative research projects with industry. The RMIT International Industry Experience and Research Program supports the placement of students world-wide.

Hundreds of students across the University are also supported annually by industry through scholarships, awards and prizes. Academic staff engage with industry on multiple fronts including linkage research, secondments, positions on industry advisory groups and involvement in professional associations.

Strategic Approach

In 2008, RMIT built on its industry engagement strategy in support of the University's strategic vision of becoming Australia's first choice provider of work-relevant learning. The strategy identifies five broad industry sectors as areas of strength for the University and as the focus for advancing strategic partnerships in education and research:

- » aerospace and aviation
- » automotive
- » built environment, construction and infrastructure
- » health and community services
- » media and communications.

The broad aims of the strategy are:

- » to ensure high quality work-relevant education for students that leads to strong graduate outcomes
- » to build effective industry relationships supporting research and education services, leading to high quality applied research and education
- » to establish a limited number of strategic partnerships within key industries that lead to effective dialogue on research and educational opportunities.

A Gateway for Business and Industry to the University

RMIT's strategic industry engagement is supported centrally through its Global Business Development unit which provides expertise and support in identifying and managing education and training opportunities and building local and international partnerships. The group also works to identify potential partners that complement RMIT's strategic vision and educational goals, and provides services to the academic colleges encompassing market analysis and opportunity assessment, project development and contract negotiation.

The unit also deals with enquiries from the Industry and Business portal which is accessed from the front page of the RMIT website. This portal receives broad-ranging enquiries relating to research and product testing, opportunities for hosting students, and requests for collaborative projects. These queries are redirected to academic colleges and support areas, and where relevant the outcome is tracked.

AEROSPACE AND AVIATION INDUSTRY FORUM

Industry Engagement Initiatives

Internal network groups were set up in 2008 for each industry area. Open to all staff, the networks have been valuable in strengthening University capability in the five identified areas, drawing on University academics' wide range of experience and expertise. Approximately 200 academic staff participated in networks during the year.

In addition to capability building, the Health and Community Services network developed a new mechanism for industry engagement, 'Lunch with Industry', through which an industry leader is invited to present on key matters of significance to industry and of relevance to the University.

A key feature of industry engagement activity during 2008 was the industry forums which were conducted in the five designated industry areas. These annual events draw together a select group of senior business, government and industry executives to provide advice to the University on key issues and developments in the sector, and on industry requirements relating to research, education and graduate skills. The forums also give industry leaders the opportunity to discuss the range of challenges and trends impacting on their industry.

In September, an additional forum in the media and communications sector was held in Singapore in cooperation with transnational education partner, Singapore Institute of Management.

In October, the Vice-Chancellor hosted the third annual RMIT Aerospace and Aviation Forum, with representation from a wide range of government bodies and leading industry organisations.

Since the initial aerospace and aviation industry forum held in 2006, the attendees have consolidated and the events have made a significant contribution to the University's direction and activities in this vital industry area.

Outcomes are being driven by the RMIT Steering Group Aviation Project, a coordinated strategic response to advice received in earlier forums on critical industry needs. This group has identified seven key milestones including progression towards European Aviation Safety Agency and CASA 147 certification and the development of relevant educational programs and resources.



The 2008 forum highlighted a number of key research needs within the industry, including:

- » more efficient fuels
- » materials testing and development
- » the environmental impacts of airframes, air filters and engine maintenance
- » unmanned aerial systems.

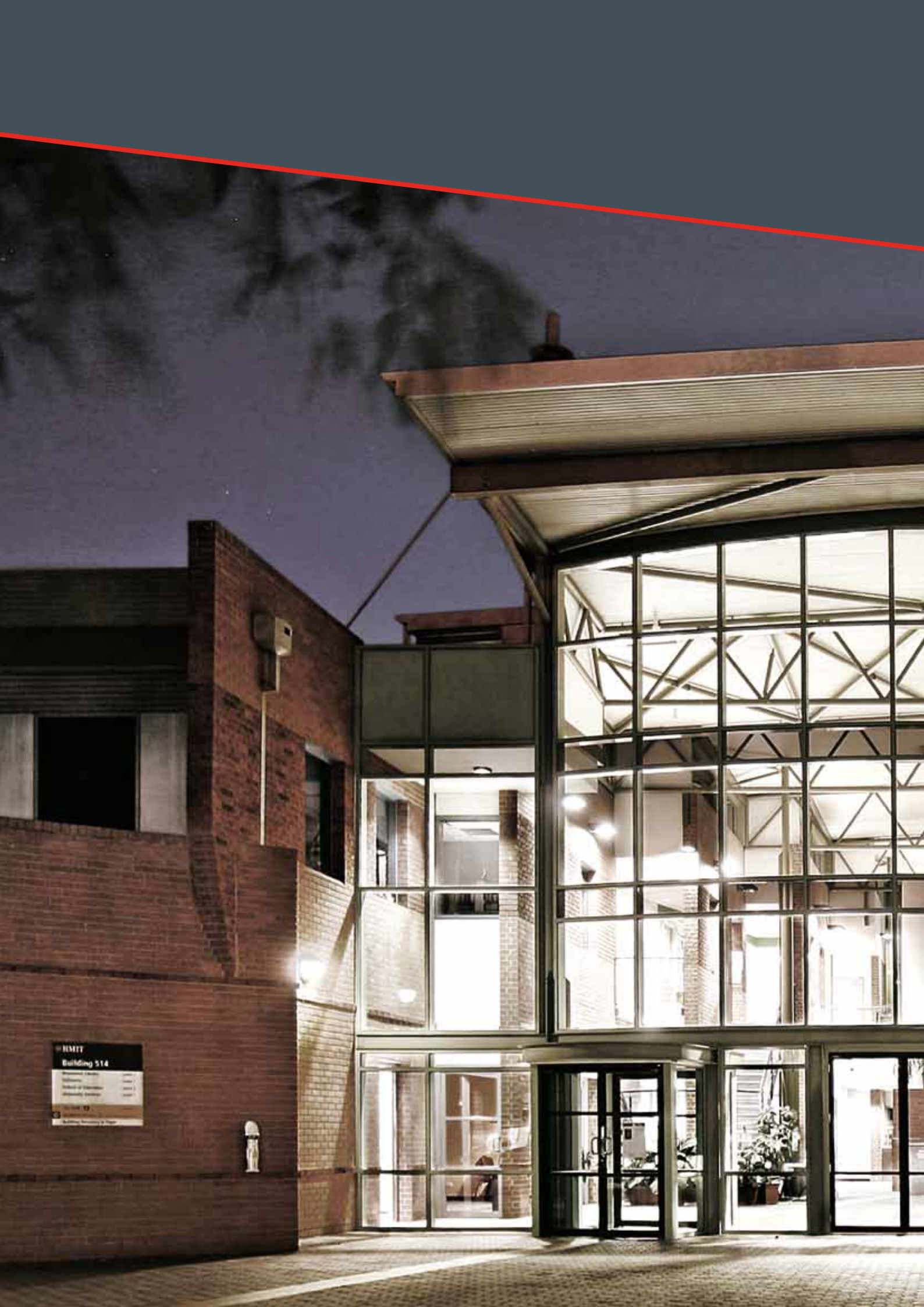
The implications of the global recession on the industry were also a pivotal part of the discussion.

Discussion on education needs included the training implications of new domestic aircraft, the need to make engineering studies more attractive to women to bring more women into the industry, and the importance for engineering graduates to have business acumen.

At the forum there was broad affirmation by attendees of the University's contribution to skills development and the overall competitiveness of the industry in Australia.

RMIT University students are leading the world through their pioneering design for a pilotless aircraft, set to be developed by leading Australian aeronautics manufacturer, Gippsland Aeronautics.

Pictured: The student design team (from left) Luke Sparkes, Sunny Chan, Dasun Wathiyage and Michael Saleh, with their design concept.



HMU
Building 514

Department of Business Administration	Room 101
Department of Computer Science	Room 102
Department of Information Systems	Room 103
Department of Marketing	Room 104

Building 514
Building, University of Houston

REVIEW OF ACTIVITIES



OUR STUDENTS

RMIT University continued to focus on strategies to support and enrich the student experience, and to identify and respond to emerging student needs and issues.

With the University's emphasis on achieving outstanding career outcomes, employability among both VET and Higher Education graduates remained high.

Figures for 2008 show that 85.9 per cent of RMIT's domestic HE students went into full-time employment after completing their qualifications, while 12.4 per cent were accepted into further full-time study. A further 5.5 per cent of RMIT HE students started their own business after completion of their study.

Among RMIT's VET graduates, 80.4 per cent found work within six months, 41.3 per cent moved into further study (compared to 32.1 per cent for all of Victoria) and 8.4 per cent started their own business.

The Student Experience

RMIT is committed to furthering the academic, personal and career development of its students and to promoting access to Higher Education and VET to people from diverse backgrounds. Initiatives and achievements included:

- » Expansion of online enrolments, with 40,124 students enrolling online for the 2008 academic year.
- » Enrolment of students studying at RMIT via Open Universities Australia on the central student administration system, reflecting an ongoing commitment to improving services to OUA students and resulting in increased study experience satisfaction levels for students remote from the University campuses.
- » Launch of a new website containing all RMIT policies, procedures and guidelines, leading to improved accessibility for students and staff.
- » Participation of 11,000 students in workshops to support personal and academic development.

» A new study and learning drop-in centre opened for Business students. Use of all the centres, which provide ready access to assistance in maths, science, language and study skills, increased by 13 per cent between 2007 and 2008. The Learning Lab website was further developed to incorporate discipline-specific resources. During 2008, the site had more than seven million hits.

» Completion of training and volunteer activities by more than 600 students as part of RMIT's LEAD program (Learn Engage Aspire Develop). Students undertook roles such as acting as peer mentors in academic courses, organising sports and social events, serving as student representatives on University committees or office-bearers in student associations, and assisting international students in their transition to tertiary study in Australia. The students were awarded an RMIT certificate officially recognising their valuable contribution to the University.

» Launch of the inaugural International Soccer Cup, comprising both male and female student teams (international and local). The event was attended by hundreds of students and staff.

» Invitation of more than 3,000 of RMIT's top 15 per cent of students (including more than 50 students based at RMIT Vietnam) to join the University's Chapter of Golden Key, an international academic honour society which recognises and supports scholastic achievement in all disciplines.

» Continued improvement of examination services for students. In 2008, more than 16,000 students sat their exams across multiple venues, totalling over 45,000 sittings in each semester.

RMIT's Careers Expo was held at Telstra Dome in March, attracting 130 employers and more than 2,000 final year and graduating students.



Kristian Clancy and Mary Catanchin, joint winners of RMIT Idol 2008, performed at the RMIT graduation event.

More than 5,200 students graduated at the University's graduation event at Telstra Dome on 17 December, with 7,000 awards conferred including 112 PhDs. The Managing Director of Toll Holdings Ltd, Paul Little, gave the keynote address and received an Honorary Doctorate for his outstanding contribution to the community. Kim Freeman, an RMIT alumnus from the International Studies program, gave the graduate address.

RMIT held its annual graduation parade in the morning prior to the conferring ceremony. The parade travelled along Swanston Street and was welcomed at Federation Square by the newly-appointed Lord Mayor, Robert Doyle.

Arts, Sport and Recreation

RMIT Union provides sport, recreation, arts and cultural programs for the RMIT community. A vibrant program of activities was delivered during 2008. Key achievements in sport and recreation included:

- » Formation of new netball and handball clubs, bring the number of affiliated clubs to 20. The clubs implement many of their own activities including competitions, coaching and community event participation.
- » Outstanding results achieved by the RMIT Redback team in the Australian University Games and Australian University Snowsports Championships. RMIT athletes received medals in a wide range of events.
- » Representation of RMIT by 198 athletes and 30 volunteers at the Southern University Games. RMIT fielded teams in 12 events and were declared overall winners for the first time.

The visual, performing and creative arts program provided many opportunities for students to showcase their talents with the support of professional staff from RMIT Union Arts and others within the University. The program's events and activities enabled students and the University to engage with a range of Melbourne cultural organisations and festivals. Following are some of the programs and achievements of 2008:

- » The Arts Council funded 36 projects submitted by individuals and student groups, with works ranging from theatre to art projections and sound installations.
- » The eighth annual RMIT Union Arts fashion and textiles exhibition was accepted into the L'Oréal Melbourne Fashion Festival Cultural Program. The exhibition entitled 37th Parallel featured a fusion of traditional textiles craftsmanship with contemporary design.
- » The New Collectables auction of student artworks held in December generated sales of over \$13,000 for 80 artists. The auction was held in RMIT's First State Gallery in the vaulted basement of Storey Hall, which has established a reputation as one of Melbourne's most innovative galleries for emerging artists and designers.

Other initiatives included the 17th annual Student Film Awards, professional development sessions in Arts Law Week and lunchtime lectures at Brunswick campus, exhibitions of art, sculpture and installations, a free cinema program, theatre and choir performances, and popular in-school performances of the RMIT Union Arts Kids Show.



With the support of RMIT Union, student James Millar recorded a top 10 place at the Disabled World Cup Skiing series.

Community Engagement

RMIT's Youth and Community Partnerships Group (YCPG) worked with secondary schools, local government and industry to deliver the Local Community Partnerships (LCP) project, a key element of the Commonwealth Government's Career Advice Australia initiative.

In 2008, the LCP team worked with the School of Health Sciences to design and deliver a Hands on Health program to 300 students from local secondary schools. The team also worked with industry and training partners to present the annual *Try a Trade* event, designed to raise awareness among Year 9 students of post-school pathways.

In a related activity, in 2008 YCPG took over management of the Northern Melbourne VET Cluster which comprises 33 secondary schools. Through the Group, RMIT sponsored the Northern Melbourne VET Awards which recognise the achievements of young people undertaking VET programs and school-based apprenticeships as part of their senior secondary certificate.

YCPG also worked with the Victorian Department of Planning and Community Development to deliver a mentoring project as a strategy for encouraging young people to re-engage with their communities and the education and training system.

Equity

RMIT remains committed to supporting and developing access programs for students from disadvantaged backgrounds. In 2008, the University promoted equity and diversity in a number of ways, including:

- » awarding \$5.9 million in equity scholarships
- » awarding 24 scholarships totalling \$136,000 funded through the Northcote Trust for students undertaking pathways from TAFE to HE to enable them to continue their studies
- » hosting two of the 31 National Disability Coordination Project Officers as part of a DEEWR-funded project to raise awareness of services and pathways available to support students with disabilities when moving from secondary school to further study or work.

An investigation was held into the academic outcomes of the 1,300 students admitted between 2002 and 2006 through the Schools Network Access Program (SNAP), which facilitates the entry into RMIT programs of disadvantaged students from designated secondary schools. The academic outcomes of SNAP students were found to be equivalent to those of students admitted by traditional ENTER score methods.



A BOLD NEW IDENTITY

In 2008, University Marketing focused on developing a new, more consistent approach to brand management.

A formal review of existing branding was completed in consultation with external brand specialists and internal stakeholders. The aim was to underpin RMIT's distinctive strengths and strategic vision through a clear and contemporary representation of the University.

The University's dynamic new identity was launched through an advertising campaign comprising a TV commercial, outdoor billboards and inventive ads on campus. Feedback from past, present and future students indicated that the advertising evoked a strong emotional response.

The new look enhances the way the University's print and other visual media represent RMIT, and clearly conveys our strategic direction and cultural values to students, partners and communities.

Promotional Activities

RMIT's Info Corner, which opened in 2007 on the high profile La Trobe/Swanston Street intersection, continued to offer a valuable source of information and a positive experience for growing numbers of prospective students who visit, phone or email the centre. With customer service enquiries increasing by 80 per cent during 2008, Info Corner has proved to be highly effective in the delivery of advice to people considering tertiary study.

The highest number of applications on record were received for mid-year places in postgraduate coursework and TAFE programs.

Open Day 2008 attendance was estimated at 38,000, despite inclement weather.

RMIT's outreach activities to secondary schools increased. The Student Recruitment team consolidated its relationships with secondary schools and met a sharp rise in requests for visits to or from RMIT. The team conducted 103 campus tours for 4,769 secondary school students, an increase of more than 30 per cent against 2007, and gave 33 off-campus presentations, 65 per cent more than in 2007.

The annual Career Advisors seminar recorded a very high rate of positive feedback from participants.

Indigenous Engagement

Now in its second year, RMIT's Indigenous Access Scheme aims to remove barriers and enable increased participation and access to further education. The scheme enables program selection staff and staff from the Ngarara Willim Indigenous Centre to meet with indigenous applicants in informal settings to discuss vocational options and provide information on programs, pathways and study choices, and continues to be successful in supporting indigenous applicants.

In 2008, the University promoted indigenous engagement by:

- » significantly increasing the participation of indigenous students in VET during 2008 (over 50 per cent of the Koori profile is now being delivered in mainstream programs, providing customised community delivery as well as pathways into specific vocational outcomes and further education)

- » providing 200 prospective students and their families from regional Victoria with free bus transport and accommodation for Open Day 2008 as part of the Koori Express initiative
- » launching the Keelbundoora Scarred Tree and Heritage Trail, a self-guided walk created to recognise and preserve the ecological and cultural significance of remaining vegetation on the Bundoora campus
- » conducting a study tour for indigenous students to the Philippines to investigate housing, education and environmental programs.



Members of RMIT's Indigenous Arts program and staff at the launch of the Keelbundoora Scarred Tree and Heritage Trail, as part of Reconciliation Week celebrations.

Student Diversity

All Students %	2004	2005	2006	2007	2008
HE					
Female	50	50	50	51	50
International	35	40	38	46	49
VET					
Female	50	50	50	46	47
International	14	15	14	12	11

By Age Group %	2004	2005	2006	2007	2008
HE					
Young people 15-19	9	9	11	11	11
Aged 20-24	47	48	48	50	51
Mature age 25-44	39	38	37	35	34
Mature age 45+	5	5	5	4	4
VET					
Young people 15-19	21	28	30	27	28
Aged 20-24	36	32	33	33	32
Mature age 25-44	33	32	30	32	32
Mature age 45+	9	9	7	8	8

Domestic Students %	2004	2005	2006	2007	2008
HE					
School leavers	43	44	50	51	48
Articulation from VET	20	21	21	19	20
Overseas born	21	21	21	21	21
Non-English speaking background	5	5	5	5	5
Rural/remote	11	10	10	11	11
Low socio-economic status	15	15	15	16	16
Aboriginal and Torres Strait Islanders	0.2	0.2	0.2	0.2	0.3
VET					
School leavers	22	15	NA	15	15
Overseas born	26	25	NA	25	27
Non-English speaking background	9	7	NA	8	11
Rural/remote	11	13	NA	16	16
Low socio-economic status	18	19	NA	17	18
Aboriginal and Torres Strait Islanders	1.7	1.8	NA	1.6	1.6

NA: Not available

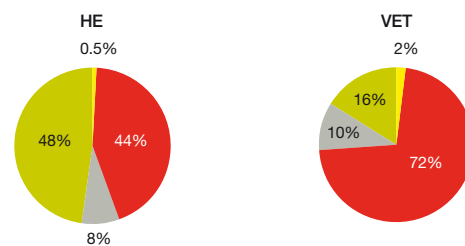
HE 2004 based on 31 March enrolments (Submission One)

HE 2005-2008 based on full-year data

HE 2008 enrolment preliminary data at January 2009

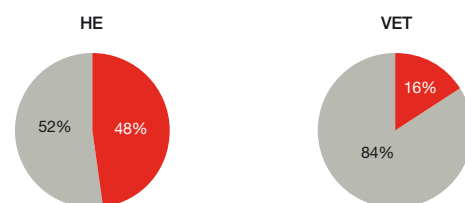
Students by Fee Type (load)

Broad Fund	HE % load	VET % load
Government-funded	44	72
Australian fee-paying	8	10
International	48	16
Other	0.5	2



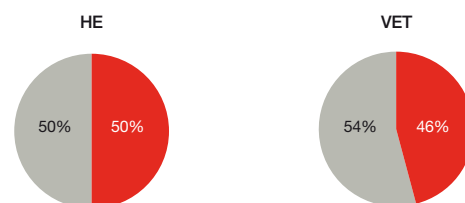
Students by Citizen-Resident Status

Citizen Status	HE % load	VET % load
International	48	16
Domestic	52	84



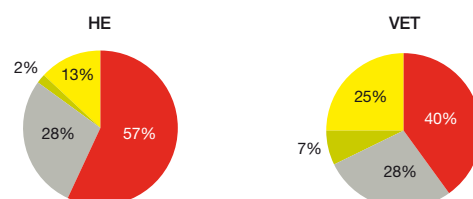
Students by Gender

Citizen Status	HE % load	VET % load
Female	50	46
Male	50	54



Students by Age Group

Age Group	HE % load	VET % load
Aged 20 - 24	57	40
Mature Age 25 - 44	28	28
Mature Age 45+	2	7
Young People 15 - 19	13	25



OUR STAFF

RMIT pursues priorities that support the attraction, development, reward and retention of staff who will embrace the future with energy and creativity and who are committed to focusing on the needs of students and partners.

In 2008, we built on the strong leadership culture and effective communication with staff established in recent years. The University strengthened recruitment and induction processes and enhanced staff engagement through projects aimed at reward and recognition.

Engaging with RMIT Staff

The 2007 Staff Survey provided invaluable feedback which formed the basis of local area action plans implemented in 2008, as well as process improvement projects which will enhance University-wide administration procedures.

Staff reward and recognition practices are being reviewed through a Workplace Productivity Program in partnership with Mercer Australia and the ATN Universities. The aim is to consider new pay and career options for academic and general staff which are aligned with their needs and with the strategic direction of the University.

A comprehensive staff wellness strategy reviewed existing programs and further activities which could be offered to support the achievement of wellbeing in the workplace and appropriate work-life balance.

RMIT were again named an EOWA Employer of Choice for Women. This citation publicly acknowledges our efforts in the area of equal opportunity for women in the workplace.

In September, RMIT hosted the 10th annual Clare Burton Memorial Lecture. The free public lecture on the topic 'Australian women: Still flourishing in a changing environment' was delivered by Professor Daniela Stehlik, Director of Curtin University of Technology's Alcoa Research Centre for Stronger Communities.

RMIT's objective of ensuring that its workforce profile reflects the communities in which it operates is given effect by a special focus on indigenous employment. The Indigenous Employment Strategy is aimed at recruiting and establishing career pathways for trainee, academic and professional indigenous staff.

Workforce and work units are supported through workforce planning strategies. This process is aimed at identifying workforce needs, staff development and succession planning opportunities by work areas.

Process Enhancement

Employment processes were reviewed during 2008 to introduce procedural efficiencies and enhance the employment experience for all staff.

A web-enabled recruitment management system, 'Page Up', was implemented to improve candidate support through a streamlined and accessible process.

The management of staff qualifications, registration and supervision records was documented and enhanced through system and process improvements.

A hazard and incident management and reporting system was developed and a trial implemented, leading to an enhanced health and safety environment.

Casual staff are a key group for the University and we have introduced a new, centralised process for the delivery of more effective payroll services, record administration and two-way communication.

Professional Development

Support for workplace health and safety, equity and diversity continued with all staff asked to participate in biennial training through online modules. All new staff complete these modules at induction.

The University successfully launched an Early Career Researchers Mentoring Program supporting 25 academic staff commencing their research careers.

Leadership development was supported through the 2008 Masterclass series for RMIT's 100 most senior executives and the launch of the Leaders Program for the next 300 most senior managers, demonstrating continued commitment to leadership development cascading to the middle management group.

The leadership framework has also included the delivery of the Diploma of Frontline Management.

The Open Program continued to offer professional development opportunities to all staff, focusing on key strategic priorities such as learning and teaching, research and service.

Induction processes were enhanced through the launch of a redesigned website, providing new staff members with a resource that will present timely, relevant and accessible information. Induction has been further supported through a new computer training course which introduces staff to essential University systems and processes.

The Deputy Vice-Chancellor (Academic), through the Educational Technology Advisory Group, has developed RMIT's E-Learning Advancement Program (REAP) in support of a key priority in the Academic Plan to improve the delivery of e-learning. REAP provides staff development opportunities and an e-learning resources website.

RMIT continued to support the development of senior female staff through engagement with the ATN Women's Executive Development Program and the implementation of a new shadowing program with partner organisations in which a number of RMIT staff participated.



From left: Professor Dennis Gibson AO, Mirna Bitar (Francis Ormond Medal), Patrick Robertson (Ralph McIntosh Medal), Professor Margaret Gardner AO.

Occupational Health and Safety

The focus throughout 2008 was on the development and implementation of the cornerstone policies and procedures of the University's health and safety management system. Building a strong health and safety culture through staff engagement and senior management leadership remains our top priority.

There was a 25 per cent increase in RMIT's workers' compensation insurance premium in the past year, due in part to an increase in the number of claims, but more particularly attributable to the increased cost of claims. Our employer performance rate remains slightly better than the industry average, but 'claims cost performance' has declined by 8 per cent. Psychological injury (31.8 per cent) and sprains/strains (31.8 per cent) account for the majority of claims by injury group.

The pilot of a new online hazard and incident reporting system was launched in 2008. Safety Suite supports our approach to injury prevention and is expected to increase the number of reported hazards and incidents.

The voluntary work carried out by health and safety representatives, wardens and first aiders was supported throughout the year through forums, training programs and recognition events.

The University reported 15 notifiable incidents to WorkSafe, of which eight resulted in WorkSafe visits, generally around hazardous material issues related to our significant building works program.

A stress and wellness strategy was endorsed focusing on injury prevention, injury management, return to work and psychological health.

RMIT continues to network with other universities through the Australasian Universities Safety Association and is embarking on a stress/wellness partnership strategy with other leading Victorian universities through AUSA.

	2005	2006	2007	2008
OHS incidents reported	337	334	390	381
Lost-time injury frequency*	3.93	2.55	3.75	4.99

* Number of lost-time injuries recorded per million hours worked

Employment Statistics

Staff Type	Total FTE*		Female FTE*		% Female	
	2007	2008	2007	2008	2007	2008
Academic (HE)	1,050.1	1,123.1	390.6	436.3	37.2	38.9
Teaching (VET)	483.8	508.5	217.9	224.5	45.0	44.1
Executive	88.3	84.2	30.3	31.0	34.3	36.8
General	1,714.7	1,814.0	1,038.9	1,107.1	60.6	61.0
Total	3,336.9	3,529.8	1,677.7	1,798.9	50.3	51.0

*FTE: Full-time equivalent (two people both working 0.5 time fraction = 1 FTE)

Staff-Initiated Turnover %	2005	2006	2007	2008
Less than three years' service	20	13	12	13
Greater than three years' service	7	6	7	5
Total	10	7	9	8

New Staff Recruitments (2008)	Female	%	Male	%	Total
Academic (HE)	103	49	107	51	210
Teaching (TAFE)	41	45	51	55	92
Executive (HE and TAFE)	1	33	2	67	3
General (HE and TAFE)	237	64	132	36	369
Total	382	57	292	43	674

Figures have been rounded. Data as at 31 December 2008.

ACADEMIC LIFE



RMIT graduation event at Telstra Dome.

In 2008, RMIT made significant contributions to the four learning and teaching objectives of its Academic Plan 2006-10:

- » producing work-ready graduates with a hunger for lifelong learning
- » ensuring student satisfaction
- » providing a global passport for students and graduates
- » maximising RMIT's dual-sector advantage.

Satisfied Students and Work-Ready Graduates

The principle of 'learning by doing' underpins RMIT's approach to teaching and learning. This received a boost in 2008 with the adoption of RMIT's Work-Integrated Learning (WIL) policy.

The policy extends work-based learning experiences, already a feature of most of RMIT's programs, to all offerings. Students engage with industry problems that are designed, and often supervised by, industry practitioners in partnership with the University. In this way, students develop a practical knowledge of their profession and build a broad range of graduate capabilities.

This new policy will strengthen RMIT's already enviable reputation for strong graduate employability outcomes.

Providing graduates with a global passport to learning and work is a distinctive feature of the RMIT experience. To enhance student, academic and industry linkages between Vietnam and Melbourne, an International Work-Integrated Learning Hub was established in 2008 at the Ho Chi Minh City campus with support from RMIT's Learning and Teaching Investment Fund.

Over 100 students from Melbourne participated in a range of projects that enabled them to understand the challenges facing this emerging economy and contribute to positive change by collaborating with Vietnamese industry and students. Projects included research into the environmental and social impacts of urban development in Vietnam, and partnering with Architects Without Frontiers to develop housing plans for homeless youth in central Vietnam.

In a further move in support of the global passport concept, RMIT confirmed the international recognition status of its programs. The resource developed as part of this project provides students with more information on how their qualification can be used to pursue global employment opportunities.

The University continues to strengthen its dual sector advantage by increasing the opportunities for students to develop industry-relevant practical skills as part of their degree program by taking VET courses as electives. The electives focus on areas where skills shortages exist nationally, such as construction management and community services.



RMIT is committed to providing students with international work-integrated learning opportunities.

In 2008, 35 students from the Melbourne and Vietnam campuses undertook a three-day study tour in Ho Chi Minh City as part of the Master of Project Management program. Students worked with local engineers to study the design and construction of the 705 metre Phu My Hung cable bridge that spans the Saigon River. Experiencing first-hand how construction projects are managed in developing countries proved to be an invaluable experience for the students.

Teaching Achievements

RMIT's commitment to improved student learning outcomes was demonstrated through a range of initiatives to encourage and reward innovation in teaching practice. Student satisfaction with learning and teaching continued to improve this year, highlighting the success of these efforts. Further work is planned in 2009 to accelerate this improvement.

Supporting innovation in learning and teaching continues to be a priority. In 2008, RMIT's Learning and Teaching Investment Fund (LTIF) received over 160 applications, from which 36 projects were approved for a total allocation of \$1.3 million. This highlights the enthusiasm of RMIT staff to undertake projects to improve the student experience in areas such as e-learning, dual sector qualifications, work-integrated learning and global mobility.

One of the ways in which the University recognises, rewards and celebrates excellence in teaching practice and support services is through the University Teaching Awards. This year, 56 outstanding teachers were recognised through group and individual RMIT Teaching Awards and Certificates of Achievement.

In 2008, RMIT emerged as Victoria's top university in the Australian Learning and Teaching Council's annual awards, receiving nine Citations for Outstanding Contributions to Student Learning.

RMIT also made a strong contribution to Australia's national learning and teaching research agenda by successfully partnering with the ALTC on five projects including virtual learning and enhancing student engagement. The University's specialist expertise in teaching and learning was also evidenced through participation in two national research projects that identified indicators and outcomes of teaching quality and enhanced leadership capacity within universities.

Library

Reflecting changing student demand and study practices, the focus of RMIT's Library has moved increasingly to providing e-resources in technology-enabled spaces that promote communication and collaboration. The continued popularity of these spaces and e-resources has allowed a reduction in space-hungry paper collections, and further space is being converted to these new uses.

As a result of ongoing renovations and improved facilities, the declining trend in patronage at Library sites reversed, with door count figures increasing by more than three per cent in 2008. To accommodate this growth and changing study patterns, Library hours were extended.

In 2008 the Library spent \$6 million on acquisitions including books, e-books, journals, databases and audiovisual resources. Sixty per cent of this expenditure was on e-resources, focusing on those that allow offshore access to support RMIT's status as a global university of technology with a significant transnational presence.

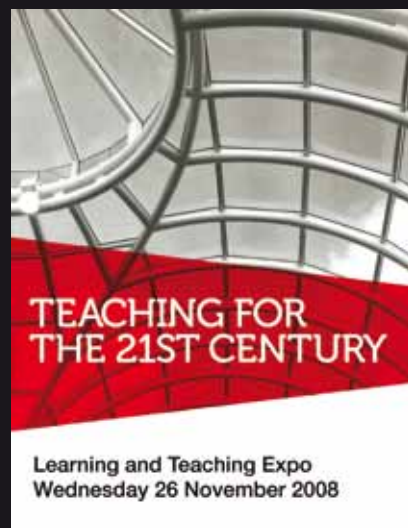
The Library was involved in two major digital repository projects: the Learning Content Management System (for RMIT media objects) and the Institutional Research Repository (for research publications produced by RMIT academics).

The combined effect of these initiatives has built on strong student satisfaction with library services which was further improved in 2008.

E-Learning

An important goal of the RMIT Academic Plan is improving e-learning and the use of information and communication technology to support student-centred active learning.

In 2008 there was a significant increase in the use of e-learning across the University as a result of RMIT's E-learning Advancement Program (REAP). This year the program focused on enhancing student experience through contemporary online learning that is self-managed and tailored for the individual learner.



Over 300 students and staff attended RMIT's inaugural Learning and Teaching Expo, *'This is tomorrow calling: Teaching for the 21st Century'*, in November.

The Expo brought together a diverse range of speakers in workshops, debates and presentations on topics ranging from e-portfolios to academic transition.

The Expo showcased projects funded through the LTIF and launched the new Learning and Teaching website which provides easily accessible resources to support good teaching, including examples of innovative, learner-centred practice by RMIT staff.

The day also featured an introduction by performer and RMIT lecturer Tim Ferguson, a panel session on Generation Y expectations, and a debate on the use of PowerPoint in teaching and learning.

The major e-learning achievements for 2008 were:

- » increased access to online educational content via Lectopia (over 2,500 web-based lecture recordings), and streaming and downloadable media through RMIT's online learning environment (nearly 80,000 downloads by RMIT students)
- » enhanced student-to-student and student-to-teacher interaction through the systematic deployment of educational blogs (reflective journals) and wikis (collaborative workspaces) within the online learning environment
- » staff development and support in the application of educational technologies
- » student induction to online learning environments.

RMIT AWARDS



From left: Professor Dennis Gibson AO, Dr Nigel Dick AM, Dr Phillip Law AC, Dr David Tinworth and Dr William Belton AM, Professor Margaret Gardner AO.



Dr Paul Little, Managing Director of Toll Holdings Ltd, speaking at RMIT's graduation event in December.

Honorary Degrees

- Dr Phillip Law AC**
Doctor of Applied Science *honoris causa*
- Dr David Tinworth**
Doctor of Applied Science *honoris causa*
- Dr Nigel Dick AM**
Doctor of Communications *honoris causa*
- Dr William Belton AM**
Doctor of Engineering *honoris causa*
- Dr Paul Little**
Doctor of Business *honoris causa*
- Dr Michael Mann**
Doctor of Education *honoris causa*

Australian Learning and Teaching Council Citations

The following RMIT staff were awarded Citations for Outstanding Contribution to Student Learning from the Australian Learning and Teaching Council:

Mr Adrian Miles
(School of Applied Communication)
For using powerful new media technologies to enhance the student experience of learning and for innovative assessment practice.

Mrs Lee Anton-Hem
(School of Medical Sciences)
For developing and applying approaches to teaching that inspire excellence, passion and enthusiasm, cater for individuality, and provide positive modelling for undergraduate physical education teachers.

Dr Andrea Chester
(School of Health Sciences)
For sustained commitment to the innovative application of educational technology and for fostering a related research community.

Dr Danilla Grando
(School of Applied Sciences)
For innovative courseware development that fosters engagement and excitement and enables students to build self-confidence, industry-readiness and teamwork skills.

Dr Fiona Peterson
(School of Creative Media)
For the development of innovative curriculum incorporating virtual teamwork and collaboration with industry world-wide that prepares graduates for new leadership roles in the global networked environment.

Dr James Lewis
(Graduate School of Business)
For sustained, innovative teaching of MBA students, with an emphasis on integrating personal values, ethical decision-making and social responsibility in their negotiation and influence experiences.

Dr John Reece
(School of Health Sciences)
For more than a decade of motivational, inspirational and committed teaching of psychology students, particularly in the challenging areas of research methods and data analysis.

Dr Lisa French, Mr Leo Berkeley, Dr Jenny Weight, Ms Rachel Wilson, Mr Geoff King, Mr Bruce Berryman, Ms Kyla Brettle, Mr David Carlin, Dr Adrian Danks, Dr Rebecca Hill, Mr Seth Keen, Mr Peter Kemp, Mr Paul Ritchard, Mr Allan Thomas and Ms Christine Rogers
(School of Applied Communication)
For the collaborative delivery of a program that enhances student knowledge through integrating process-based learning with practice and fostering links between pedagogy and industry.

Associate Professor Barbara De La Harpe
(College of DSC)
For specialist expertise and leadership in professional development support for academic staff and the scholarship of teaching and learning aimed at enhancing student learning.



From left: Professor Margaret Gardner AO, Dr Lisa French, Lucy Permezel (daughter of the late Ian Permezel).

Ian Permezel Memorial Award

This new award is to be presented annually to an early career researcher to enable the presentation of a paper at an overseas conference.

The award commemorates the memory of Ian Permezel, whose association with RMIT extended over 40 years including 20 years as a member of RMIT Council and more than 10 years as a member—and later Chair—of the RMIT Foundation Board.

The inaugural winner was Dr Lisa French (School of Applied Communication) for excellence of research and commitment to developing worldwide links in Media and Cinema Studies.

Staff and Student Awards

Institute Award: Highest prize for student achievement (HE)

David Opar, Bachelor of Applied Science (Human Movement) graduate, and James Sanders, Bachelor of Business (Entrepreneurship) graduate

Institute Award: Highest prize for student achievement (TAFE)

Robyn Matthews, Diploma of Financial Services (Conveyancing) graduate

J N McNicol Prize, for outstanding academic record in an undergraduate degree

Justin Woolley, Bachelor of Engineering (Aerospace Engineering) graduate

Patricia Guthrie Memorial Award, recognising outstanding female students for academic excellence, social awareness and involvement in community affairs

Leyla Acaroglu, Bachelor of Social Science (Environment) graduate

Beazley Award, for excellence as an apprentice

Fabrice Polydor, Printing graduate

Francis Ormond Medal, to a staff member who has served the University with distinction or given meritorious service

Mirna Bitar (Academic Registrar's Group)

Ralph McIntosh Medal, for outstanding service to students

Patrick Robertson (School of Business (TAFE))

Teaching and Research Awards

Vice-Chancellor's Distinguished Teaching Award

Associate Professor Heather Fehring, School of Education

Vice-Chancellor's Award for Research Excellence

Professor Gavin Wood (School of Global Studies, Social Science and Planning)

Vice-Chancellor's Early Career Research Award

Dr Simon Feeny (School of Economics, Finance and Marketing)

Teaching Award Winners

Teaching Award Winners	Category
Mr Allan James Thomas	Humanities and the Arts (including Design)
Dr Rajendra Mulye	Law, Economics, Business and related studies
Miss Rosalea Monacella	Physical Sciences and related studies
Associate Professor SueAnne Ware	Physical Sciences and related studies
Ms Narelle Lemon	Social Sciences (including Education)
Dr Martin Dick, Mr Maurice Abi-Raad, Mr Arthur Adamopoulos, Ms Francisca Adamopoulos, Mr Tim Bradshaw, Mr Vince Bruno, Mr Christopher Cheong, Dr France Cheong, Mr Bill Davey, Professor Hepu Deng, Ms Glenys Grob, Ms Kathy Henschke, Mr Vic Kamay, Mr John Lenarcic, Miss Audra Lukaitis, Mr Stasys Lukaitis, Mr Patrick Poppins, Dr Pradip Sarkar, Mr Ian Searle, Mr Ian Storey, Mr Hendry Susilo, Dr Hossein S Zadeh, Ms Georgia Katounas, Ms Marie St Anne and Ms Dominique Wong	Team Teaching
Mrs Helen Corney	TAFE Outstanding Teacher of the Year
Mr Rudy Drew	TAFE Outstanding Teacher of the Year
Mrs Gita Pendharkar and Mr Sukhvir Singh Judge	TAFE Initiative of the Year
Associate Professor Andrew Wootton	Assessment and Feedback
Dr Anthony Bedford	First Year Experience
Mr Bruce Partland	Flexible Teaching and Learning
Dr Marg Liddell, Ms Irene Pagliarella and Ms Karen Linstrom	Innovation in Curricula, Learning and Teaching
Mr Geoff Pearson	Early Career Academic
Dr Jie Li	Early Career Academic
Mr Glen Donnar	HE Sessional

Certificates of Achievement

Certificates of Achievement	Category
Dr Kouros Kalantar-Zadeh	Physical Sciences and related studies
Associate Professor Tom Molyneaux, Associate Professor Margaret Jollands and Dr Liam Ward	Physical Sciences and related studies
Ms Nicky Carr	Social Sciences (including Education)
Dr Lynnel Hoare	Social Sciences (including Education)
Mr Marko Dumovic	TAFE
Ms Stephanie Holt	TAFE
Mrs Jill Powell	Educational Partnerships and Collaborations
Dr Andrea Chester, Mr Rick Ryan, Dr Sophia Xenos and Mr Peter Saunders	First Year Experience
Ms Anne-Marie Christensen	First Year Experience
Ms Leanne Zilka, Mr John Cherrey, Mr Graham Crist, Mr Israel Herzberger, Professor Kosmas Smyrnios, Dr David Gilbert, Professor Adrian Mouritz, Dr Michael Bannister and Adjunct Professor Floreana Coman	Innovation in Curricula, Learning and Teaching
Mrs Lila Kemlo, Mr Rodney McCrohan, Ms Ruby Lee and Ms Mary Kerstjens	Innovation in Curricula, Learning and Teaching
Dr Peter Robinson	Higher Education Sessional

RESEARCH AND INNOVATION

In 2008, RMIT University continued to focus on enhancing the quality and extent of its research and research training activities.

The ongoing development of the four RMIT Research Institutes has been important, targeted at expanding our research capacity in designated areas. Improved outcomes in securing national competitive grant funding have been achieved in all research areas. RMIT conferred 181 doctoral degrees in 2008.

Research Institutes

GLOBAL CITIES RESEARCH INSTITUTE

During 2008, the Global Cities Research Institute built upon a strategic focus which involved engagement with key partners from across the public and private spheres, ranging from local to global institutions, associations and corporations. In each case – global, national, state and local – the Institute concentrated on selected partners with a view to developing strong and productive collaborations leading to funded research projects which will solve identifiable problems.

RMIT, under the auspices of the Global Cities Institute, continued to host the only UN international secretariat in Australia, the United Nations Global Compact Cities Programme. During 2008, the Institute remodelled the Cities Program's approach and began an 'indicators project' which promises to be unique in bringing together, and effecting outcomes from, collaborations from across the world.

Based on the work of the Global Cities Institute, RMIT was named as a UN-Habitat University, the only such university in South-East Asia and Australasia.

In Vietnam, Ho Chi Minh City is a key focus and continues to be an important emphasis of the Institute. Partnerships developing during 2008 include the Vietnam Academy of Social Sciences and the Vietnam Green Building Council, with significant visits to Melbourne occurring from both institutions through grants from the Australian Government and elsewhere.

Partnerships intended to further RMIT's engagement in Shanghai were initiated with a visit by the Shanghai Academy of Social Science.

Victorian Government engagement was directed to the Department of Planning and Community Development and the Department of Sustainability and Environment concerning questions of sustainability indicators, sustainable development and resilience.

The Institute worked with the City of Melbourne in developing a new planning strategy for inner Melbourne titled 'Future Melbourne'. In 2008, a Memorandum of Understanding was signed between RMIT and the City of Melbourne to establish a strategic partnership with the Global Cities Research Institute focused on the future planning of Melbourne.

Throughout 2008, the Institute extended a presence and profile in the area of globalisation, urban infrastructure, human security and climate change adaptation which has enabled RMIT to forge new partnerships and research linkages with greater weight and depth than has previously been possible in these areas. The profile has been built rapidly and provides a foundation for future research growth.

RMIT PLATFORM TECHNOLOGIES RESEARCH INSTITUTE

The objective of the Platform Technologies Research Institute is to take a leading role in the integration of smart materials and systems into technology platforms for future industry requirements. The Institute is structured around four programs: Nano Materials and Devices, Security and Safety, Intelligent Industrial Information Technologies and Sports Engineering Technologies (SportzEdge), which in turn support a number of research projects.

2008 was the initial year of operation for the Institute, with strong progress being achieved in meeting its objectives. Research has contributed significantly to RMIT's ARC grant successes, with Institute staff obtaining seven Discovery grants and six Linkage grants.

Since its launch, the Institute has been engaged with relevant local and global industries to address significant research questions and technological challenges. The hosting of forums with industry participants has exposed research challenges and led to collaborative engagement.

A major forum on Distributed Electrical Energy examined problems and complexities in electrical power systems created by the introduction of diverse and geographically distributed renewable electrical energy sources. The Institute is exploring a research response to many of the problems to be identified in delivering these distributed energy systems.

The Platform Technologies Institute also hosted an international sports technology forum which examined science and engineering trends in the \$600 billion global sports industry. The 'Global Trends in Sports Products Customisation Forum' brought together expertise from around the globe on topics ranging from the functional design of running shoes to the customisation of sports surfaces, leading to research collaboration with several major sports product companies.

RMIT HEALTH INNOVATIONS RESEARCH INSTITUTE

Following commencement of operations in January, the Health Innovations Research Institute capitalised on existing institutional strengths to build increased research and translation capacity in identified areas of socio-economic health burden, including cardiovascular diseases, insulin resistance and diabetes, obesity, arthritis, mental health disease and stroke.

The Institute had considerable success in research grants, attracting funding totalling more than \$2 million. In particular, the Chinese medicine program was awarded four NHMRC grants and a \$200,000 grant from the National Institute for Complementary Medicine.

RMIT DESIGN RESEARCH INSTITUTE

The Design Research Institute was launched in March by the Hon. Gavin Jennings, Minister for the Environment, Climate Change and Innovation, together with the Chairman of the UK Design Council, Sir George Cox.

The Institute comprises more than 120 researchers fostering speculative and applied project-led research and expertise in trans-disciplinary design. Its key themes are Customising Space, Rapid Manufacture, Geoplaced Knowledge, Intervention through Art, and Urban Liveability

In 2008, Institute staff were awarded four ARC Discovery and Linkage grants.

Significant research collaborations have been established with institutions including the Royal College of Art (UK), London College of Communication, ETH Zurich, Loughborough University (UK), Universitat Internacional de Catalunya (Spain), Massachusetts Institute of Technology, AUT University (NZ) and the University of Toronto.

Research projects and partnerships established in 2008 include:

- » Application of intelligent garment design and manufacture to sports garments for elite international competition (with the US Ski and Snowboard Association)
- » Investigation into optimum learning environments (with Lyons Architects)
- » Urban public art and building reuse (with the Cities of Melbourne, Knox and Dandenong)



RMIT has developed its position in traditional Chinese medicine research and education to one of international leadership. The University's Chinese Medicine Division is designated as a World Health Organization Collaborating Centre for Traditional Medicine.



Professor Robert Baines of RMIT's Design Research Institute won the prestigious International 2008 Friedrich Becker Prize for jewellery.

The judges at the Deutsches Goldschmiedehaus in Germany said, in their unanimous verdict, that Robert's work demonstrated: "...the high quality of handcrafting and the impressive artistic quality, the idea of treating jewellery as an architectonic landmark, giving it a visual rhetoric by means of a deconstructive form shows that jewellery can have an independent, self confident role in the 21st century."

Research Grants

During 2008, RMIT was awarded ARC funding of \$7,182,754 through the Discovery and Linkage programs for fundamental and applied research projects.

Also during 2008, RMIT researchers were awarded more than \$1.7 million in NHMRC funding for projects beginning in 2009.

ARC Linkage Grants for RMIT Research Projects

Funding Year	Funded	ARC Funding	Industry Collaboration
2009 Round One	5	\$959,723	\$1,514,192
2008 Round Two	7	\$2,284,003	\$3,982,469

ARC Discovery Grants for RMIT Research Projects

Funding Year	Funded	Total Funding
2009	14	\$3,939,028

Funding for RMIT NHMRC Projects

Funding Year	Funded	Total Funding
2009	6	\$1,776,145

Higher Degree Research Activity	2004	2005	2006	2007	2008
HDR enrolments ¹	1,740	1,702	1,687	1,612	1,621
HDR EFTSL ¹	1,096.7	1,126.6	1,102.5	1,064.0	1,053.7
HDR award program completions	253	215	253	261	N/A

Research Publications Data	2004	2005	2006	2007	2008
HERDC weighted research publications	1,080	1,176	1,205	1,213	N/A

¹ 2008 HE enrolments and EFTSL based on preliminary data as at January 2009

N/A: Not yet available

Building Capabilities in Research

Further attention was given in 2008 to providing support for RMIT's researchers to undertake research at the highest levels. Support measures include early career researcher grants, research leave awards, career interruption fellowships and a research mentoring scheme.

An enlarged program of seminars supporting applications for research funding and establishing a research career was offered. The University's post-doctoral fellow program continued to provide opportunities for schools to recruit research-only staff with a view to a longer-term academic career at RMIT.

The University subscribed to the Community of Science Funding Opportunities database, to complement the existing Sponsored Programs Information Network subscription, enabling researchers to undertake targeted searches world-wide for research funding opportunities.

2008 saw the introduction and launch of a University-wide online induction program for commencing research students. The Graduate Certificate in Research Commercialisation was chosen by the Cooperative Research Centres Association of Australia for CRC research students to upgrade their commercialisation skills.

The Learning Employment Aptitudes Program continued to be a success, with 171 RMIT research students enrolled. Professional development programs for research degree supervisors continued to spread across the University, with 1000 participants in all programs.

Research Partnerships

In 2008, RMIT actively engaged with industry and government, providing relevant knowledge, advice and technology with a range of partners.

A number of mechanisms are used to engage with industry, including direct industry research and technology transfer, ARC Linkage grants and State and Federal initiatives.

RMIT is a partner of nine Cooperative Research Centres and is engaged with the Victorian Government's Science, Technology and Innovation Program.

The four RMIT Research Institutes provide a strong research capacity which is being accessed by industry. The Institutes, together with the RMIT Research Centres, have developed strong relationships in industry and government. The Centres for Design and Global Sustainability, Microelectronics and Materials Technology Centre, Rheology and Materials Processing Centre, Sir Lawrence Wackett Centre for Aerospace Design Technology and Centre for Applied Social Research continued to work closely with industry to solve critical problems.

International Alliances

Vietnam

The RMIT/Vietnam Research Partnerships Program was strengthened in 2008 when more students joined the already successful cohort of postgraduate students undertaking research through partnerships with Nong Lam University, Hanoi University of Education, and Hanoi and Ho Chi Minh City Universities of Technology. Discussions continued with Thai Nguyen University.

The students undertake their research in Vietnam and Australia under a formal student scholarship agreement between RMIT and the Vietnam Ministry of Education and Training.



Eminent Indian scientist Professor CNR Rao came to Melbourne as a Visiting RMIT Fellow.

India

RMIT strengthened its research links with India through the signing of an agreement with the Indian Institute of Chemical Technology. The partnership recognises the mutual benefits to be gained from greater collaboration in research and research training through the establishment of a joint PhD training program under the overarching theme of environmental science and technology, as well as a joint research laboratory.

IICT and RMIT have mutual interests and strong capabilities in these areas which are relevant to the national priorities of both institutions.

A Memorandum of Understanding was signed between RMIT and the University of Rajasthan's Centre for Converging Technologies in Jaipur, with the aim of establishing closer links and developing collaborative research and training in the areas of:

- » biotechnology
- » bio-nanomaterials and technology
- » informatics
- » environmental chemical sciences
- » climate change

The partnership is to include a joint PhD program and collaborative research by teams from both Institutions.

ACADEMIC SCHOOLS

RMIT University offers programs of study in 25 schools across three colleges:



Thousands watched as RMIT graduands paraded through the centre of the city to Federation Square.

College of Business

School	Head of School
Accounting and Law	Associate Professor Kevin Adams
Business Information Technology	Professor Brian Corbitt
Business (TAFE)	Mr Dale Williams
Economics, Finance and Marketing	Professor Tony Naughton
Graduate School of Business	Professor John Toohey
Management	Associate Professor Sandra Martin

College of Design and Social Context

School	Head of School
Applied Communication	Ms Lauren Murray
Architecture and Design	Professor Richard Blythe
Art	Professor Elizabeth Grierson
Creative Media	Professor Peter James Smith
Design (TAFE)	Mr Hendrikus Berkers
Education	Professor Annette Gough
Fashion and Textiles	Mr Keith Cowlishaw
Global Studies, Social Science and Planning	Professor Bruce Wilson
Property, Construction and Project Management	Professor Ron Wakefield

College of Science, Engineering and Technology

School	Head of School
Aerospace, Mechanical and Manufacturing Engineering	Professor Aleksandar Subic
Applied Sciences	Professor Suresh K. Bhargava
Civil, Environmental and Chemical Engineering	Professor John Buckeridge
Computer Science and Information Technology	Professor Heiko Schroder
Electrical and Computer Engineering	Professor Ian Burnett
Engineering (TAFE)	Mr Peter Ryan
Health Sciences	Professor Ken Greenwood
Life and Physical Sciences	Ms Cheryl Underwood
Mathematical and Geospatial Sciences	Professor John Hearne
Medical Sciences	Professor Harry Majewski

Through RMIT's adjunct professors program, eminent people are invited to become involved in teaching and research at the University. This helps to strengthen RMIT's links with industry, community and government, and provides our students with exposure to people who are leaders in their respective fields.

Adjunct Professorial Appointments 2008

School	Name
Applied Sciences	Associate Professor Colin Rix
Applied Sciences	Dr Karl Foger
Applied Sciences	Dr Tomas Kron
Applied Sciences	Dr Quoc Vong Nguyen
Applied Sciences	Professor Shankar Lal Kothari
Architecture and Design	Mr Bart Brands
Architecture and Design	Professor Ian McDougall
Civil, Environmental and Chemical Engineering	Dr Carlos Tiu
Civil, Environmental and Chemical Engineering	Dr Melita Stevens
Creative Media	Dr Michael Coyne
Education	Dr Helen McGrath
Electrical and Computer Engineering	Dr Leslie Berry
Electrical and Computer Engineering	Professor Jae Jeong Hwang
Global Studies, Social Science and Planning	Dr Tony Wilson
Global Studies, Social Science and Planning	Professor Susan J. Smith
Global Studies, Social Science and Planning	Professor Kenneth Good
Global Studies, Social Science and Planning	Dr Yoland Wadsworth
Global Studies, Social Science and Planning	Mr Mike Salvaris
Health Sciences	Professor Douglas Boer
Health Sciences	Professor Ka Kit Paul Hui
Health Sciences	Professor Colin Martin
Mathematical and Geospatial Sciences	Associate Professor Basil De Silva
Mathematical and Geospatial Sciences	Professor Iain Gordon
Medical Sciences	Dr Peter Little
Centre for Design	Mr Timothy Grant

Emeritus Professorial Appointments 2008

School	Name
Applied Sciences	Emeritus Professor Gregory Tannock
Applied Sciences	Emeritus Professor Neil Furlong



COLLEGE OF BUSINESS

In 2008, the College of Business gave a particular focus to developing its physical infrastructure and to the development of organisational leadership and capacity.

Infrastructure Development

Professor Gill Palmer joined RMIT as Pro Vice-Chancellor (Business) in time to take part in the selection of the architects for the Swanston Academic Building which will be the new home for the College of Business. Lyons Architects were chosen for their innovative design suggestions and for their detailed plans for consulting with the building's users.

Throughout 2008 many consultative meetings took place with College teaching and research academics, and workshops were held on innovative teaching with the University consultant, Professor Peter Jamieson. Strong teams formed comprising College staff, the architects and RMIT Property Services, supported by the University's Learning Spaces Advisory Group. The developing designs were widely praised in the consultative meetings that were held for wider industry and university audiences.

Renovations to the historic Emily McPherson Building began during the year. Changes were made to enable the Juris Doctor program to be located in the building with the MBA and Executive MBA programs and the Graduate School of Business. The Ethel Margaret wing will provide prestigious learning and teaching spaces for these and other postgraduate College of Business programs.

Work also commenced on providing new facilities in Building 108 to house the College's leadership team. There were also renovations to Building 108's lifts and to facilities in several of the schools.

Organisational Leadership and Capacity Building

In 2008 the University granted approval for the College to revise its leadership structure, leading to the creation or redesign of senior roles to align more closely with other portfolios within the University. New appointments following this process included Professor On Kit Tam as Deputy PVC (Business) International, and Professor Aaron Smith as Associate PVC (Business) Industry Relations.

The College's research structure was also reviewed, leading to the appointment of Professor Ian Palmer as Deputy PVC (Business) Research.

University and external support was utilised in reviews of the Business TAFE school, various budget issues, offshore administration costs, and the operation of administrative functions in college and school offices. Consultants were commissioned to work in some of these areas, including a team from Pricewaterhouse Coopers who analysed administrative costs at the level of the Business schools.

Teaching and Learning

RMIT Business is proud of its four-year undergraduate programs with industry placements, and in second semester 2008 action was taken to manage profile so that student numbers in the four-year program could be matched to expected placements. Four of the five HE schools introduced new three-year programs and these attracted strong demand. The distinction between the three and four-year programs is being reviewed and clarified, as is the distinction between the Executive MBA with work experience requirements and the new Graduate MBA without work experience.

Work also started on the development of a Diploma of Commerce that would be taught by TAFE (replacing the TAFE Diploma of Business) and would articulate to a new two-year Associate Degree.

External support with funding of \$220,000 was gained from the Australian Learning and Teaching Council by Associate Professor Eveline Fallshaw (Associate PVC Teaching and Learning) to extend industry engagement in educational programs.

School of Business Information Technology staff gained ALTC funding for e-simulations in professional education, and Mark Mossuto won a National Centre for Vocational Education Research award for problem-based teaching.

RMIT's Learning and Teaching Investment Fund provided seven grants for College of Business projects. These included projects to develop an Associate Degree; to devise frameworks for dual-sector qualifications and for workplace learning; for the shared Melbourne and Vietnam development of international curriculum; for the use of mobile technology in teaching; to improve student learning in large enrolment classes; and to support for the TAFE Diploma of Logistics.

One hundred and five students won prizes in the College's annual ceremony. Two businesses formed by RMIT students or graduates were featured in the Small Business Heroes—Energising Youth exhibition as part of Victoria's Energise Enterprise Festival.



From left, standing: Students Alam Singh and Helen Barclay with Deloitte's mentor Hafeez Bana.
Seated: Students Shivani Khurana, Alex Loza and Ryan Sparks with Deloitte coach and RMIT graduate, James Sanders.



Dr Ngan Collins (School of Management) received a research grant from the Vietnamese Government – the first time it has awarded funding to an overseas researcher.

Industry and Community Engagement

Recognising the importance of this area for the College of Business, the University approved a new professorial position to lead a coordinated approach to the College's business and industry relations. The new role of Associate PVC (Business) Industry Engagement will support work-integrated learning, industry advisory boards, corporate non-award education, alumni relations and marketing.

The College's Innovation Unit plays an important role through the RMIT Business Competition, and in 2008 Dr Marcus Powe, RMIT Entrepreneur in Residence, was awarded the Business/Higher Education Round Table's national award as Best Entrepreneurial Educator of the Year.

Dr Simon Feeny (School of Economics, Finance and Management) and Professor Margaret Jackson (School of Accounting and Law) were selected to attend the Federal Government's 2020 Summit. Professor Jackson was also appointed to the Board of the Victorian Law Institute, and Dr Cathy Brigden (School of Management) was elected President of the Association of Industrial Relations Academics of Australia and New Zealand.

Grants and awards were received from the Accounting and Finance Association of Australia and New Zealand and other professional associations by Professors Prem Yapa and Beverley Jackling, Dr Natt Pimpa, Associate Professor Carlene Boucher and Dr Vikash Ramiah.

Industry support for RMIT was evident when alumnus Jac Nasser AO made another generous donation to his Scholarship program, matched by a similar gift by BHP Billiton. The Jacques Nasser Scholarship Program enables business start-up grants to be made to leading first or second year Business Entrepreneurship students.



From left: Students Carla Bosa, Mario Matchado and Jessica Kitsou celebrated their success in the L'Oréal Brandstorm competition with supervisor Dr Con Stavros.

Business students won a range of industry-related awards. Students from the Business TAFE School won the State award in the Austrade Tertiary Export Plan Competition and participants in the New Enterprise Incentive Scheme won three of the four NEIS Small Business awards presented by Minister for Employment Participation, Brendan O'Connor.

In Higher Education, Entrepreneurship and Computer Science students worked together in an industry placement with Deloitte; three teams of Business Marketing students scooped the pool in the national L'Oréal Brandstorm competition, receiving first, second and third prizes; and Narelle Lancaster, a postgraduate Business Marketing student, won the Public Relations Institute of Australia's State Award for Excellence.

The Graduate School of Business provided executive education for the Beijing Thermal Power Company, Tianjin Municipal Government and the Mandarin Oriental Hotel group.

Research

During 2008 Professor Brian Corbitt, Acting Dean Research, managed a 175 per cent increase in ARC funding applications (from 12 in 2007 to 33 in 2008), a 25 per cent increase in Higher Degree by Research commencements, and more than 80 PhD confirmations.

Work continued to bring together researchers in logistics from the different Business schools and from the College of SET, and an Asia@RMIT initiative was launched to enable Business researchers with an Asian focus to assist each other. Researchers in the School of Management also gained project funding from the Department of Foreign Affairs and Trade and from the Vietnamese Government.

Research expertise in the College of Business was recognised through its successes in obtaining project funding:

- » Associate Professor Adela McMurray (School of Management) was awarded an ARC Linkage grant for her project aimed at boosting indigenous entrepreneurship in Victoria. Under the three-year project, researchers will work with the Koori Business Network to find ways of reconciling indigenous community values with mainstream business practice.
- » Professor Michael Beverland (School of Economics, Finance and Marketing) received an ARC Discovery grant for his project 'Can commerce be authentic? Developing and testing consumer-based measures of brand authenticity'.
- » Dr Elspeth McKay (School of Business Information Technology) and Adjunct Professor John Izard (School of Education) were awarded a Linkage grant for the project 'An intelligent software—AGENT: Innovates adaptive workplace e-training tools'.

International Education and the Global Passport

The College of Business has 60 per cent of RMIT's international student population, with 37 per cent of international onshore students and 84 per cent of offshore students including 85 per cent of RMIT students in Vietnam.

The College has a long history of delivering courses offshore, and in December the Shanghai Institute of Foreign Trade celebrated the 10th anniversary of the establishment of the SIFT-RMIT University International Business School.

The Master of Business (Information Technology) was RMIT's first postgraduate program to be delivered offshore, and the 20th anniversary was celebrated in Singapore in 2008.

In 2008, KPMG and Deloitte both entered into arrangements to sponsor accountancy students in Vietnam, and the Bachelor of Business (Accountancy) gained accreditation from the Institute of Certified Public Accountants of Singapore.

Funds to enhance the Business programs in Vietnam were gained

through an RMIT Learning and Teaching Investment grant to Associate Professors Eveline Fallshaw and Andrew Scown. Work also commenced on investigating ways to develop the organisation of the Vietnam campuses to produce an academic 'dual hub' in which Business teachers and researchers could relate and work together to develop the College's academic activities.

International study tours are integral to enhancing the global education of domestic students and in 2008 more than 200 undergraduate and postgraduate students took part in tours to the USA, China, Vietnam, Canada, Germany, Denmark, Italy, Thailand and France. Coming the other way, 28 French students from the Grenoble Ecole de Management came to Melbourne to complete intensive MBA electives.



Dr Michael Mann, RMIT Vietnam President, and Paul Meiklejohn, Deloitte Vietnam CEO, celebrate the signing of a sponsorship agreement.



COLLEGE OF DESIGN AND SOCIAL CONTEXT

The nine schools of the College of Design and Social Context (DSC) encompass RMIT's art, communication, design, education, humanities, property and social science disciplines.

Infrastructure Development

The College of DSC had a change of leadership in August with the appointment of Professor Colin Fudge as Pro Vice-Chancellor.

Throughout 2008, the College worked on strengthening systems, procedures and organisational structures to support the activities of the schools and enhance the overall effectiveness of teaching, learning and research. As part of this process, the College undertook a review of its media and communications disciplines to determine the most appropriate structure for the delivery of educational programs and research, with the aim of underpinning RMIT's leadership in this industry.

Emphasis was also placed on enhancing the schools' websites, and by the end of the year more than half had been completely refurbished.

There has been continued focus on enhancing the College's accommodation. The School of Creative Media was relocated into refurbished accommodation in Building 37, a new studio was established in Building 45 for the School of Architecture and Design, and work commenced on a major refurbishment of Building 9 to accommodate the Communications disciplines and programs.

Teaching and Learning

A major project undertaken by the College's learning and teaching team was the development of a set of guiding principles that reflect the knowledge, expertise and values of the DSC teaching community, together with leading practice from educational literature. The College also conducted a review into the production of course guides with the aim of increasing the number of course guides published, improving their quality and enhancing student learning.

Changes to existing program offerings and new programs developed during 2008 were as follows:

- » A new Bachelor of Education with a focus on arts and media was introduced at Brunswick Campus, offering an inner-urban location for primary education.
- » Landscape Architecture introduced a 3+2 model, combining a Bachelor of Design with a Master of Landscape Architecture for professional accreditation.
- » The Bachelor of Arts (Music Industry) became a full three-year degree.
- » A Bachelor of Arts (Games) was developed to replace the Bachelor of Arts (Digital Art) and Bachelor of Arts (Games Graphics Design).
- » A Bachelor of Arts (Creative Writing) and a Master of Social Science (Economic Development) were developed in response to market demand.

In 2008 the College sought to increase its commitment to indigenous education through a number of VET programs. A Koori women's group undertook the Certificate IV in Training and Assessment in the School of Education. Also, students from an Aboriginal Youth Arts and Culture program, run by Dianella Community Health in Melbourne's north-west, participated in a School of Fashion and Textiles workshop to develop beachwear and sports clothing. The program aims to help young indigenous people develop knowledge and skills for social enterprise in the arts industry.

The School of Applied Communication received funding from the National Council of Jewish Women (Victoria) for a digital storytelling/documentary project 'Living Memories', which was further supported by the Victorian Multicultural Commission and the Australian Centre for the Moving Image. The project aimed to explore the memories of Jewish women through interviews and filming conducted by a group of Media students.

Students in the Bachelor of Art (Textile Design) were taught about financial planning by marketing staff from ANZ. The degree has a long association with the Bank, dating from 2006 when a student designed a corporate apparel print for ANZ teller staff world-wide.

Research

DSC continued to build its research strengths with an array of activities in collaboration with industry partners from the private, public and not-for-profit sectors. The following are examples of projects initiated in 2008:

- » With funding from the Telstra Foundation, researchers from RMIT's Globalism Research Centre are completing an ARC Linkage project on the role of indigenous cultural festivals in creating spaces for communities to assert their identity in positive ways.
- » Academics associated with RMIT's Australian Centre for Human Rights Education secured ARC Linkage funding for a project titled 'Auditing the Victorian Charter: Australian and international perspective on applied human rights', in partnership with a number of not-for-profit organisations.
- » Up to five million emergency patients annually may benefit from research undertaken by composers and musicians from the School of Art, as well as medical practitioners and clinical health psychologists. They are completing an ARC Linkage project titled 'Designing sound for health and wellbeing', in partnership with the Emergency Department of St Vincent's Hospital.
- » Furthering RMIT's strength in design research, senior academics from the School of Architecture and Design obtained ARC grants to complete a design research study of biological art and digital architecture and to investigate the flexibility of the digital model.
- » A comparative study of online networks and their relation to local life in the Asia-Pacific region is being completed by the School of Creative Media through an ARC grant.
- » Working in partnership with Industrial Relations Victoria, Contexx Engineering and Baulderstone Hornibrook, researchers in the School of Property, Construction and Project Management have obtained ARC Linkage funding for a project to help the construction industry rethink cultural expectations about working hours and to design jobs that reduce work-family conflict.
- » The Centre for Design, with support from the Commonwealth Department of Environment, Water, Heritage and the Arts, is undertaking research to develop campaigns that will make more people adopt environmental measures in residential housing, stemming from the availability of Green Loans under the Federal Budget.
- » A research program titled 'Accelerating Sustainable Building in Local Government' is being completed by the Centre for Design in partnership with four local governments to explore barriers to sustainable building outcomes and to develop ways for councils to improve their building processes.
- » The School of Global Studies, Social Science and Planning's community services teaching team was awarded a VET research grant from the Besen Family Foundation for the project 'Sephardic communities and the Holocaust: A participatory and collaborative research project in partnership with the Jewish Holocaust Museum and Research Centre'.

Industry and Community Engagement

DSC undertakes numerous activities that build important linkages for RMIT, complement its teaching, learning and research activities, and provide valuable expertise, insights and resources to the community and industry. Examples of 2008 activities include:

- » School of Education academics worked with the Victorian Curriculum and Assessment Authority and the Department of Education and Early Childhood Development on policy development for a framework for children from birth to eight years.
- » The School of Property, Construction and Project Management provided independent research expertise as part of a consortium led by Cement Concrete & Aggregates Australia to develop ideas for prefabricated housing drawing on advances in systems technology. The project is supported by the Commonwealth Government through AusIndustry's Industry Cooperative Innovation Program.
- » Researchers from RMIT's Koori Cohort celebrated the start of a cultural project with generous sponsorship to be provided by international resources sector firm, Silcar. The collaboration, known as the Silcar Deep Listening Project, will support the work of the Koori Cohort's postgraduate researchers in exploring ways of protecting and revitalising Victoria's indigenous culture, while also fostering indigenous leadership and scholarship.



Industry sponsor Silcar's CEO Bernie Cooper meets RMIT Koori students, (from left) Kimba Thompson, Maree Clarke, Auntie Doris Paton and Treahna Hamm.



Bachelor of Design (Fashion) student Alicia Gramsbergen with a model wearing an outfit from her collection, which featured in RMIT's 2008 Art, Design and Multimedia Graduate Exhibitions.

- » The Kaldor Art Projects, in collaboration with RMIT, commissioned Scottish artist Martin Boyce to create a major new public artwork for Melbourne. The artwork installation, *'We are shipwrecked and landlocked'*, added a new dimension to RMIT's Alumni Courtyard, where it was displayed in the latter part of the year. Students were extensively involved in this project as part of a Work-Integrated Learning project.
- » RMIT Gallery featured an international exhibition 'Heat: Art and Climate Change', the first exhibition of its kind dealing with sustainability and art in Australia. The exhibition was opened by Senator Bob Brown and the Vice Chancellor, with a large crowd in attendance.
- » In partnership with Deloitte Digital, RMIT academics from the School of Applied Communication, School of Architecture and Design and schools in the College of Business undertook research on new user interfaces for financial data with the Australasian CRC for Interaction Design.
- » The construction and property industry continued its support of RMIT students with scholarships from two leading companies. The Stockland Ervin Graf Scholarship and the Baulderstone Hornibrook Prize include the opportunity to undertake paid work experience at each company.

In February, three DSC staff members were invited to participate in the Federal Government's 2020 Summit. They were Professor Leon Van Schaik (School of Architecture and Design), Associate Professor Chris Chamberlain (Director, Centre for Applied Social Research) and

Dr Sarah Bekessy (School of Global Studies, Social Science and Planning).

DSC's Learning Community Partnerships Group continued to contribute to the economic and social development of local communities in Melbourne and the Western District. The group brokered learning and research opportunities at the Hamilton Centre and, through the Learning Networks program, linked potential community projects to research, learning and teaching outcomes for the University.

RMIT students from campuses in Melbourne continued to visit the Southern Grampians region to learn about sustainable farming, rural education and indigenous culture. A highlight for the year was the visit of 20 PhD students from the University of Yogyakarta, Indonesia.

In June, Learning Networks celebrated 10 years of delivering community education programs with the presentation by the Vice-Chancellor of awards to regional partners. International lifelong learning expert Dr David McNulty was the keynote speaker.

International

RMIT's Chinese Proficiency test centre in the School of Global Studies, Social Science and Planning received an award for Overseas Chinese Test Centre of the Year. The award, which was presented in Beijing by the Office of the Chinese Language Consul International, acknowledges RMIT's 15-year commitment and achievements in the HSK (Chinese Proficiency) Test.

International delegates attended the 10th Annual Conference of the International Foundation of Fashion Technology Institutes hosted by RMIT and sponsored by Pacific Brands.

Students from the School of Architecture and Design and the School of Property, Construction and Project Management developed designs for transitional housing for children at risk in Hoi An, Vietnam. Led by Dr Esther Charlesworth, the project designed sustainable, low-cost accommodation for 12 to 22-year-olds at the Lifestart Foundation.

Staff and postgraduate candidates in the School of Architecture and Design and School of Art participated in the Education Exhibition at the Shanghai Art and Architecture Biennale.

Professor John Fien received a citation from UNESCO's Asia-Pacific Network for International Education and Values Education for his research programs which advance the theory and practice of education for sustainable development.

The School of Property, Construction and Project Management obtained an Australia Africa Fellowship from AusAID, enabling five South African industry professionals to enrol in the Graduate Certificate of Project Management.

The Globalism Research Centre undertook two research projects in East Timor titled 'Mapping the Pursuit of Gender Equality' and 'Exploring Community Sustainability and Security', funded by the Irish Government's Irish Aid.

The International Centre of Graphic Technology in the School of Design (TAFE) delivered a 15-week training program for the Thailand Printing Federation.

The Australian Pavilion exhibition at the 11th Venice Architecture Biennale titled 'Out There: Architecture Beyond Building' included the work of nine RMIT School of Architecture and Design academics.

Student work from the School of Architecture and Design was included in the 3rd Architectural Biennial Beijing's schools exhibition, '(Im)material Processes: New Digital Techniques for Architecture'. RMIT exhibited alongside leading architecture schools from ETH Zurich, Harvard, Columbia, Die Angewandte and Southern California Institute of Architecture.

The School of Fashion and Textiles was awarded a European Union/Australia joint mobility project with Canterbury College, UK, titled 'International Vocational Knowledge and Skills Exchange'.

Dr Barry Turner (School of Global Studies Social Science and Planning) conducted a high level workshop for 36 of Indonesia's leading interpreters at the invitation of the Indonesian Association of Translators.

Academic and Student Achievements

Students and staff continued to dominate local art and design awards in 2008, and several staff were recognised for their contribution to their profession.

School of Creative Media lecturer Broniek Kozka was presented with one of the world's most prestigious prizes for photography, the Hasselblad Masters Award.

Daniel Griffin, who is completing a Masters in Architecture, won the coveted national Colorbond Steel Biennale Prize 2008 presented by the Australian Institute of Architects and BlueScope Steel in Canberra.

RMIT University's strength in design was recognised at the 2008 Premier's Design Awards with 10 prizes being presented to staff and alumni of the School of Architecture and Design.

Design student Lara Mikocki won the 2008 Design for Lockwood competition organised by the Australian Institute of Architects.

Adam Nash (School of Creative Media) was one of nine artists invited to compete in the prestigious Premier of Queensland's National Art Award in New Media with a prize worth \$75,000.

Associate Professor SueAnne Ware (School of Architecture and Design) received the 2008 National Award (Design Category) from the Australian Institute of Landscape Architects for the SIEV X Memorial at Weston Park, Canberra.

Dominic Redfern (School of Art) undertook a residency at the Centre d'Art in Marnay, France, and the Finnish Academy of Fine Art in Helsinki.

At the Australian Institute of Landscape Architects' Victorian Project Awards, students Adrian Marshall, Peter Wilson and Vaughan Howard won Landscape



An award-winning photograph by RMIT lecturer Broniek Kozka.

Architecture Student Awards, staff members Craig Douglas and Rosalea Monacella won a citation for Art in the Landscape, and staff members Cath Stutterheim and Charles Anderson received a citation for Collaborative Student-Professional Research.

Associate Professor James Baxter (School of Property, Construction and Project Management) was awarded Life Fellowship of the Australian Property Institute in recognition of his contribution to property education and the profession.

Professor Dianne Siemon (School of Education) was conferred as a life member of the Mathematical Association of Victoria.



Blast Wave by RMIT lecturer Phred Peterson took out top prize in the 2008 New Scientist Eureka Prize for Scientific Photography.



COLLEGE OF SCIENCE, ENGINEERING AND TECHNOLOGY

In 2008, the 10 schools in the College of Science, Engineering and Technology (SET) sustained their agenda of continuous improvement by providing students with a positive educational experience, performing high-impact research, and engaging with industry to provide globally relevant programs and outcomes.

A major initiative in response to the challenges facing the engineering sector was the creation in July of the new School of Engineering (TAFE). The School is positioned to provide an optimum environment for an efficient, flexible and responsive VET Engineering operation.

The academic structure comprises three major units providing strong vocational orientation, clearly recognised and strongly supported by industry: Building Services; Aerospace and Manufacturing; and Electrotechnology and Communication. Articulation between VET and Higher Education programs is fostered through clear pathways and advanced standing between VET and Higher Education programs.

In 2008, the College focused on 12 areas of research strength to capitalise on multidisciplinary synergies and to bring research goals to the fore.

Ongoing work in the area of curriculum design and development, supported by innovative methods of classroom teaching and program delivery, has enhanced the scholarship of teaching and enabled a more professional and academic workforce to be developed during 2008.

The year saw a change in the executive team with the appointment of Professor Peter Coloe, formerly Head of the School of Applied Sciences, as Pro Vice-Chancellor of the College. Professor Daine Alcorn, who had led the portfolio since its establishment in 2003, was appointed Pro Vice-Chancellor Research and Innovation in August. Prior to leaving SET, Professor Alcorn attended the Federal Government's 2020 Summit as one of several eminent Australians invited to discuss a long-term national health strategy.

Teaching and Learning

As part of the College's ongoing commitment to providing industry-relevant learning, the SET Board approved eight new programs for delivery:

- » Associate Degree in Engineering Technology (Civil Engineering)
- » Bachelor of Information Technology, for Open Major students
- » Bachelor of Science (Statistics) (Honours)
- » Graduate Diploma in System Support Engineering
- » Master of Engineering (System Support Engineering)
- » Graduate Certificate/Graduate Diploma/ Master of Wellness

In recognition that a fundamental aspect of quality teaching and learning is ensuring student access to the latest technology and equipment, SET invested more than \$3.6 million in refurbishing the School of Computer Science and Information Technology laboratories, and a further \$3.4 million on improvements to the School of Applied Sciences' biotechnology and food science laboratory facilities.

Biomedical research students investigating diabetes, obesity, cardiovascular disorders and neuroscience benefited from a \$100,000 grant awarded to the School of Medical Sciences for an ultra-fast scanning confocal microscope, to be housed at the Bundoora Campus. The grant was awarded by the H & L Hecht Trust.

SET joined the Australian Microscopy and Microanalysis Research Facility as a linked laboratory. Launched under the Commonwealth Government's National Collaborative Research Infrastructure Strategy, the AMMRF is a joint venture between university-based microscopy and microanalysis centres, forming a national research facility.

Providing opportunities for experiential learning is a priority for the College. The donation by Roadstar Caravans of a fully-equipped caravan will allow School of Engineering (TAFE) plumbing students the opportunity to perform practical assessment tasks in the workplace.

Annual school-based prize-giving ceremonies were held to acknowledge the academic excellence of students. More than 200 students received awards in 2008.

Industry sponsors and donors contributed to SET's ability to reward students with donations of scholarships, gifts and prizes. Our sponsors and donors are acknowledged at: www.mit.edu.au/set/donors-sponsors-2008

SET's investment in teaching and learning was rewarded in 2008 through the individual and collective successes of staff in education-specific awards. College staff received four Citations from the Australian Learning and Teaching Council for Outstanding Contributions to Student Learning.

Associate Professor Jeff Walkley (School of Medical Sciences) received an Australian Council for Educational Leaders Fellowship for his leadership as an educator in improving children's health and wellbeing, physical education and human movement, and for his contributions to curriculum development and standards in Victoria.

Associate Professor Ralph Green (School of Medical Sciences) received the Peter Schiff Award in recognition of his contribution to educating the medical community in the field of transfusion medicine.

Professor Suresh Bhargava (School of Applied Sciences) received the Royal Australian Chemical Institute's prestigious RK Murphy Medal for the quality and volume of his research in the field of industrial chemistry.

Research

SET researchers continued to achieve positive results through their innovative and technologically-advanced research. Multidisciplinary projects were conducted within the College's 12 areas of research strength with close collaboration between RMIT's four research institutes and other Australian and international universities, industry, government and partner organisations.

SET research expertise was recognised in 2008 through its significant successes in obtaining nationally competitive research grants and scholarships. These included:

- » Professor Charlie Xue, Head of Chinese Medicine in the School of Health Sciences, together with his colleagues, obtained four NHMRC project grants which will fund research into the effectiveness of acupuncture in treating health issues such as chronic pain, hay fever and tension headaches.
- » Professor Owen Woodman (School of Medical Sciences) and Associate Professor Annan Mitchell (School of Electrical and Computer Engineering) received NHMRC development grants. Funding will assist in the development of new flavonols to treat cardiovascular disease, and also the production of diagnostic probes.
- » SET was awarded eight ARC Linkage grants enabling further advancement in the fields of chemical sciences, materials and building engineering, geomatics, biotechnology, information systems and nanotechnology.
- » Computational Fluid Dynamics specialist Professor Jiyuan Tu (School of Aerospace, Mechanical and Manufacturing Engineering) joined a distinguished group of scientists when he was awarded a Fulbright Scholarship, enabling him to further his research at Purdue University in the US.
- » Dr Adrian Orifici (School of Aerospace, Mechanical and Manufacturing Engineering) was one of six young Victorian scientists to be awarded a 2008 Victoria Fellowship in support of his work in aerospace structures. Dr Orifici and Dr Stefanie Feih also secured a Contributing to Australian Scholarship and Science (CASS) Foundation post-doctoral travel grant for early career researchers.
- » Professor Douglas Swinbourne (School of Civil, Environmental and Chemical Engineering – SCECE) received the Billiton Gold Medal for his research paper on the recovery of the rare metal 'indium' from lead smelting. The medal confirms Professor Swinbourne's status as a leading researcher in pyrometallurgy. Former PhD student Dr Gia Bao Hoang co-authored the paper.
- » Mr Yew-Chin Koay, also from SCECE, received an Endeavour Australia Cheung Kong Research Fellowship, providing funding for research into improved concrete pavements in participating Asian countries.
- » Global software giant Microsoft selected researchers from the School of Computer Science and Information Technology as the only Australian tertiary recipients of a 'Beyond Search' program, which will provide funding for a 12-month project to improve the useability of Microsoft's internet search engines.
- » RMIT's expertise in search engine development was also recognised by a study through the Universitat Pompeu Fabra in Barcelona which found that the RMIT-designed open-source search engine Zettair was at least three times faster to index than its nearest competitor. Zettair was produced in collaboration with the University of Melbourne.

Global Engagement

SET continues to forge alliances with significant international organisations and institutions around the world. In 2008, these alliances created excellent collaboration, research and business development opportunities and saw our scholars visit overseas institutions as well as international scholars visiting Australia to work with our academics.

A workshop between RMIT and the Vietnamese Academy of Science and Technology (VAST) focused on recent developments in avian influenza biology and advanced molecular techniques in vaccine development. A team of researchers and post-doctoral fellows from RMIT, led by Pro Vice-Chancellor Peter Coloe, combined with staff from Vietnam's Institute of Biotechnology, VAST, the Food and Agriculture Organisation of the United Nations and key Vietnam ministries to deliver a workshop and molecular biology training course in Hanoi, which was funded by a major grant from AusAID.

In 2008, RMIT's Division of Chinese Medicine received the prestigious Wang Ding Yi Award for International Contribution to Chinese Medicine in recognition of its significant contribution to education, research, clinical training and policy development in Chinese medicine over a 15 year period. RMIT and the TCM-Klinik Koetzting in Germany were the only two institutions recognised in the awards, which were presented in Beijing by the World Federation of Chinese Medicine Societies.



RMIT works with aviation industry leaders world-wide, and is a key contributor to research in aerospace design and composite materials. Boeing's newly established research and development unit, Phantom Works Australia, provides RMIT researchers the opportunity to collaborate on a range of research themes.

Pictured at the launch of Phantom Works Australia (from left): Boeing Australia President Craig Saddler, Bill Lyons (Boeing), Associate Professor Cees Bill (RMIT) and Al Bryant (Phantom Works Australia Director).

As a further measure of RMIT's global standing in this field, the Chinese Government granted approval for the University to establish a Confucius Institute for Chinese Medicine.

RMIT and the International Medical University, Kuala Lumpur, have signed an agreement to jointly offer Chiropractic and Chinese Medicine education. Under the agreement, Malaysian students will study for up to three years at IMU, with the second part of their program being delivered at RMIT.

The School of Applied Sciences won a grant to host research activities by Dr Toshikazu Komoda from Miyagi University, Japan, on molecular biological approaches for food pathogens and allergies. This was supported by a grant from Miyagi University's Overseas Research Fund that included funding to support laboratory activities.

An agreement between RMIT and Foshan University in China saw four academics spend six months completing research within the College of SET in Melbourne.

RMIT entered into an agreement with Degremont Technologies, a subsidiary of Suez Environnement based in Switzerland, which will provide opportunities for students to visit Degremont's facilities for research collaboration and to observe the pilot desalination plant being established in Victoria.

Dr Benjamin Kefford (School of Applied Sciences—ecotoxicology research group) returned from a three-month research expedition on Macquarie Island in the sub-Antarctic region. Staying at Australia's research station, Dr Kefford and Associate Professor Dayanthi Nugegoda were part of a team carrying out two projects into the effect of pollution on invertebrates in the remote ecosystem.

Industry and Community Partnerships

Strong links with industry ensure programs remain relevant to the broader community and provide students and professionals with opportunities for clinical practice, workplace training and participation in joint research projects.

SET explored the potential for research partnerships through a series of workshops with industry and government organisations. Themes included sustainable energies and biofuels, composite materials, food safety, wellbeing, materials and automotive engineering.

The School of Life and Physical Sciences secured a number of strategic partnerships to provide specialised training to contribute to skills development across Australia. These included an agreement with Luxottica, one of the world's leading designers and manufacturers of prescription frames, which will make SET and Luxottica the largest trainer in optical dispensing in the Asia-Pacific region.

Similar partnerships with Tenix, Transfield Services and Austin Health will see the School deliver tailored electronics and communication, occupational health and safety and Division 2 nursing training to Australian and international staff of these organisations.

Encouraging high school students to consider a career in science is one of the College's strategies for helping to ensure that Australia meets future skills shortages and assists students to make appropriate choices at secondary level for a scientific career. The Siemens Science Experience, held in January and sponsored by Siemens, is a major initiative that showcases everything from forensic biochemistry to computer science and engineering.

SET once again supported National Science Week, holding several public events including a careers breakfast seminar featuring The Honourable Gavin Jennings MP. The event corrected the myth that science only happens in a lab, and encouraged the 100 VCE students who attended to pursue a career in the growth areas of biotechnology, food technology and nanotechnology.

Aspiring engineering students also had on-campus opportunities through a series of workshops hosted by the School of Electrical and Computer Engineering and the School of Aerospace, Mechanical and Manufacturing Engineering (SAMME).

SAMME also hosted 100 students for the CityLink Vehicle Efficiency Day held at Bundoora Campus. As part of the RACV Energy Breakthrough program, the day gave students the opportunity to design, construct and test a vehicle demonstrating energy innovation.

The School of Health Sciences welcomed more than 160 prospective students to its Hands on Health Day aimed at providing information about careers in health science and addressing skills shortages in the industry. Participants witnessed first-hand the role of a hospital scientist during the 'Behind the Scenes with Lab Med' laboratory tour hosted by the School of Medical Sciences.

SAMME also held a public Renewable Energy Park open day to celebrate World Environment Day, showcasing solar, wind and hydrogen energy systems as well as green cars that use electricity and hydrogen.

Academic and Student Achievements

SET staff and students continued to push boundaries and achieve academic excellence in a broad range of disciplines. Recognition from industry, government, other educational institutions and peers were among the accolades received.

The University of Melbourne's Thornton-Smith Gold Medal was awarded to Professor Mark Shortis (School of Mathematical and Geospatial Sciences) in recognition of his outstanding contribution to geomatics.

The Chiropractors' Association of Australia named School of Health Sciences' chiropractic discipline head, Associate Professor Phillip Ebrall, and RMIT alumnus Dr Jennifer Barham-Floreani as Australia's Chiropractors of the Year.

A research paper by Professor John Hawley (School of Medical Sciences) published in the Journal of Applied Physiology received heavy media attention when it found that glycogen, the main fuel source for muscles, is replenished faster when athletes consume both caffeine and carbohydrates after exercising.

Brad Clarke, an Environmental Science PhD candidate from the School of Applied Sciences, won a Royal Society of Victoria postgraduate student prize for his short lecture on 'Persistent Organic Pollutants in Australian Sewerage Sludge'.

Computer Systems Engineering student Arjun Xavier received a Panduit Excellence Scholarship from Cisco Learning Institute, enabling him to pursue tuition leading to networking certification.

Chiropractic student Troy Walker received the Victorian Government's Ricci Marks Young Aboriginal Achiever Award. Land Management student Lowanna Wickham was also nominated for the award.

Michael Williams, a student in aerospace engineering and business, received a Centennial Scholarship from the Royal Aeronautical Society.

Two Geospatial Science postgraduate students, Erjiang Fu and Ming Zhu, won an Institute of Navigation student competition. Their grants enabled them to present papers at the Global Navigation Satellite Systems conference in Georgia, USA.

SAMME students Nhan Minh Nguyen and Mitchell Jeff Rasmussen won first prize in the Victorian Automobile Chamber of Commerce's Target 2020 vehicle design competition for their essay on what the family sedan of the future will look like.

Two computer science and information technology projects have seen students provide web-based solutions to a Melbourne bee-keeping business and a not-for-profit community Waterwatch organisation. A sophisticated website developed to track sources of pollution entering local waterways was created by seven postgraduate and two undergraduate students. It will gather data from hundreds of community and school groups who monitor the health of rivers across Victoria.

Final-year electrical and computer engineering students had the opportunity to demonstrate their design capability to academic, business and industry leaders at the annual ENGenius conference held at Storey Hall in September.

In November, RMIT University demonstrated its diversity of expertise in automotive technologies with the unveiling launch of Australia's first hydrogen-powered car.

Built and tested by RMIT Aerospace, Mechanical and Manufacturing Engineering students in collaboration with Fachhochschule Ingolstadt University Germany, the vehicle showcases the capabilities of hydrogen power, demonstrating how it can be used as a clean, renewable and sustainable fuel of the future. The car aims to set a Guinness World Record for a vehicle of its class in Germany 2009.



VOCATIONAL EDUCATION AND TRAINING

One of RMIT's institutional strengths is its dual system of tertiary education: a robust VET sector alongside Higher Education.



RMIT furniture students displayed their innovative and environmentally sound designs at the prestigious Furnitex Trade Fair.

Above: Lauren Zovi's storage pods were inspired by a local Aboriginal clan.

Below: Hendrikus Berkers, Head of the School of Design, with Senator Kim Carr, Minister for Innovation, Industry, Science and Research.



VET in 2008

In 2008, RMIT strengthened its position as a successful provider of high quality vocational education and training. Delivery of government and non-government funded training exceeded targets in all areas.

In apprenticeships and traineeships, RMIT delivered an additional contracted 48,000 SCH over its target. Of particular importance was the training growth in trades with critical skills shortages, such as electrical (45 per cent increase) and plumbing (25 per cent increase). Value was added to pre-apprenticeship training by providing students with targeted employment assistance.

The University also performed particularly well in high-level skills delivery in high-priority industry sectors, including Building Construction, Health and Community Services, and Business and Financial Services. Enrolments in newly accredited Associate Degree programs in Engineering Technology and Applied Science (Information Technology) were strong.

The VET in Schools program, offering vocational training to young people while they are completing secondary school education, grew substantially. In 2008, RMIT drew students from 30 secondary colleges across metropolitan Melbourne, with 74,217 SCH delivered.

A new School of Engineering (TAFE) was formed during the year. The new structure builds on the synergies between the two engineering schools, enabling a more responsive, flexible, effective and innovative business operation.

Innovative approaches to learning and assessment design were developed during the year, drawing on \$1 million of RMIT's state operating grant. These transition initiatives focussed on high priority and emerging industry areas, addressing enterprise-wide skill requirements and improving assessment practice.

During 2008, teaching staff from several VET programs were given intensive support to further enhance their use of e-learning in program delivery and assessment. As part of this professional development project, RMIT participated in the National E-Learning Benchmarking Survey. The survey results showed that RMIT exceeded national, State and TAFE standards for e-business services to students in seven of the eight indicators relating to student services and administrative processes.



Successful RMIT pattern-making graduates celebrated their achievements in a colourful ceremony at Parliament House.

Equity and Access

Participation of indigenous students in VET was significantly expanded. RMIT delivered 97,000 SCH for Koori special and integrated programs, with more than 50 per cent being delivered in mainstream programs. RMIT's Koori delivery enables students with fragmented or interrupted secondary education to have successful educational experiences and to build pathways into employment and further education.

RMIT has a strong commitment to dedicated resources and support measures designed to assist people from disadvantaged backgrounds to access VET. In 2008, a new TAFE Equity Officer role was established to coordinate innovative projects to deliver equity objectives in RMIT's VET programs. An analysis of equity admission outcomes was completed in 2008, and a project commenced to increase the availability of VET for students from various targeted groups.

In collaboration with Workforce Victoria, the Textile Clothing and Footwear Union and the Council of Textile and Fashion Industries, 13 members of Melbourne's Vietnamese community graduated from the School of Fashion and Textiles' pattern-making program specifically designed for outworkers. The program meets a need for practical skills in the industry and is designed to support the participants' transition to mainstream employment.

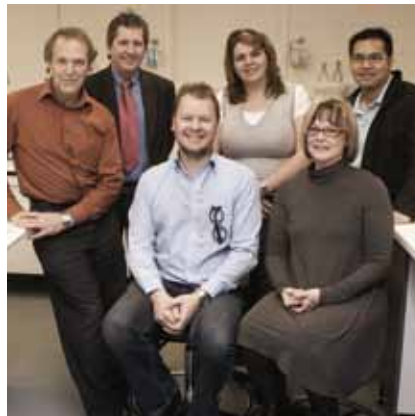
Industry Engagement

Despite increased competition in the national VET sector, demand for RMIT's customised enterprise training continuing to grow. Fee-for-service activities increased by 32 per cent in 2008.

The position of New Industry Programs Manager was established to assist all RMIT colleges and schools in responding to new and emerging industry training needs. This increased support for industry engagement has facilitated closer collaboration with external stakeholders, including the national Industry Skills Councils, and has resulted in the establishment of new relationships with business, government and professional organisations.

RMIT works in partnership with the 370 Degrees Group to provide vocational training to almost half of their 570 apprentices and trainees. In 2008, RMIT student Marie Stella was named Trainee of the Year in the Group's Excellence Awards.

RMIT is a key partner in a highly successful state-wide program coordinated by Leadership Plus, a Victorian community organisation sponsored by philanthropic trusts. The program enables people with disabilities to develop leadership capacities in the social, environmental and business sectors. RMIT delivers three units from the Diploma of Community Education, with students participating in a series of workshops and embedding their learning in community-based projects.



Response to Government Reform of the VET Sector

In April, RMIT made a submission to the Commonwealth Government in response to its *Skilling Australia for the Future* discussion paper.

The University also responded to the Victorian Government's discussion paper on proposed changes to the VET system in Victoria. Following the Government's announcement of its Skills Reform agenda, RMIT has developed new administrative systems and processes, in particular to enable students to access VET FEE-HELP loans.

In support of the government agenda to address skills shortages across Australia, RMIT has comprehensively improved its processes for recognition of prior learning in VET. New initiatives included simplifying access to all of the University's RPL policies through a VET-specific website, and the development and publication of promotional materials for staff and students.

The University continued its involvement in the Victorian Government's Skills Store initiative and has formed a partnership with the Central Melbourne Skills Store which opened during 2008.

Also during 2008, RMIT developed and commenced delivery of Skill Sets in response to the recent initiative of Australia's national training system.

RMIT and Luxottica are set to become the largest trainer in optical dispensing in the Asia-Pacific region.

Pictured: The Luxottica/RMIT team in RMIT's science labs.

From left, standing: Optical Dispensing Program Coordinator, John Van Braam; Head of the School of Life and Physical Sciences, Graham Timmins; Luxottica's Liana Reinhardt and Michael Abulencia.

Seated: RMIT's Jason Patten and Diane Bates.



Award-winning printing apprentice
Melissa Guiney.

Student and Staff Achievements

- » Melinda Stephens, a student of the Certificate III in Clothing Production, was named Australian School-based Apprentice of the Year at the National Training Award ceremony held in Darwin in December.
- » Printing and Graphic Arts student Melissa Guiney triumphed at the National WorldSkills finals, winning the gold medal in the Graphic Prepress section. Another RMIT student, Amanda Hay, won the silver medal. Melissa will represent Australia at the International WorldSkills finals in Canada in 2009.
- » Five of RMIT's apprenticeship students won awards at the third annual Northern Melbourne VET Awards.
- » Arthur Michalopoulos (Creative Media) was awarded the RMIT TAFE Teaching Fellowship for 2008. The fellowships are awarded to teachers in the early years of a career in TAFE, providing support to undertake a range of professional development activities. He will use the fellowship to extend relationships with colleagues in Jiangsu Province, China, and at Rajamangala University, Thailand.
- » Joanne Webber (Disability Coordinator) was a finalist in the 2008 Victorian Training Awards. She was nominated for the Victorian VET Client Service/Support Excellence Award, recognising outstanding contribution made to the enhancement of educational success in VET training.

Sustainability

Research commissioned by the Director TAFE enabled RMIT to identify the full extent of its capacity to provide leadership on sustainability in VET. A skilled workforce is essential to enabling industry and business to become more sustainable and to reduce carbon emissions. This research showed that RMIT is well-positioned to assist businesses in meeting the challenges associated with increasing sustainability.

The use of stationary energy in the built environment has had a central focus for RMIT's VET programs. Staff worked closely during 2008 with industry and manufacturers to ensure that programs respond to technology changes to meet demand for new sustainable skills development.

TAFE Enrolments (headcount) by Broad Program Level	2004	2005	2006	2007	2008
AQF 5-6 (Dip, Adv Dip)	10,862	11,184	9,977	9,957	10,087
AQF 3-4 (Certs III & IV)	7,307	8,318	7,960	7,645	8,353
AQF 1-2 (Certs I & II)	1,454	1,480	1,752	2,603	2,765
VCE/VCAL	563	554	535	536	531
Other*	1,012	821	743	942	868
Total	21,198	22,357	20,967	21,683	22,604

* Non-award programs/programs not elsewhere classified.

Key Performance Indicators	2007	2008
Participation of 15–24 year-olds	11,552	11,529
Participation of 25–64 year-olds	7,736	8,271
Module load completion rate*	73.2%	75.8%
Student overall satisfaction	83%	85%
Student contact hours (SCH)	8,568,620	8,821,724
Total cost per student contact hour	\$11.04	\$12.30
Working capital ratio**	1.06 : 1.0	1.3 : 1.0
Net operating margin	8.2%	5.9%
Fee for service revenue (as % of total TAFE revenue)	30.1%	33.3%
Revenue per EFT staff (TAFE teaching and non-teaching staff)	\$112,974	\$116,541

* Calculated for total SCHs of all modules reported to OTTE/Skills Victoria

** After adjusting current LSL provision in accordance with International Accounting Standards restatement requirements.

Energy Consumption	2007	2008	% Change
Gas (MJ)	16,452,926	15,670,178	-4.76
Electricity (kWh)	10,720,970	9,282,710	-13.42
Green Power (kWh)	1,072,097	1,192,353	+11.22

ALUMNI ACTIVITIES

Every year, thousands of graduates join the growing number of RMIT alumni across the globe.

In partnership with the academic colleges and schools, the Alumni Relations team create opportunities for these alumni to remain actively engaged with the University.

The key objectives of these activities are:

- » to communicate effectively with alumni so that both the University and the graduates benefit from knowledge of each other's current activities
- » to put graduates in touch with one another, enhancing their personal and professional lives
- » to engage alumni in the life of the University by offering them the opportunity to act as advisors, mentors, volunteers, adjunct staff or alumni network leaders
- » to continue to offer graduates the opportunity to further enhance their skills and knowledge
- » to provide alumni with a range of value-added benefits such as discounts, access to facilities and professional events
- » to create opportunities for alumni to give back to the University around priorities for support.

Membership of the RMIT Alumni is free. This has enabled the development of strong global networks for knowledge and information exchange. There are locally run networks in 20 countries which organise professional development activities, sporting or social events, and build social capital through charitable activities.

There are also 25 alumni networks based on areas of interest such as journalism or traditional Chinese medicine. Other groups are organised around particular programs or courses of study, such as the Doctor of Business Administration alumni group.

In 2008, the University made a significant investment in programs to improve both the efficiency and effectiveness of alumni records and communication. The successful implementation of the Raiser's Edge database and Net Community social networking software was achieved on time and on budget.

Alumni Relations took the opportunity offered by the data transfer from the old system to add data from all merged entities and antecedent organisations, taking the number of constituents from 250,000 to 387,000. An online Alumni Giving portal was also established, connected to the database.

This work enabled the establishment of an annual appeal cycle to alumni and staff. Gifts were received from alumni, staff, executive management and Council members, with \$300,000 in revenue for scholarships.

Collaboration with the Global Business Development unit has resulted in the introduction of formal processes surrounding interactions with industry and use of the new database. In 2008 alumni surveys were conducted for DEEWR (Graduate Destination Survey), IDP Education, Australian Education International and Australian Technology Network, amongst others.

Two new initiatives were piloted for alumni interaction. Attendance at the Australian Universities International Alumni Convention in Singapore by international alumni members enabled a workshop to run on new models for alumni engagement. Also, the social events at international graduations were successfully re-aligned to become 'welcome' events for new graduates, providing an opportunity for introduction to local alumni committee members and capture of graduates' contact details.

A wide range of domestic and international events were delivered throughout the year and several school-based activities were held. New initiatives introduced in 2008 included hosting an alumni drop-in point on Open Day, and the inaugural Alumni and Friends Golf Day which attracted alumni, staff and their distinguished friends. A careers forum held in conjunction with postgraduate recruitment proved very successful.



A self-portrait by RMIT alumna Tiarna Sirait, whose artwork was chosen for exhibition in Beijing at the prestigious cultural event, Olympic Fine Arts 2008.

Leading Nanotechnologist recognised as Alumnus of the Year



Dr Amanda Barnard,
RMIT Alumnus of the year.

A young, internationally renowned nanotechnologist became the second recipient of RMIT's Alumnus of the Year award in 2008.

Dr Amanda Barnard graduated from RMIT University as an undergraduate in 2001 and finished her PhD in record time in 2003. Since then, her achievements include:

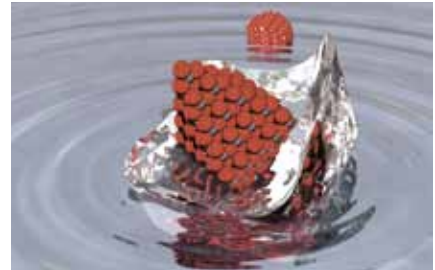
- » a 2008 L'Oréal Australia for Women in Science Fellowship, one of only four awarded in Australia, which she will use to develop new computational tools to predict the behaviour of nanoparticles in the environment.
- » a prestigious ARC award, the Queen Elizabeth II Fellowship
- » a position as a Distinguished Postdoctoral Fellow in the Center for Nanoscale Materials at Argonne National Laboratory (USA).
- » three years as a Violette and Samuel Glasstone Fellow at Oxford University
- » an Extraordinary Junior Research Fellowship at Queen's College in Oxford.

Dr Barnard said she was thrilled to receive the award. "RMIT has such a diverse range of graduates with international reputations in so many areas, and to be chosen from among this group is a great honour."

"With the current pressures to ensure scientific research is targeted to practical outcomes, the applied focus of RMIT science degrees are invaluable in creating the right mind-set," she added.

Dr Barnard is shortly to move to CSIRO to head a new research program in nanotechnology and materials science.

Nanotechnology is a significant part of the work of the RMIT Platform Technologies Research Institute.



Anatase nanoparticles in water.

Alumni Snapshot

At 31 December 2009, RMIT had 387,000 alumni in more than 100 countries including:

Country	Alumni
Australia	281,699
Singapore	21,197
Malaysia	6,914
Hong Kong	6,876
China	4,130
Indonesia	2,423
Vietnam	1,965
India	1,179
Thailand	1,095

BUILDINGS AND CAMPUS ENVIRONMENT

RMIT University has embarked on a \$500 million capital expenditure program on facilities which will be rolled out over a five-year period.

This represents the largest investment on our campuses in RMIT's 121-year history.

One of RMIT's key objectives is to continuously improve upon its suite of learning, teaching and research spaces so that students and staff can enjoy world-class, state-of-the-art facilities that are engaging, sustainable and safe.



The striking Swanston Street entrance to the Swanston Academic Building which is set to transform the northern end of the CBD.

The capital investment program is structured around a fundamental set of principles and objectives that include:

- » high level, environmentally sustainable design practices for new and refurbished buildings
- » consolidation of schools within the same academic college across clusters of closely grouped buildings to encourage collaborative teaching and learning, staff and student connectivity, and interdisciplinary interaction
- » upgrading and expansion of student services and amenities including the Library, student lounge spaces and retail outlets
- » provision of new staff accommodation, customised for collegial discourse and cross-disciplinary engagement
- » development of outdoor recreation spaces, including sporting facilities for all students and staff.

RMIT's capital investment program gained momentum in 2008 with several major construction projects taking shape.

Major Projects

The high profile Design Hub, to be located on the north-west corner of Victoria and Swanston Streets on the former CUB site, made considerable progress this year. The building, which will provide a collegial research base for RMIT's diverse range of design research groups and initiatives, was awarded \$28.6 million in capital funding from the Commonwealth Government.

Plans for the Design Hub were unveiled during the year and attracted much media interest. The landmark building will feature a striking and environmentally responsible design, incorporating a translucent 'smart skin' to comprise more than 16,000 sandblasted glass cells which will harness solar power and assist in cooling and heating the building.

The tender for the Design Hub's main construction contractor opens early in 2009 and the building is due for completion in late 2010.

The University's close collaboration with industry has resulted in a major step forward for manufacturing skills training in Victoria. RMIT's George Thompson Building, on the corner of Cardigan and Queensberry Streets in Carlton, will be the home for the future Advanced Manufacturing Precinct which will provide state-of-the-art infrastructure to support practical training in skills shortage areas identified by the industry. In 2008 RMIT was awarded \$7 million in funding from the Victorian Government for this project.



The building will be completely refurbished and will provide 'real-life' industry training in para-professional and high level skills that have been identified within the manufacturing industry as skill shortage areas. Construction is scheduled to begin in late 2009, for completion by the end of 2010.

This year, RMIT made significant progress in its biggest construction project to date, the 33,000 square metre Swanston Academic Building (illustrated above). The building will wrap around the historic Oxford Scholar Hotel and will be flanked by Swanston, A'Beckett and Stewart Streets.

The innovative building will provide greatly improved facilities for the College of Business and for the University as a whole, while significantly expanding RMIT's Swanston Street presence and consolidating its position as a university 'city within a city'.

Sustainable design features will include the harvesting of water from the roof for flushing toilets and the filtering of natural light into the building through horizontal atriums, which will reduce the need for artificial lighting.

Designs were finalised during the year for the extension of Building 22 on the corner of La Trobe and Swanston Streets. The building will gain a fifth level which will house two conference/function rooms with an adjoining gallery and foyer space and an outdoor terrace that will provide panoramic views of the city. The new level will also connect to the facilities on the top level of the neighbouring Storey Hall. This project includes refurbishment of Levels 3 and 4 of this building and will help consolidate all of the external student services.

Refurbishment of the heritage-listed Francis Ormond Building—RMIT's first home—progressed significantly this year. Works began in May, with the building's north-facing wing being prepared for extensive landscaping. The Francis Ormond Building will be flanked by a courtyard and campus lawn, and the building's interior will be opened up from within through the introduction of an open glazed stairway and gallery. The Gothic Revival facade of the building will remain largely untouched and key period features inside the building will be revived.

Renovations to the historic Emily McPherson Building commenced, with demolition works carried out to the rear of the building to make way for a glazed ground-level 'street' that will open the building up to the rest of the City campus.

The large scale renovation will extend the floor area by one-third and will house interactive, flexible teaching spaces customised to meet the needs of postgraduate Business and Juris Doctor students. The building will also host conference and other postgraduate teaching activities.

Building Refurbishments

In 2008, a long list of teaching and learning spaces, staff accommodation, student recreation and lounge areas were completed. Staff and students across the Business, DSC and SET Colleges and staff in a number of service portfolios have benefited from this refurbishment program.

Teaching and learning spaces completed in 2008 include nine new classrooms on Level 3 of Frederick Campbell Building (Building 51) in Victoria Street for general University use.

RMIT English Worldwide relocated to newly refurbished premises in Little La Trobe Street. The building's attractive street frontage leads into a modern two-level teaching and learning facility equipped with leading-edge teaching tools, including state-of-the-art electronic whiteboards.

Other new spaces include film editing suites and a recording studio for Applied Communication students in Buildings 12 and 14 on Swanston Street, and a computer laboratory in Building 512 on the Brunswick campus for Fashion and Textile Merchandising students. A refurbished workroom and new computer laboratory for TAFE School of Engineering students has been introduced in Building 45 in Lygon Street, Carlton.



Prior to the main redevelopment work at the Emily McPherson Building, a careful archaeological excavation was carried out. Foundations of the Old Melbourne Gaol were unearthed, including the original circular Panopticon watchtower and several radial walls that demarcated the individual men's exercise yards. Consideration is being given to building strategies that will permit the protection and retention of as much of the early site remains as possible within the fabric of the refurbished building.



Renewed office space was completed on Level 3 of Building 88 in Elizabeth Street, the new home for Financial Services and People and Culture staff. The Ngarara Willim Indigenous Centre has also moved to its newly renovated premises in Building 14 on Swanston Street.

RMIT also introduced a number of additional student and staff recreation spaces during 2008. The 900 square metre Alumni Courtyard has been returned with environmentally sustainable synthetic grass, which has reduced water consumption and added a new dimension to the City campus by offering an open relaxation and recreation space for staff and students.

A new student lounge equipped with flat-screen TV and kitchenette in Building 10 (the Casey Wing) on the City Campus has proven to be popular with students who use the low key space for study and relaxation.

The main cafeteria in Building 8 was enhanced in 2008 with the introduction of outdoor seating areas facing onto Swanston Street. Large picture windows were installed that open up to balconies where students and staff can eat and interact.

ENVIRONMENTAL SUSTAINABILITY

Energy Conservation

On Saturday 29 March RMIT participated in Earth Hour 2008, a global initiative aimed at lowering energy use and raising awareness of the steps necessary to combat global warming. The University joined many businesses, organisations and households in turning off all unnecessary lights from 8pm to 9pm. In that hour, electricity consumption across the City, Bundoora and Brunswick campuses dropped by five per cent compared to the previous Saturday.

In 2008 RMIT bought 15 per cent of its electricity needs as GreenPower through Country Energy and is contracted to increase this to 20 per cent in 2009 and 2010. RMIT can now display the GreenPower logo on the University website, acknowledging its commitment to reducing its carbon footprint. GreenPower is a government accreditation program that sets environmental and reporting standards for renewable electricity products available through energy suppliers to businesses and general households.

RMIT has invested in an integrated Building Automation System (BAS) for the City campus which uses computer-based monitoring to control the mechanical and lighting systems in all buildings and enables more efficient use of electricity, gas, lighting, heating, ventilation and air conditioning systems. The BAS rollout continued with a focus on identification of deficiencies in RMIT's engineered services and increasing efficiencies in energy consumption.

Low energy light fittings with motion sensors were installed as part of all renovations and new projects.

Accountability

In January, the Vice-Chancellor signed the ATN Declaration of Commitment to Local, National and Global Sustainability which undertakes to make sustainability a focus in the University's teaching and learning programs, research, infrastructure and operations.

RMIT's collaboration as a member of the Australian Technology Network saw the exchange of data and ideas with industry partners throughout the year. An energy audit enabled the University to identify opportunities for reducing energy consumption by discovering efficiencies and strategies to improve power usage and reduce greenhouse gas emissions.

This year, RMIT expanded its energy and utilities consumption reporting to meet both State and Commonwealth Government requirements. RMIT now:

- » complies with the Environment Protection Authority's Environmental Resource Efficiency Plans
- » compiles a WaterMAP (Management Action Plan) annual report on water consumption, detailing actions taken to conserve water and future plans for further reductions in water usage, for presentation to City West Water and Yarra Valley Water

- » reports greenhouse gas emissions, energy consumption and production in accordance with the Commonwealth Government National Greenhouse and Energy Reporting Act 2007.

- » reports to the Tertiary Education Facilities Management Association on environmental factors

- » presents a sustainability report to Skills Victoria

An RMIT Sustainability Committee was re-formed. The Committee was established to provide leadership, coordination and guidance to the University for the incorporation of sustainability principles and practices into teaching and learning, research and operational activities. The Committee will report to the Vice-Chancellor's Executive on RMIT's sustainability performance and the University's government reporting requirements and commitments, and will also recommend University-wide sustainability performance targets.

Recycling

Advanced Recycling Australasia awarded RMIT a Certificate of Recycling Excellence in 2008 for the University's fluorescent tube and lamps recycling program. The program was initiated by Dr Abbas Mohajerani (School of Civil, Environmental and Chemical Engineering) as part of his research into the toxic effects of mercury. It is additional to RMIT's existing paper and co-mingled recycling program.

RMIT maintenance staff, in conjunction with Advanced Recycling, collected 35,000 fluorescent light tubes from the City and Bundoora campuses for recycling. Mercury extracted from the used tubes and lamps is used for dental amalgam manufacture; aluminium from the fluorescent tube ends is recycled into ingots for use in foundries; the glass is recycled into glass wool for home insulation; and phosphor powder becomes fertiliser.

Water Saving

In 2008 RMIT began using Class A recycled water in the City campus fountains, with approval from City West Water. After a period of inactivity, partly due to water restrictions, fountains in Building 8 and the Kernot Building (Building 3) were reactivated upon completion of building works. Plans are underway for connection of these fountains to developed grey water systems, which will eliminate the need to purchase recycled water.

RMIT commenced work on the introduction of a black water system in the Casey Wing (Building 10) in Swanston Street. The plant will treat 5,000 litres of sewerage per day, using the latest available technology to produce Class A recycled water which will initially be used for garden irrigation and display fountains and will ultimately be extended to toilet flushing.

Also during 2008, tap water flow control valves were trialled and installed in four buildings on the City campus.



Class A recycled water is being used in fountains on the City campus.

2008 Resource Usage

	2004	2005	2006	2007	2008
Average Energy Consumption per EFTSL (GJ electricity and gas)	10.3	10.0	10.2	10.1	9.2
Water per EFTSL (KL)	6.1	6.0	6.0	5.7	5.5
Greenhouse Gas Emissions (t CO ₂ -e)	88,347	92,227	82,654	79,124	70,548
GreenPower Consumption (MWh)	0	0	1,022	1,072	8,648

Building Design Practice

RMIT's building design and construction standards are outlined in the Property Services Design Brief which is available on the RMIT website. All 2008 construction work was undertaken with environmental best practice as a priority, including a minimum 5-star Green Star rating for all new buildings and a minimum 4-star rating in all renovated buildings.

The heritage character of buildings is a key consideration for RMIT and this was a major factor in work undertaken on the Francis Ormond and Emily McPherson buildings.

Protection of indigenous species is one of the guiding principles for the protection of the natural environment, particularly on the Bundoora West campus.



UNIVERSITY GOVERNANCE



GOVERNANCE

RMIT University is governed by a Council that consists of:

- » the Chancellor
- » the Vice-Chancellor
- » two persons elected by the Academic Board
- » three persons elected by and from the staff of the University as prescribed by the Statutes
- » two persons elected by and from the enrolled students of the University as prescribed by the Statutes
- » six persons appointed by the Governor in Council
- » one person appointed by the Minister
- » six persons appointed by Council.

Consistent with the Royal Melbourne Institute of Technology Act 1992, as from time to time amended, the Council is the governing authority of the University and has the direction and superintendence of the University.

Accordingly, Council members participate in approval of the University's strategic direction, annual budget and business plan, and in monitoring of the University's performance. The Council appoints the Vice-Chancellor and President, as well as executives at Deputy Vice-Chancellor and Pro Vice-Chancellor levels.

Members of Council, as required by legislation, have duly completed declarations of director-related transactions. No members of Council hold shares as nominees or beneficially in any statutory authority or subsidiary related to the University. Members of Council do not hold shares in RMIT—no shares are distributed by RMIT—or in related companies. Independent and student-elected Council members may choose to receive remuneration for being members of Council. RMIT does not make loans to Councillors or related parties of Councillors.

As part of its commitment to good governance practices, in 2003 the University Council adopted a charter containing broad governance principles. This charter is reviewed annually and was not amended in 2008.

Declarations received from Council members have indicated no conflict of interest or pecuniary interests other than remuneration disclosed in the financial statements.

Professional indemnity insurance of up to \$30 million for members of Council and senior officers is provided under a policy issued by QBE Insurance (Australia) Limited.

Based on its governance charter, new members took part in an induction program and all members were able to participate in a professional development program which covered a range of areas including informing members about stakeholder issues and the activities of the University.

In accordance with its charter, the Council reviews its performance annually. In 2008, this was an internal review conducted by the Chancellor using a questionnaire and individual interview. Feedback was positive overall and Council will take account of comments in determining its focus and developing its 2009 work plan. As well as its regular meetings Council had two retreats, one focusing on the academic program profile and the other on staffing.

The Nominations and Governance Committee oversaw nominations to Council, its committees and subsidiaries, as well as induction and professional development for Councillors. In line with State Government guidelines, optional remuneration was available for independent members of Council and elected students.

In 2008, subsidiary companies had complied with Council-mandated reforms to their governing bodies. Most reviewed their statements of governance principles adopted in 2004 and reported on changes to the skills, experience and qualifications of directors, on their frameworks for risk management and internal audit.

COUNCIL MEMBERS IN 2008

Ms Frances Awcock AM

Appointed by Governor in Council, member since 27 July 2004.
BA (Melb), DipLib (RMIT).
Expertise in library sector; leadership in information services and cultural affairs.

Mr Allan Ballagh

Elected by Academic Board, member since 10 February 2003.
BEng (Deakin), DipEd (Melb), MEd (RMIT).
Director, RMIT TAFE.

Mr Vinit Chitkara

Elected by RMIT students, member since 1 January 2008.
Active member of various student associations.

Professor Peter Coloe

Elected by Academic Board, member since 7 August 2000.
BSc(Hons) (Monash), PhD (Monash), FASM.
Practising researcher and senior academic manager.

Ms Anne Dalton

Appointed by Governor in Council, member since 15 April 2003.
BA (Monash), LLB (Monash),
GradDip Pub Sec Mgmt (Griffith).
Partner, Sparke Helmore.
Extensive legal and governance experience.
Other directorships: Metropolitan Waste Management Group; Victorian Government Purchasing Board.

Mr Terry Francis

Appointed by Governor in Council, member since 15 April 2003.
BEng (Civil) (Melb), MBA (Melb), FAICD, FFin, FIE.
Extensive financial and commercial expertise.
Other directorships: Southern and Eastern Integrated Transport Authority, Boom Logistics Ltd, ANZ Specialist Asset Management Ltd, Emergency Services Telecommunications Authority, Northern Victorian Irrigation Renewal Project.

Professor Margaret Gardner AO

Vice-Chancellor (ex-officio) since 4 April 2005.
BEcon(Hons), PhD (Syd), DUniv (Griffith)
FAIM, GAICD.
Leadership and management experience in the university sector.
Other directorships: Museum Board of Victoria, Australian Teaching and Learning Council.

Professor Dennis Gibson AO

Elected by RMIT Council as Chancellor since 14 April 2003.
BSc (Hons), MSc, PhD (Newcastle upon Tyne), DSc (CNA), Hon DUniv (Sunshine Coast), Hon DUniv (QUT), FTS, FAICD.
Broad range of leadership and management experience in the university sector.
Chair of two technology start-up companies and of the Queensland Premier's Smart State Awards Selection Committee.

Dr Jane Gilmour OAM

Appointed by RMIT Council, member since 1 January 2005 and Deputy Chancellor in 2008.
BA(Hons) (ANU), DUP (Sorbonne), FAICD.
Experience and leadership in the not-for-profit sector.
Other directorships: Water Education Australia (Deputy Chair), William Buckland Foundation (Trustee), Environment Committee, Parks Victoria.

Ms Rosemary Lever

Appointed by Governor in Council, member since 1 March 2005.
Dip Soc Studies (Melb),
BSocWork (Hons) (Melb).
Expertise in child welfare, organisational management, policy development, strategic planning and innovation.

Ms Elizabeth McKenzie

Elected by VET teaching staff, member since 3 March 2008.
BEEd, GradDip Special Ed, GradDipTESOL, (Deakin) MEd (RMIT).
Learning Skills Adviser RMIT.

Professor John Nieuwenhuysen AM

Appointed by RMIT Council, member since 4 March 2002.
MA (Natal), PhD (London), FASSA.
Expertise in public policy, research and technology transfer.
Other directorships: Chair, VITS Language Link; Member, Australian Multicultural Foundation.

Ms Rhonda O'Donnell

Appointed by Governor in Council, member since 23 September 2008.
GradDip Innov & Serv Mgt, MAppSci (RMIT), FAIM, MAICD, MAHRI.
Expertise in technology transfer and international business.
Other directorships: Victorian Government Purchasing Board (Chair), Innovation Advisory Board, ACMI, Novell Asia Pacific.

Mr Helmut Pekarek

Appointed by RMIT Council, member since 1 January 2005.
MEng (App Physics) (Tech Uni of Vienna).
Broad range of leadership and management experience in business.

Mr Neil Robinson

Elected by academic staff, member since 1 January 2003.
TTTC, Dip App Phys (RMIT), BSc (Hon), MSc (LaTrobe).
Senior Lecturer Applied Physics, RMIT.

Ms Moira Schulze

Appointed by Governor in Council, member since 1 January 2005.
BA (Melb), DipEd (Admin) (Melb), MEd (Melb), MAICD, FIPAA.
Experience in leadership and management in the public and not-for-profit sectors.
Other directorships: Hanover Welfare Services, Victorian TAFE Development Centre.

Mr Trevor Tappenden

Appointed by RMIT Council, member since 8 August 2003.
ACA, FAICD.
Experience in finance and audit.
Other directorships: Heide Museum of Modern Art (Chair), Ernest Heine Family Foundation (Trustee), Bionomics Ltd, Metal Storm Ltd, VITS Language Link.

Mrs Lisa Thompson-Gordon

Elected by PACCT staff, member since 1 January 2008.
BSc (Monash), M Bus (RMIT), GradDip Ed (BCAE), GradDip Career Ed (RMIT).
Policy and Program Advisor, RMIT.

Ms Fran Thorn

Appointed by the Minister, member since 18 February 2008.
BA (Hons) (Monash), MA, MBA (Melb),
GradDip Lib (RMIT).
Secretary, Department of Human Services.
Experience in leadership and management in the public sector.
Other directorships: National e-Health Transition Authority, CAE.

Ms Charlotte Walker

Elected by RMIT students, member since 1 January 2008.
Active member of various student associations.

Dr Rodney Wulff

Appointed by RMIT Council, member since 1 January 2007.
BLA (Oregon), MLA (Harv), PhD (Cornell).
Expertise in landscape architecture, natural resource analysis and design implementation.
Other directorships: Managing Director, Tract.

Mr Derek Young

Appointed by RMIT Council, member since 10 November 2003.
FACCA, CPA.
Financial and commercial expertise.
Other directorships: Chair Melbourne Theatre Company.

COUNCIL COMMITTEES

Council has established committees to assist it in discharging its responsibilities. Each committee had a work plan of activity to exercise its responsibilities in 2008, and all committees reported to Council on their activities.

Audit and Risk Management Committee

The Audit and Risk Management Committee acts on behalf of Council to monitor the audit controls and risk management of the University and associated processes.

Its objectives are to assist Council in discharging its responsibilities with respect to:

- » the integrity of the University's annual financial statements and financial reporting and those of its subsidiaries
- » the exposure to legal and business risk of the University and its subsidiaries
- » the effectiveness of the external and internal audit functions
- » the adequacy and effectiveness of management, financial control systems and other internal controls of the University and its subsidiaries
- » the effectiveness of the University's compliance systems.

Campus Development Committee

The Campus Development Committee acts on behalf of Council to:

- » consider and recommend to Council the physical infrastructure master plan for the University in accordance with the University's strategic plan
- » consider and review significant proposed developments on campus to ensure that they are consistent with the physical infrastructure master plan.

Nominations and Governance Committee

The Nominations and Governance Committee acts on behalf of Council to ensure Council and the Boards of RMIT subsidiaries have an effective balance of skills and experience.

The Committee meets to:

- » recommend candidates for Council vacancies to Council or to the Minister for Education as appropriate to ensure the Council has an effective balance of relevant skills, experience and knowledge
- » recommend to Council a person to be appointed or reappointed as Chancellor and Deputy Chancellor
- » recommend to Council membership of Council committees and oversee the appointment of directors to RMIT subsidiaries

- » ensure appropriate oversight of governance principles and conduct in the subsidiaries
- » develop high standards of corporate governance in RMIT Council including the form of performance evaluation, induction and professional development for Councillors
- » recommend to Council changes required to Statutes and Regulations
- » recommend candidates to Council for honorary awards.

Planning and Finance Committee

The Planning and Finance Committee acts on behalf of Council to:

- » review the annual budget and business plan and recommend their approval to Council
- » review an annual report on progress against the business plan and the strategic plan
- » monitor the University's financial performance and other performance indicators against the business plan
- » review policies with regard to investment funds and to monitor their effectiveness
- » review the capital program budget and recommend its adoption to Council
- » consider major initiatives and projects that involve significant commitment and/or risk to the University, to advise Council and monitor progress where appropriate

- » monitor the development and implementation of planning, quality and performance processes across the University
- » advise Council on the setting up and closing down of controlled entities, and on the University entering into material joint ventures and partnerships
- » monitor performance of controlled entities through quarterly reports against business plans and strategic plans.

Remuneration Committee

The Remuneration Committee acts on behalf of Council to:

- » annually agree and monitor performance targets for the Vice-Chancellor
- » annually decide on the quantum of the Vice-Chancellor's performance bonus and total employment cost
- » consider, when required, issues relating to the Vice-Chancellor's contract and make recommendations to Council
- » review and set total remuneration cost ranges for all executive staff
- » review and approve the performance assessments and bonuses recommended by the Vice-Chancellor for the direct report senior executives
- » provide advice to the Vice-Chancellor on executive performance appraisal mechanisms.

Attendance at Council and Committees in 2008

Name	Council	Audit and Risk Management	Campus	Nominations and Governance	Planning and Finance	Remuneration
Frances Awcock	6/6			8/8		
Allan Ballagh	5/6					
Vinit Chitkara	6/6		6/7			
Peter Coloe	6/6					
Anne Dalton	4/6	5/6				
Terrence Francis	5/6	4/6			7/7	
Margaret Gardner	6/6		6/7	7/8	5/7	2/2
Dennis Gibson	6/6	5/6	5/7	7/8	5/7	2/2
Jane Gilmour	6/6		7/7			2/2
Rosemary Lever	5/6			8/8		
Elizabeth McKenzie	6/6					
John Nieuwenhuysen	5/6			5/8		2/2
Rhonda O'Donnell	0/2					
Helmut Pekarek	4/6				4/7	
Neil Robinson	6/6			6/8		
Moira Schulze	6/6					2/2
Trevor Tappenden	6/6	6/6			7/7	
Fran Thorn	3/6					
Lisa Thompson-Gordon	6/6				6/6	
Charlotte Walker	6/6				6/7	
Rodney Wulff	6/6		7/7			
Derek Young	5/6				6/7	

COMPLIANCE MANAGEMENT

Freedom of Information

During the reporting period, the University received 16 applications under the Freedom of Information Act 1982.

Access granted in full:	9
Access granted in part:	2
Access denied:	2
Pending:	2
Lapsed:	1

The University is subject to the provisions of the Freedom of Information Act and has in place procedures to ensure that it meets its compliance obligations. The University's Freedom of Information Officer for 2008 was employed in RMIT Chancellery.

Whistleblowers Act 2001

The University is committed to the aims and objectives of the Whistleblowers Protection Act 2001 (the Act). It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

The University recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

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

The roles of protected disclosure coordinator and protected disclosure officer are carried out by the Executive Director, People and Culture. Alternatively, staff may make a disclosure directly to the Ombudsman Victoria.

RMIT developed and introduced its policies and procedures relating to the Act in 1991. The procedures define key terms and detail actions relating to the reporting system, roles and responsibilities, confidentiality, collating and publishing statistics, receiving and assessing disclosures, investigations, action taken after an investigation, managing the welfare of whistleblowers and those against whom disclosures have been made, criminal offences and reviews. The procedures are available online at: <http://prodmams.rmit.edu.au/2r9d9qd05nm5.pdf>

Disclosures

1. Number and types of disclosures made during the year: One disclosure
2. Number of disclosures referred during the year by the public body to the Ombudsman for determination as to whether they are public interest disclosures: One disclosure
3. Number and types of disclosed matters referred during the year to the public body by the Ombudsman: Nil
4. Number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate: Nil
5. Number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year: Nil
6. Number of requests made during the year to the Ombudsman to investigate disclosed matters under Section 74 of the Act: Nil
7. Number and types of disclosed matters that the public body has declined to investigate during the year: Nil
8. Number and types of disclosed matters that were substantiated on investigation and action taken on completion of the investigation: Nil
9. Recommendations of the Ombudsman under the Act that relate to the public body: Nil

Complaints to Ombudsman's Office

In 2008 there were three complaints reviewed by Ombudsman Victoria where a formal response was requested from the University.

Grievance and Complaints Procedures

RMIT has a strong commitment to ensuring that student complaints are resolved in a fair and timely manner. The University recognises the rights of students to make complaints without recrimination or effect on their grades. Policies, procedures and guidelines on student complaints are available online at: www.rmit.edu.au/students/complaints

When they are involved in the complaints process, students have the support of a number of services provided by the University through the Students Portfolio as well as the Student Union.

RMIT staff are also entitled to fair and consistent treatment and prompt consideration of their complaints.

The University maintains comprehensive policies and procedures to ensure staff are given opportunities to resolve any grievances concerning decisions which adversely affect them, or other matters about which they are aggrieved, in their capacity as employees of the University. The procedures are intended to prevent personal conflicts becoming entrenched and to resolve disputes without unnecessary delay and in a conciliatory, informal and effective manner.

In all cases, the University encourages the resolution of problems at the local level, although procedures allow for escalation and review. The University Ombudsman reports directly to the Vice-Chancellor and can assist in resolving staff and student grievances that are not able to be resolved through the normal processes and procedures. In addition, complaints about administrative actions and decisions of the University may be made to the Victorian Ombudsman.

Information about the handling of staff grievances or complaints is available online at: <http://www.rmit.edu.au/browse;ID=wmgrukxjt24z>

Education Services for Overseas Students Act 2000

In 2008 the University complied with the ESOS Act 2000 and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (National Code 2007).

National Competition Policy

RMIT has developed costing and pricing models that apply all relevant university costs including overhead and other indirect costs and where appropriate adjust prices to take account of any competitive advantage the university may have. This enables the university to comply with the National Competition Policy including the requirements of the Government policy statement Competitive Neutrality: A Statement of Victorian Policy and subsequent reforms.

Public Funding

All public funds allocated to the University have been allocated to the purposes specified by the government or other public funding body.

Fees and Charges

In 2008, there were no significant changes to the level of fees charged to students by the University.

RISK MANAGEMENT AND INTERNAL AUDIT

Schedule of Fees and Charges

All fees charged to students at RMIT University are set and approved under the authority of Council. An Approved Schedule of Fees and Charges is published each year that lists all fees that may be charged to students. A copy of the schedules for 2004–08 is available on the RMIT website at: www.rmit.edu.au/fs/fees/schedules

Tuition Fees

In 2008, average domestic non-government funded fees increased by 4.9 per cent. International onshore student fees were increased by 3.9 per cent on average. Tuition fees charged to State Government-funded VET students were increased from \$1.34 per student contact hour to \$1.37 per student contact hour, as per Ministerial guidelines.

Course Material and Administrative Fees

There were no significant changes to the level of fees charged as course material and administrative fees. The number of programs/courses for which material fees may be charged has increased from 366 in 2007 to 404 in 2008. While 404 were proposed, only 299 of these fees were levied in 2008.

Additional Information

Consistent with the requirements of the Financial Management Act 1994, further information on the following items is available on request:

- » Declarations of pecuniary interests
- » Shares held by senior officers
- » Publications
- » Major external reviews
- » Overseas visits undertaken
- » Promotional, public relations and marketing activities.

Enquiries should be directed to:

Head of Media and Communications
RMIT University
GPO Box 2476V, Melbourne VIC 3001
Tel. (03) 9925 2000

Risk management is an essential element of the University's corporate governance framework. The RMIT Council plays a fundamental role in the management of institutional risk through its Audit and Risk Management Committee.

The Audit and Risk Management Committee has responsibility for approving the risk management strategy and overseeing the management of risk within the RMIT Group. The Committee acts to ensure that the University has a sound system of internal management and control.

Throughout 2008, the University continued to apply sound processes for identifying, evaluating and managing risks, based on the principles of the Australian Standard for Risk Management (AS/NZS 4360). These processes, which are effectively integrated into the University's risk management framework and annual planning cycle, included:

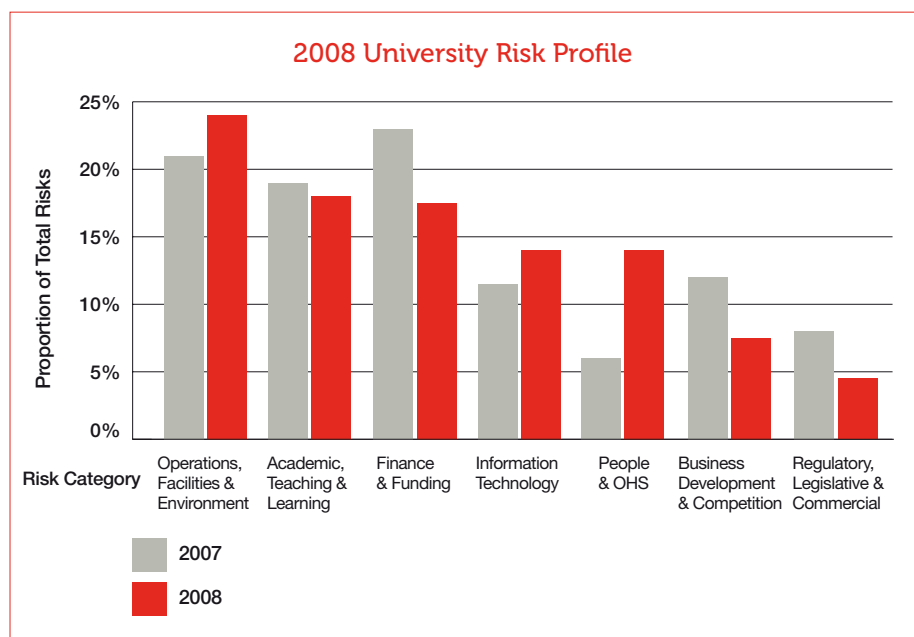
- » training University staff in risk management;
- » the annual review and update of a University-wide risk profile using outcomes from risk assessments undertaken by all academic and administrative areas and major projects;
- » incorporation of action plans to mitigate identified risks into operational plans, and regular monitoring and reporting of status against those action plans;

- » quarterly reporting by RMIT's controlled entities on outcomes of risk management activities to the Audit and Risk Management Committee;
- » crisis management planning across all University campuses based on a risk management approach; and
- » strengthening the management of compliance risks with the development and implementation of a University Compliance Framework and the appointment of a Compliance Manager with responsibility for overseeing the framework's operation.

The University's Internal Audit and Risk Management group has responsibility for reviewing risk identification and management processes on a regular basis to ensure their effectiveness.

One hundred and eight risks across all operating groups were subject to active management during the year, including 12 key University-wide risks that were monitored by the senior executive group to ensure that appropriate mitigation measures were in place to ensure the net risk exposure is consistent with RMIT's objectives and risk appetite. The consolidated risk profile, together with findings from previous Internal Audit reviews, again formed the basis of the annual audit program in 2008.

In accordance with RMIT's Risk Management Guidelines, the identified risks are assigned to seven broad categories which are deemed to be relevant to RMIT in the context of its environment and operations. The risks identified in 2008, together with comparative data for 2007, are categorised in the chart below:



RMIT SUBSIDIARIES

RMIT Foundation

The RMIT Foundation was established in 1994 to receive philanthropic gifts and donations made to RMIT University for both specified and unspecified purposes. RMIT Foundation is managed by a board of trustees whose actions are governed by a trust deed. The deed makes the trustees responsible for the prudent stewardship of the funds they invest and manage on behalf of RMIT University. They are also responsible for ensuring that the donor's wishes in making their gift are met. A trusteeship is an honorary appointment which reflects the trustees' professional acumen and public standing. The Board counts among its members business and community leaders, financial and legal experts, former Chancellors and Vice-Chancellors.

A detailed and audited report of the Foundation's activities is provided each year to RMIT Council. For accounting purposes, RMIT Foundation is regarded as a subsidiary and the Foundation's financial performance is integrated into the reporting of the University as a whole, documented elsewhere in this report.

In summary, at the end of 2008 RMIT Foundation had \$19.762 million of net assets. This was a reduction in value of approximately \$1.9 million caused by a reduction in the value of the equity holdings as a result of the global liquidity crisis. It must be remembered, however, that these equities are held over the long term, consistent with the perpetual nature of the endowments, and their value is likely to recover. Income from donations in 2008 was \$2 million and investments generated \$1.43 million.

Despite the difficult economic conditions that prevailed throughout 2008, the board of trustees of the Foundation unanimously supported a resolution to make significant grant distributions. This was possible because of the prudent management of investment income in the past and the management of over half of the assets as cash during the past year. The inverse investment curve meant that cash term deposits generated better returns than the equities market.

The Trustees' unanimous decision was to support the motion: "The Board of Trustees resolves that in 2008 four per cent of the investment revenue generated by each fund will be allocated back into the core capital to 'protect' each fund at current market value, and five per cent of the value of the core capital funds will be allocated to grant-making from the accumulated 'funds available for distribution,' according to the requirements of each endowment."

Foundation Chair, Yolanda Klempfner AO, said: "Periods of economic downturn are the very occasions when the Foundation should try to make significant allocations. Students particularly need extra help in these difficult financial times. Making a grant distribution of five per cent return on core capital funds was consistent with the target for grant-making embedded in the Foundation's investment strategy."

In 2008, the RMIT Foundation disbursed \$670,000 in the form of scholarships, international visiting fellowship grants, awards and prizes to individual students, research units and the schools of the University. These funds support RMIT's teaching and research, facilitate international engagement across disciplines within the University, and create enduring institution-to-institution alliances at a national and international level.

The RMIT Foundation Visiting Fellowship program is a critical support to internationally engaged research, enabling visiting scholars from around the world to spend time at RMIT within the research centres. Similarly, the John Storey Junior Memorial Fund allows many undergraduate students each year to visit a sister institution overseas for a period of study.

In 2008 the Foundation supported two new programs: an industry placement program to encourage closer links between RMIT and its industry partners; and International Research Exchange Fellowships, established to provide support for international researchers to visit the University and undertake a period of research activity with collaboration at RMIT, and/or to support RMIT researchers in undertaking similar collaborative research activity overseas.

These initiatives illustrate how the philanthropic gifts to the University are fundamental to maintaining a robust, thoughtful and globally connected learning environment.

Spatial Vision Innovations Pty Ltd

Spatial Vision Innovations Pty Ltd sells geospatial technology and services for use in environmental, land, asset and emergency management, and for government and a growing range of other private sector clients. The business continued to expand its client base in NSW, the ACT and Queensland.

In 2008 the company continued to innovate and provide cutting-edge resources to its expanding client base. It negotiated a three-year Whole of Victorian Government licence covering the use of the popular Vicmap Book series in digital form.

The company received significant recognition when Australia's newest biosecurity system, principally developed by the company, took out the 2008 Spatially Enabling Government Award at the Victorian Spatial Excellence Awards. The BioSIRT (Biosecurity Surveillance Incident Response and Tracing) project is a comprehensive information system that will be used by all states and territories to manage and respond to incidents of animal and plant diseases and pest incursions.

It also developed a web-based platform for planners and policy makers to visualise groundwater management units in 3D and access related management information.

RMIT Drug Discovery Technologies Pty Ltd

RMIT Drug Discovery Technologies Pty Ltd (RDDT) was incorporated in 2007 as a proprietary company limited by shares. Prior to its incorporation its activities were conducted within the School of Medical Sciences at RMIT University.

RDDT was established to develop and provide pre-clinical toxicology and bio-analytical testing services that meet the standards of the OECD Principles of Good Laboratory Practice. It provides services for national and global biotechnology, pharmaceutical and chemical industry clients progressing products for human health care through early phase development.

In its second year of operation the company looked at ways of expanding its marketing capabilities. In light of the global financial crisis, an external review was undertaken which concluded that the company was an efficient, lean organisation and that to become commercially viable would require significant cash injections for at least the next three years. RMIT University has appointed advisors to determine the best strategies for the future.

RMIT International Pty Ltd

RMIT International Pty Ltd was established in 1995 as a proprietary company limited by shares. In 2006 it was agreed by the Board and University Council to transfer the company's International Services Division, Business Development Division and Corporate Services function to RMIT University, and that no new contracts would be entered into by the company and the company would be wound up when existing projects had been completed.

In 2008 deregistration proceedings commenced.

RMIT Vietnam Holdings Pty Ltd

RMIT Vietnam Holdings Pty Ltd has been engaged in six separate philanthropic projects in Vietnam on behalf of and funded by The Atlantic Philanthropies. These projects principally entail the construction and development of four Learning Resource Centres, each of approximately 7500 m², at the Universities of Hue, Danang, Cantho and Thai Nguyen. Two other appointments are to manage the translation the Dewey Decimal System into Vietnamese, the National Task Force program to train staff in Vietnamese libraries, and the development of library resources in Vietnam.

All projects are managed by a small team of staff at RMIT Vietnam in Ho Chi Minh City and supported by library and education professionals from RMIT University.

RMIT Training Pty Ltd

RMIT Training Pty Ltd comprises three business units – RMIT English Worldwide, RMIT Publishing and RMIT Continuing Education Centre. The businesses operate separately and are profitable.

The company is governed by a Board of Directors which meets six times a year and is chaired by a member of RMIT University Council. Strategic and business plans align with plans for the University, and the company reports quarterly to RMIT Council on financial performance, operational highlights and risk management.

RMIT Union

Since the post-VSU restructure of student services at RMIT, RMIT Union has responsibility for provision of programs in Sport and Recreation and Arts and Culture at the University. RMIT Union also continues to manage the City Fitness Centre, by arrangement with Property Services.

These programs contribute to the student experience and to campus community, and provide opportunities for students to apply and develop their skills in practical settings, with the support of a committed and professional staff team. Some of the highlights and achievements of our students in RMIT Union programs are featured under the Students section of this report.

RMIT Union acknowledges the strong support provided by the University through:

- » the annual operating grant – \$1.42 million in 2008
- » in-kind support through RMIT corporate services
- » funding for specific projects through allocations from former Union reserves.

RMIT Union's programs continue to draw strong support from a wide cross-section of the RMIT community. The Union's website recorded more than 8,000 unique visitors in March and in excess of 5,000 unique visitors in other months of the academic year.

2008 was the first full year in which RMIT Union operated under its new Constitution. The AGM held in November provided an opportunity to showcase and celebrate some of the fine achievements under the Union umbrella. Elections for 2 members of the Union Board were also held in accordance with the new Constitution, and Heidi Chryssikos and Gemma Robertson were elected to the Board through that process.

Meltech Services Ltd

Meltech Services Ltd, limited by guarantee and not having a share capital, was established in 1975 as a company for the RMIT Union. It did not trade in 2008.

RMIT ASSOCIATED ENTITIES

RMIT's engagement with industry, professional, regional and community organisations, and its investment in research and innovation through spin-off companies and partnerships in Cooperative Research Centres (CRCs), results in the University holding an interest in a small number of associated entities. This interest may be a share of ownership, or significant shared reputational or financial risk. RMIT's offshore award program partnerships are covered elsewhere in this report.

The following table outlines RMIT's associated entities¹ and provides information on their objectives, RMIT's interest, performance of the entity during the year, and our assessment of the reputational and financial risks to RMIT.

¹ As per the Australian Accounting Standards' definition of "associates and ventures"

Name	Principal Objects	Level of Risk to RMIT	
		Financial	Reputational
Carbon Regen Pty Ltd	Established for the purpose of commercialisation of activated carbon regeneration process developed in the CRC for Water Quality and Treatment.	Low	Low
Victorian Institute of Chemical Sciences Ltd	Dedicated to the advancement of the chemical sciences in Victoria.	Low	Low

CONSULTANCIES 2008

Vendor Name	Order Amount(\$)	Invoiced Amount (\$)	Further Commitments (\$)	Description
Box Hill Institute of TAFE	1,175,210	1,175,210	0	Language literacy and numeracy program
Price Waterhouse Coopers	963,869	873,869	90,000	Project Baker and Business College review
Clicks Recruitment (Australia) Pty Ltd	907,318	815,583	91,735	ITS projects
General Flying Services Pty Ltd	900,935	900,935	0	RMIT flight training
Entity Solutions	606,042	432,185	173,857	SLC project
Resource 23 Pty Ltd	567,205	567,205	0	SLC project
Command Recruitment Group	513,973	513,973	0	ITS projects
IT Matters Recruitment Services	465,800	396,000	69,800	ITS projects
Northern Melbourne Institute of TAFE	332,316	332,316	0	Language literacy and numeracy program
Futurebrand Australia	318,430	318,430	0	Brand project
Immersive Pty Ltd	245,085	245,085	0	DVS program
Belgravia Health & Leisure Group	238,622	195,322	43,300	BNASC management
Microhelp	231,145	231,145	0	Student portal project
Hays Personnel Services	228,451	228,451	0	SLC project
Interpro Australia Pty Ltd	227,080	227,080	0	SLC project
Selmar Contracts Pty Ltd	224,329	224,329	0	Teaching and workshops
Pro-Safety Consultants Pty Ltd	218,440	218,440	0	Security consultancy
Chad Consulting Pty Ltd	209,120	209,120	0	TAFE attendance project
Icon Recruitment	203,988	203,988	0	SLC project
Maunsell Australia Pty Ltd	200,000	200,000	0	Energy audit
Integrated Business Technologies	194,730	194,730	0	ITS projects
Global Five Pty Ltd	191,600	191,600	0	ITS projects
CWCC Group Pty Ltd	188,836	188,836	0	Community business management program
Clark Morris & Associates	188,783	188,783	0	Project Baker
Dattner Grant Pty Ltd	173,541	173,541	0	Leadership program
Paragon Recruitment Services	172,000	172,000	0	Raiser's Edge and alumni projects
Paxus Australia Pty Ltd	172,000	130,900	41,100	PABX replacement
Urcot Limited	163,384	163,384	0	Teaching and workshops
Weava Pty Ltd	159,200	159,200	0	ITS projects
Madison Cross Australia Pty Ltd	158,530	158,530	0	Implementation of ITS organisational changes
Hamilton James & Bruce Pty Ltd	158,331	153,382	4,949	ITS projects
Memko Pty Ltd	157,409	157,409	0	Develop business case
Mexikon Pty Ltd	153,000	153,000	0	ITS projects
Lee Hecht Harrison	152,572	152,572	0	Outplacement services and career assistance
Presence of IT Asia/Pacific	143,669	143,669	0	HR services and integration projects
Uberconsult Solutions Pty Ltd	142,125	142,125	0	Student portal implementation
Carringbush Adult Education Inc.	134,839	134,839	0	Language literacy and numeracy program
Laundry Design Consultancy	121,824	121,824	0	Training programs
Advance Group Property Consultants	119,955	119,955	0	Cleaning consultancy
C-Net Pty Ltd	112,000	112,000	0	OHS project
Learning Edges Australia	111,157	111,157	0	Leadership programs
EIC Growth Pty Ltd	108,516	108,516	0	MBA and entrepreneurship consulting
Centre For Leadership	107,620	107,620	0	Leadership program
Montlaur Project Services Pty Ltd	102,640	102,640	0	Project management property services
PPC Worldwide Pty Ltd	102,542	102,542	0	Employee assistance program
Educational Emergency First Aid	102,362	102,362	0	Chemical safety consultancy
TOTAL	12,770,523	12,255,782	514,741	
1,187 Consultancies of less than \$100,000	7,707,094	7,707,094		

COMPLIANCE INDEX

The Annual Report of RMIT University is prepared in accordance with:

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
DEEWR	Commonwealth Department of Education, Employment and Workplace Relations
ESOS	Education Services for Overseas Students Act 2000
ETRA	Education and Training Reform Act 2006
FMA	Financial Management Act 1994
FRD	A-IFRS Financial Reporting Directions
PAEC	Decision of Public Accounts and Estimates Committee of Parliament
RUG	Victorian Government response to the Review of University Governance
SD	Standing Directions of the Minister for Finance issued under the Financial Management Act 1994

No.	Clause	Disclosure	Page(s)
STANDING DIRECTIONS OF THE MINISTER FOR FINANCE			
1	SD 4.2(g)	Report of Operations contains general information about the entity and its activities, highlights for reporting period and future initiatives, and is prepared on a basis consistent with financial statements pursuant to the Financial Management Act, 1994.	15, 81–end
2	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions	81–end
3	SD 4.2(j)	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved	Inside front cover
4	SD 4.2(a)	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> • Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements; • Financial Reporting Directions; and • Business Rules. 	81–end 81–end 81–end
5	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> • Balance Sheet; • Statement of Recognised Income and Expense; • Cash Flow Statement; and • Notes to the financial statements. 	86 85 87 88–134
6	SD 4.2(c)	Signed and dated statement by Accountable Officer stating that financial statements: <ul style="list-style-type: none"> • present fairly the financial transactions during reporting period and the financial position at end of the period; • were prepared in accordance with Standing Direction 4.2 (c) and applicable Financial Reporting Directions; and • comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements. 	82 82 82, 89
7	SD 4.2(d)	Financial Statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than: <ul style="list-style-type: none"> • \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and • \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000. 	81–end
8	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission	81–end
9	SD 4.5.5	Attestation on compliance with the Australian/New Zealand Risk Management Standard	79
A-IFRS FINANCIAL REPORTING DIRECTIONS			
10	FRD 10	Disclosure index	76–77
11	FRD 11	Disclosure of ex-gratia payments	N/A
12	FRD 07A	Early adoption of authoritative accounting pronouncements	89
13	FRD 17A	Long service leave wage inflation and discount rates	95
14	FRD 19	Private provision of public infrastructure	N/A
15	FRD 21A	Responsible Person and Executive Officer disclosure in the financial report	130

COMPLIANCE INDEX

No.	Clause	Disclosure	Page(s)
A-IFRS FINANCIAL REPORTING DIRECTIONS (continued)			
16	FRD 22B	Standard Disclosures in the Report of Operations	3–end
17	FRD 25	Victorian Industry Participation Policy in the Report of Operations	N/A
18	FRD 26A	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	N/A
19	FRD 102	Inventories	108
20	FRD 104	Foreign currency	90
21	FRD 106	Impairment of assets	91
22	FRD 107	Investment properties	N/A
23	FRD 109	Intangible assets	110
24	FRD 110	Cash Flow Statements	87, 99
25	FRD 112A	Defined benefit superannuation obligations	121
26	FRD 113	Investments in subsidiaries, jointly controlled associates and entities	73–74, 89
27	FRD 114	Financial Investments	108
DEPARTMENT OF EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS			
28	FRD 22B DEEWR	Analysis of the achievement of the entity's operational and budget objectives for the financial year; should include comparative analysis of indicators such as enrolments, graduations, student performance and satisfaction, staff profile, research performance and performance position	3–end
29	DEEWR	Information with respect to the governance and administrative structure of the university, specifically council members and occupants of senior officers.	10–13, 68–70
30	DEEWR	Outline of student and staff grievance procedures and number of complaints made to and investigated by the Ombudsman	71
31	DEEWR	Details of information available on institution's website, including locations of current and previous Annual Reports	Inside front cover
32	DEEWR	Compliance of financial statements with the Financial Statement Guidelines for Australian Higher Education Providers for 2008 Reporting Period issued by DEEWR.	81–end
FINANCIAL MANAGEMENT ACT 1994			
Financial Statements:			
33	FMA 49 (a)	• contain such information as required by the Minister;	81–end
34	FMA 49 (b)	• are prepared in a manner and form approved by the Minister;	81–end
35	FMA 49 (c)	• present fairly the financial transactions of the department or public body during the relevant financial year to which they relate;	81–end
36	FMA 49 (d)	• present fairly the financial position of the department or public body as at the end of that year; and	81–end
37	FMA 49 (e)	• are certified by the accountable officer in the manner approved by the Minister.	81–end
VICTORIAN GOVERNMENT RESPONSE TO THE REVIEW OF UNIVERSITY GOVERNANCE			
38	RUG	Statement outlining that public funds allocated to the University have been allocated to the purposes specified by the Government or other public funding body. Statement is audited by the Auditor-General.	71
39	RUG	University Council's risk management strategy	72
40	RUG	Summary of financial performance of Associates and Commercial Ventures	74
EDUCATIONAL SERVICES FOR OVERSEAS STUDENTS ACT 2000 (National Code 2007, Sections C & D)			
41	ESOS	Statement indicating compliance with ESOS Act 2000 and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (National Code 2007)	71
EDUCATION AND TRAINING REFORM ACT 2006 (ETRA)			
42	ETRA, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in the preceding financial year.	72, 101
DECISION OF PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE OF PARLIAMENT (December 1997)			
43	PAEC	Financial and other information relating to institution's international operations	18–23, 81–end

INDEPENDENT AUDITOR'S REPORT

To the Members of the Council of the Royal Melbourne Institute of Technology

The Statement of Performance

The accompanying statement of performance for the year ended 31 December 2008 of the Royal Melbourne Institute of Technology comprises the statement, the related notes and the councillors' declaration.

The Members of the Council's Responsibility for the Statement of Performance

The Members of the Council of the Royal Melbourne Institute of Technology are responsible for the preparation and the fair presentation of the statement of performance in accordance with the *Financial Management Act 1994*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the statement of performance that is free of 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 statement of performance based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the statement of performance is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of performance. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the statement of performance, whether due to fraud or error. In making those risk assessments, consideration is given to internal control relevant to the entity's preparation and fair presentation of the statement of performance 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 entity's internal control. An audit also includes evaluating the overall presentation of the statement of performance.

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

Matters Relating to the Electronic Presentation of the Audited Statement of Performance

This auditor's report relates to the statement of performance published in both the annual report and on the website of the Royal Melbourne Institute of Technology for the year ended 31 December 2008. The Council is responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statement named above. An opinion is not provided on any other information which may have been hyperlinked to or from this statement. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited statement of performance to confirm the information included in the audited statement of performance presented on the Royal Melbourne Institute of Technology web site.

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.

Auditor's Opinion

In my opinion, the statement of performance of the Royal Melbourne Institute of Technology in respect of the 31 December 2008 financial year presents fairly, in all material respects, and in accordance with the *Financial Management Act 1994*.

MELBOURNE
1 April 2009


D D R Pearson
Auditor-General

Royal Melbourne Institute of Technology

TAFE Key Performance Indicators 2007 and 2008

The following table sets out the TAFE Key Performance Indicators for the years ended 31 December 2007 and 31 December 2008, required to be provided to Skills Victoria.

Indicator	2007	2008
Participation of 15–24 year-olds	11,552	11,529
Participation of 25–64 year-olds	7,736	8,271
Module load completion rate*	73.2%	75.8%
Student overall satisfaction	83%	85%
Student contact hours (SCH)	8,568,620	8,821,724
Total Cost per Student Contact Hour (SCH)	\$11.04	\$12.30
Working capital ratio**	1.06 : 1.0	1.3 : 1.0
Net operating margin	8.2%	5.9%
Fee for service revenue (as % of total TAFE revenue)	30.1%	33.3%
Revenue per EFT staff (TAFE teaching & non-teaching staff)	\$112,974	\$116,541

* Calculated for total SCHs of all modules reported to OTTE/Skills Victoria

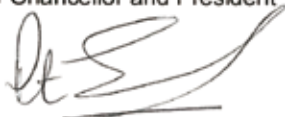
**After adjusting Current LSL Provision in accordance with International Accounting Standards restatement requirements.

Energy Consumption	2007	2008	% Change
Gas (MJ)	16,452,926	15,670,178	-4.76
Electricity (kWh)	10,720,970	9,282,710	-13.42
Green Power (kWh)	1,072,097	1,192,353	+11.22

In our opinion the above tables present fairly the data for Royal Melbourne Institute of Technology for the years ended 31 December 2007 and 31 December 2008.



Professor Margaret Gardner AO
Vice-Chancellor and President



P J Enlund
Executive Director – Financial Services

Dated at Melbourne this 1st day of April 2009

Royal Melbourne Institute of Technology

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

I, Margaret Gardner, certify that RMIT University has risk management processes in place consistent with the Australia/New Zealand Risk Management Standard, and that an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. RMIT Council's Audit and Risk Management Committee verifies this assurance and that the risk profile of RMIT has been critically reviewed within the past 12 months.



Name: Professor Margaret Gardner AO
Title: Vice-Chancellor and President
Dated: 3 April 2009



FINANCIAL STATEMENTS



**COUNCILLORS' DECLARATION
YEAR ENDED 31 DECEMBER 2008**

In our opinion:

The consolidated financial statements of Royal Melbourne Institute of Technology (RMIT) consisting of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the accompanying notes thereto, present fairly the financial position of the University and its subsidiaries as at 31 December 2008 and their financial performance represented by the results of their operations for the year ended on that date.

In the Councillors' opinion, as at the date of this declaration, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

The attached financial statements of RMIT and the consolidated entity have been prepared in accordance with the Financial Management Act 1994, applicable Australian Accounting Standards and other mandatory professional reporting requirements.

All public funds allocated to RMIT have been expended for the purposes specified by the Government or other public funding bodies, and RMIT has complied with applicable legislation, contracts, agreements and program expenditure.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Council of RMIT.



R.D. Gibson
Chancellor



M.E. Gardner
Vice-Chancellor and President

STATEMENT BY PRINCIPAL ACCOUNTING OFFICER

In my opinion:

The financial statements of RMIT present fairly the financial transactions of RMIT and the consolidated entity during the financial year ended 31 December 2008 and the financial position of its operations for the year ended on that date;

Commonwealth financial assistance expected during the financial year ended 31 December 2008 was expended for the purposes for which it was provided;

RMIT has complied in full with applicable legislation, contracts, agreements and the requirements of various program guidelines that apply to the Commonwealth financial assistance identified in these financial statements; and

The financial statements have been prepared in accordance with the Australian Accounting Standards, the Financial Management Act 1994 and other mandatory professional reporting requirements.

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



P.J. Enlund
Chief Finance and Accounting Officer

Dated at Melbourne
This 23rd day of March 2009

INDEPENDENT AUDITOR'S REPORT

To the Members of the Council of the Royal Melbourne Institute of Technology

The Financial Report

The accompanying financial report for the year ended 31 December 2008 of the Royal Melbourne Institute of Technology which comprises the income statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the declaration has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising the Royal Melbourne Institute of Technology and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 40 to the financial statements.

The Members of the Council's Responsibility for the Financial Report

The Members of the Council of the Royal Melbourne Institute of Technology are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

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. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance 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 judgement, 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 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 Royal Melbourne Institute of Technology 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 Members of the Council, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial statements published in both the annual report and on the website of the Royal Melbourne Institute of Technology for the year ended 31 December 2008. The Members of the Council of the Royal Melbourne Institute of Technology are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the University web site.


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.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Royal Melbourne Institute of Technology and the economic entity as at 31 December 2008 and their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
25 March 2009


for D D R Pearson
Auditor-General

Income Statement

for the year ended 31 December 2008

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3	209,833	182,807	209,833	182,807
HECS-HELP – Australian Government payments	3	75,686	69,721	75,686	69,721
FEE-HELP	3	19,068	16,373	19,068	16,373
State and Local Government financial assistance	4	68,436	66,588	68,348	66,588
HECS-HELP – Student Payments		14,432	12,750	14,432	12,750
Fees and charges	5	274,670	236,371	225,474	201,907
Investment revenue	6	12,963	8,046	8,741	6,038
Consultancy and contracts	7	35,926	33,875	31,078	25,654
Other revenue	8	24,556	24,664	13,878	12,703
Total revenue from ordinary activities		735,570	651,195	666,538	594,541
Deferred government superannuation contributions		11,971	(22,777)	11,971	(22,777)
Total revenue from continuing operations		747,541	628,418	678,509	571,764
Expenses from continuing operations					
Employee related expenses	9	419,183	379,428	388,054	355,060
Depreciation and amortisation	10	33,342	28,423	30,957	26,544
Repairs and maintenance	11	21,244	16,235	20,966	16,063
Finance costs	12	390	1	1,323	1,347
Impairment of assets	13	3,380	4,222	3,315	8,738
Other expenses	14	184,796	165,334	165,261	147,822
Total expenses from ordinary activities		662,335	593,643	609,876	555,574
Deferred employee benefits for superannuation		11,971	(22,777)	11,971	(22,777)
Total expenses from continuing operations		674,306	570,866	621,847	532,797
Operating result before income tax		73,235	57,552	56,662	38,967
Income tax expense	17	2,201	3,882	2,124	3,762
Operating result after income tax for the period		71,034	53,670	54,538	35,205
Operating result attributable to minority interest	32	(107)	(149)	–	–
Operating result attributed to RMIT entity		70,927	53,521	54,538	35,205

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

Balance Sheet

for the year ended 31 December 2008

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	18	162,952	116,222	102,685	70,205
Receivables	19	59,329	98,516	62,685	104,631
Inventories	20	812	688	–	–
Other non-financial assets	25	7,739	4,180	6,707	3,333
Total current assets		230,832	219,606	172,077	178,169
Non-current assets					
Receivables	19	257,447	243,534	257,395	243,482
Available for sale financial assets through equity	21	5,690	10,909	–	–
Property, plant and equipment	23	1,250,306	1,091,805	1,228,628	1,077,502
Deferred tax asset	17	159	126	–	–
Intangible assets	24	1,225	1,381	–	–
Other financial assets	22	182	176	2,694	2,694
Total non-current assets		1,515,009	1,347,931	1,488,717	1,323,678
Total assets		1,745,841	1,567,537	1,660,794	1,501,847
LIABILITIES					
Current liabilities					
Trade and other payables	26	91,168	71,891	78,911	67,550
Borrowings	27	657	–	27,208	19,121
Provisions	28	93,239	93,295	91,609	91,921
Current tax liabilities	17	3,738	3,249	3,738	3,155
Other liabilities	29	47,209	37,796	30,748	22,679
Total current liabilities		236,011	206,231	232,214	204,426
Non-current liabilities					
Borrowings	27	4,395	7,940	–	–
Provisions	28	268,002	248,282	267,784	248,063
Deferred tax liabilities	17	33	42	–	–
Total non-current liabilities		272,430	256,264	267,784	248,063
Total liabilities		508,441	462,495	499,998	452,489
Net assets		1,237,400	1,105,042	1,160,796	1,049,358
EQUITY					
RMIT entity interest					
Reserves	30	595,572	534,707	548,554	491,655
Retained surplus	31	641,320	569,875	612,242	557,703
Total RMIT entity interest		1,236,892	1,104,582	1,160,796	1,049,358
Minority interest	32	508	460	–	–
Total equity		1,237,400	1,105,042	1,160,796	1,049,358

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 31 December 2008

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Total equity at the beginning of the financial year		1,105,042	1,053,300	1,049,358	1,014,153
Available for sale financial assets revaluation		(1,886)	29	–	–
Capital Issue – minority interest		–	17	–	–
Disposals through revaluation reserve	30	195	(70)	–	–
Dividends paid		(59)	(120)	–	–
Exchange differences on translation of foreign operations	30	6,175	(1,824)	–	–
Gain on revaluation of land and buildings, net of tax	23	56,899	–	56,899	–
Premium received on issued shares		–	40	–	–
Other Adjustments		–	–	1	–
Net income recognised directly in equity		61,324	(1,928)	56,900	–
Operating result for the period		71,034	53,670	54,538	35,205
Total recognised income and expense for the period		132,358	51,742	111,438	35,205
Total equity at the end of the financial year		1,237,400	1,105,042	1,160,796	1,049,358
Total recognised income and expense for the year is attributable to:					
Members of RMIT		132,251	51,532	54,538	35,191
Minority interest	32	107	149	–	–
		132,358	51,681	54,538	35,191

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Cash Flow Statement

for the year ended 31 December 2008

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Cash flows from operating activities					
Australian Government Grants received	3	287,423	264,371	287,423	264,371
State Government Grants received		70,185	66,588	70,185	65,935
HECS-HELP – Student payments		14,432	12,750	14,432	12,750
Receipts from student fees and other customers		336,720	302,868	270,781	242,024
Dividends received		758	488	51	133
Interest received		10,161	7,492	6,824	5,867
Receipt of GST from Australian Taxation Office		15,442	15,034	15,868	15,253
Payments to suppliers and employees (inclusive of GST)		(554,316)	(559,633)	(505,767)	(511,346)
Interest and other finance costs paid		(390)	(1)	–	–
Income tax paid		(1,754)	(489)	(1,541)	(350)
Net cash provided by (used in) operating activities	35(b)	178,661	109,468	158,256	94,637
Cash flows from investing activities					
Proceeds from sale of financial assets		2,892	1,075	–	–
Proceeds from sale of property, plant and equipment		561	1,421	576	1,409
Payments for financial assets		(1,539)	(4,447)	(685)	(7,785)
Payments for intangible assets		(153)	(1,424)	–	–
Payments for property, plant and equipment		(131,129)	(78,247)	(125,667)	(75,027)
Net cash provided by (used in) investing activities		(129,368)	(81,622)	(125,776)	(81,403)
Cash flows from financing activities					
Proceeds from borrowings		–	–	–	–
Dividends paid by controlled entities to outside equity interests		(59)	(120)	–	–
Repayment of borrowings		(2,888)	(885)	–	(2,035)
Net cash provided by (used in) financing activities		(2,947)	(1,005)	–	(2,035)
Net increase (decrease) in cash and cash equivalents		46,346	26,841	32,480	11,199
Cash and cash equivalents at the beginning of the financial year		116,222	89,798	70,205	59,006
Effects of exchange rate changes on cash and cash equivalents		384	(417)	–	–
Cash and cash equivalents at end of year	35(a)	162,952	116,222	102,685	70,205

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

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1 Summary of significant 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 Royal Melbourne Institute of Technology (RMIT) as an individual entity and the consolidated entity consisting of RMIT and its subsidiaries.

1.01 Basis of preparation of the financial report

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with Australian Accounting Standards, AASB Interpretations, the requirements of the Department of Education, Employment and Workplace Relations and other State/ Australian Government legislative requirements.

Compliance with IFRSs

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). The financial statements and notes comply with the Australian Accounting Standards some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

Historical cost convention

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

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. They also require management to exercise its judgement in the process of applying RMIT's accounting policies.

The areas involving a higher degree of judgement, complexity or areas where assumptions and estimates to the financial statements are disclosed below:

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates – Impairment

RMIT assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgements – Doubtful Debts Provision

Included in consolidated Accounts Receivable at 31 December 2008 are amounts receivable from customers and students amounting to \$24.860m (2007 – \$29.340m). The full amount of the debt is not recoverable and as such a doubtful debts provision amounting to \$4.192m (2007 – \$3.509m) has been set.

Comparative amounts

Where the presentation or reclassification of items in the financial report is amended, comparable amounts shall be reclassified unless reclassification is impracticable. When comparable amounts are reclassified, RMIT discloses:

- (a) the nature of the reclassification;
- (b) the amount of each item or class of items that is reclassified; and
- (c) the reason for the reclassification.

When it is impracticable to reclassify comparative amounts, RMIT discloses:

- (a) the reason for not reclassifying the amounts; and
- (b) the nature of the adjustments that would have been made, if the amounts had been reclassified.

1.02 Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of RMIT as at 31 December 2008 and the results of all subsidiaries for the year then ended. RMIT and its subsidiaries together are referred to in this financial report as the Group or the consolidated group.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, 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 Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively.

1 Summary of significant accounting policies (continued)**1.03 Foreign currency translation****(i) Functional and presentation currency**

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value, are recognised through the profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(iii) Group companies

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 balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each operating statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are taken to equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the income statement as part of the gain or loss on sale where applicable.

1.04 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, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Government financial assistance

RMIT treats operating grants received from Australian Government entities as income in the year of receipt. Grants from the government are recognised at their fair value where the Group obtains control of the right to receive the grant, it is probable that economic benefits will flow to the Group and it can be reliably measured.

(ii) Fees and Charges

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such income is treated as income in advance. Conversely, fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

(iii) Investment income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

(iv) Fee for Service/Consulting

Contract revenue is recognised in accordance with the percentage of completion method. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

(v) Sale of non-current assets

The net profit or loss of non-current asset sales are included as revenue or expense at the date control of the asset passes to the purchaser, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

(vi) Property rental (lease) income

Rental income from operating leases is recognised as income on a straight-line basis over the lease term.

(vii) Contribution of assets and donations

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised as revenue at the fair value of the asset received when the RMIT Consolidated Group gains control of the contribution.

1 Summary of significant accounting policies *(continued)*

1.05 Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national 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 income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

Deferred tax assets and liabilities are offset where the entity has a legally enforceable right and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets and deferred tax liabilities may also be offset if they relate to taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period.

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

1.06 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases - note 34b. Payments made under operating leases (net of any incentives received from the lessor) are charged to the operating statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised as income on a straight-line basis over the lease term.

1.07 Business combinations

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill (refer to note 1.17). If the cost of acquisition is less than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

1.08 Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

1.09 Cash and cash equivalents

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

1 Summary of significant accounting policies (continued)

1.10 Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are due for settlement no more than 120 days from the date of recognition for land development and resale debtors, and no more than 30 days for other debtors.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Cash flows relating to short-term receivable are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement within 'Bad and doubtful debts'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'Bad and doubtful debts' in the income statement.

RMIT changed its doubtful debts policy in 2008, in that the percentage of aged debts provided for in each category was altered.

The percentage provided for by aged receivable category is as follows:

	2008 Years	2007 Years
181 to 270 days	40%	0%
271 to 365 days	50%	0%
over 366 days	100%	100%

No provision is made for receivables from government, education and trading sectors. If the doubtful debts policy was not changed the 2008 year end provision would have been \$721 K higher.

1.11 Inventories

Stock

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Work in Progress

Services:

Valuation of Work in Progress - Services is based on the number of hours charged to project milestones in respect of incomplete and unbilled milestones. These hours are calculated at the average labour cost per billable hour, including on-costs, for the final quarter of the year. An allowance of 10% has been deducted for potential project overruns.

Products:

Valuation of Work in Progress - Products is based on the number of hours charged to project milestones net of budget overruns. These hours are valued at the average direct cost per billable hour.

1.12 Non-current assets (or disposal groups) held for sale

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

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

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

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

1.13 Investments and other financial assets

Classification

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

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

Financial assets at fair value through profit or loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the balance sheet.

1 Summary of significant accounting policies *(continued)*

1.13 Investments and other financial assets *(continued)*

(iii) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity 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.

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement within other income or other expenses in the period in which they arise.

Changes in the fair value of monetary security denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Fair Value

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. In applying AASB 139, two tests have been considered in determining whether the impairment entries are to be taken to equity: i. the decline is "substantial" (more than 20% below investment cost) and ii. "prolonged" (more than 12 months in that state). Failure to meet either test would require the impairment to be charged to the profit and loss.

1.14 Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

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

1.15 Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the operating statement during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are credited, net of tax, to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred out to retained earnings.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

1 Summary of significant accounting policies (continued)**1.15 Property, plant and equipment (continued)**

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

	2008 Years	2007 Years
Buildings	25 – 100	25 – 100
Plant, equipment, furniture and fitting and motor vehicles	3 – 20	3 – 20
Leasehold improvements	2 – 51	2 – 50
Computer equipment	4	4
Library collections	10	10

The capitalisation threshold for plant, equipment, computers, motor vehicles and furniture and fittings to be recognised as an asset is \$2,000 (2007 - \$2,000). The library collections are capitalised on an individual unit basis as they are considered to be significant in value as a collective group.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

1.16 Leasehold improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the RMIT Consolidated Group, whichever is the shorter.

1.17 Intangible assets**(i) Research and development**

Expenditure on research activities is recognised in the income statement as an expense, when it is incurred.

Expenditure on development activities, relating to the design and testing of new or improved products, are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenditure is recorded as intangible assets and amortised from the point at which the asset is ready for use. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 4 to 20 years.

(ii) 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 is not amortised. Instead, goodwill is tested for impairment annually, 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.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. Each of those cash-generating units represents the Group's investment in each country of operation by each primary reporting segment.

(iii) Intellectual property, trademarks and licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives, which vary from 4 to 20 years.

1.18 Unfunded superannuation

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education, Employment and Workplace Relations (DEEWR), the effects of the unfunded superannuation liabilities of RMIT and its subsidiaries were recorded in the income statement and the balance sheet for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements.

The unfunded liabilities recorded in the balance sheet under provisions have been determined by actuary of the Victorian Government Superannuation Office and relate to the estimates of net liabilities at 30 June 2008. The methodology for measurement of the net liabilities uses discount rates based on the bond rate and assumed salary increases of 4%, pension indexation at 3.5% for 2008/2009, 3% for 2009/2010 and 2.5% thereafter with an assumed investment return on Fund assets of 8% (net of fees).

An arrangement exists between the Australian Government and the State Government to meet the unfunded liability for RMIT's beneficiaries of the State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the State Grants (General Revenue) Amendment Act 1987, Higher Education Funding Act 1988 and subsequent amending legislation. Accordingly, the unfunded liabilities have been recognised in the Balance Sheet under Provisions with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability consequently does not affect the year end net asset position of RMIT.

1.19 Trade and other creditors

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

1.20 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

1 Summary of significant accounting policies *(continued)*

1.21 Borrowing costs

Finance costs incurred for the construction of any qualifying asset are expensed as incurred in accordance with Financial Reporting Directive 105. All other borrowing costs are also expensed.

1.22 Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

1.23 Employee benefits

Provision is made for employee benefits and on-costs accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled using the remuneration rates expected to apply at the time of settlement. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Amounts expected to be settled more than 12 months after the reporting date are measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

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 oncosts. Provisions 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 balance date.

(ii) 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 balance 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 balance date, 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, 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.

(iii) Retirement benefit obligations

All employees of the Group are entitled to benefits on retirement, disability or death from the Group's superannuation plans. The Group plans are either a defined benefit scheme or a defined contribution scheme. The defined benefit scheme provides defined lump sum benefits based on years of service and final average salary. The defined contribution scheme receives fixed contributions from Group and the Group's legal or constructive obligation is limited to these contributions.

A liability or asset in respect of defined benefit superannuation plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Actuarial gains and losses arising from experience and adjustments and changes in actuarial assumptions are recognised in the period in which they occur, outside the income statement directly in the statement of changes in equity.

Past service costs are recognised immediately in income, unless the changes to the superannuation fund are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Further details are provided in Note 38.

(iv) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value.

(v) Employee benefit on-costs

Employee benefit on-costs, including payroll tax and workcover, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

1 Summary of significant accounting policies *(continued)*

1.24 Goods and Services Tax (GST)

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

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

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 taxation authority are classified as operating cash flows.

Commitments are recorded inclusive of GST - refer note 34.

1.25 Insurance

The RMIT Consolidated Group specifically carries the following types of insurance:

- property;
- fidelity (crime);
- professional indemnity;
- general liability;
- travel/personal accident;
- directors and officers;
- workers' compensation; and
- other insurance from time to time.

For those risks where RMIT Consolidated Group has no insurance, any losses are charged to the operating statement in the year in which the loss is reported.

1.26 Rounding of amounts

The Group is of a kind referred to in Class order 98/0100 as amended by Class order 04/667, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

2 Disaggregation information

(a) Industries

Operating revenue and expenses for the Higher Education and TAFE divisions of the university are shown in the following tables. The figures refer only to the RMIT University – consolidated totals are not included.

	Higher Education	TAFE	Total RMIT	Higher Education	TAFE	Total RMIT
	2008	2008	2008	2007	2007	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Income Statement						
Income from continuing operations						
Australian Government financial assistance						
Australian Government grants	209,634	199	209,833	182,807	–	182,807
HECS-HELP – Australian Government payments	75,686	–	75,686	69,721	–	69,721
FEE-HELP	19,068	–	19,068	16,373	–	16,373
State and Local Government financial assistance	1,100	67,248	68,348	1,850	64,738	66,588
HECS-HELP – Student Payments	14,432	–	14,432	12,750	–	12,750
Fees and charges	183,182	42,292	225,474	169,178	32,729	201,907
Investment income	7,592	1,149	8,741	5,187	851	6,038
Consultancy and contracts	29,045	2,033	31,078	24,192	1,462	25,654
Other revenue and income	12,228	1,650	13,878	11,389	1,314	12,703
Total revenue from ordinary activities	551,967	114,571	666,538	493,447	101,094	594,541
Deferred government superannuation contributions	11,971	–	11,971	(22,777)	–	(22,777)
	563,938	114,571	678,509	470,670	101,094	571,764
Expenses from continuing operations						
Employee related expenses	310,740	77,314	388,054	286,978	68,082	355,060
Depreciation and amortisation	26,034	4,923	30,957	21,743	4,801	26,544
Repairs and maintenance	17,613	3,353	20,966	13,623	2,440	16,063
Finance costs	1,151	172	1,323	1,347	–	1,347
Bad and doubtful debts	3,355	(40)	3,315	8,415	323	8,738
Other expenses	140,192	25,069	165,261	126,083	21,739	147,822
Total expenses from ordinary activities	499,085	110,791	609,876	458,189	97,385	555,574
Deferred employee benefits for superannuation	11,971	–	11,971	(22,777)	–	(22,777)
Total expenses from continuing operations	511,056	110,791	621,847	435,412	97,385	532,797
Operating result before income tax	52,882	3,780	56,662	35,258	3,709	38,967
Income tax expense	1,826	298	2,124	3,762	–	3,762
Operating result after income tax for the period	51,056	3,482	54,538	31,496	3,709	35,205

	Higher Education	TAFE	Total RMIT	Higher Education	TAFE	Total RMIT
	2008	2008	2008	2007	2007	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(ii) Balance sheet						
ASSETS						
Current assets						
Cash and cash equivalents	86,795	15,890	102,685	56,753	13,452	70,205
Receivables	57,325	5,360	62,685	99,984	4,647	104,631
Other non-financial assets	5,720	987	6,707	2,825	508	3,333
Total current assets	149,840	22,237	172,077	159,562	18,607	178,169
Non-current assets						
Receivables	257,395	–	257,395	243,482	–	243,482
Property, plant and equipment	964,003	264,625	1,228,628	841,060	236,442	1,077,502
Deferred tax asset	–	–	–	–	–	–
Other financial assets	2,694	–	2,694	2,694	–	2,694
Total non-current assets	1,224,092	264,625	1,488,717	1,087,236	236,442	1,323,678
Total assets	1,373,932	286,862	1,660,794	1,246,798	255,049	1,501,847
LIABILITIES						
Current liabilities						
Trade and other payables	68,757	10,154	78,911	63,014	4,536	67,550
Borrowings	27,208	–	27,208	19,121	–	19,121
Provisions	80,244	11,365	91,609	80,769	11,152	91,921
Current tax liabilities	3,738	–	3,738	3,155	–	3,155
Other liabilities	26,336	4,412	30,748	20,912	1,767	22,679
Total current liabilities	206,283	25,931	232,214	186,971	17,455	204,426
Non-current liabilities						
Provisions	265,201	2,583	267,784	246,986	1,077	248,063
Total non-current liabilities	265,201	2,583	267,784	246,986	1,077	248,063
Total liabilities	471,484	28,514	499,998	433,957	18,532	452,489
Net assets	902,448	258,348	1,160,796	812,841	236,517	1,049,358
EQUITY						
RMIT entity interest						
Reserves	392,027	156,527	548,554	353,477	138,178	491,655
Retained surplus	510,421	101,821	612,242	459,364	98,339	557,703
Total equity	902,448	258,348	1,160,796	812,841	236,517	1,049,358

The allocation of assets and liabilities to the Higher Education or TAFE Divisions is made on the following basis:

Cash assets

Bank accounts specifically established for either the Higher Education or TAFE Division have been so allocated to that Division, with all other account balances allocated on a proportional basis.

Receivables

Receivables directly attributable to either Higher Education or TAFE Division have been so applied and all other trade debtors have been allocated on a proportional basis.

Other financial assets

These are allocated between either the Higher Education or TAFE Division based on their direct relationship to the Division established at the time of acquisition of the asset.

Other assets

These are allocated to either the Higher Education or TAFE Division based on the nature of the asset and its relevance to the Division.

Property, plant and equipment

These are attributed to either the Higher Education or TAFE Division based on RMIT's fixed asset register and their direct relationship to the Division established at the time of acquisition.

At the time of SAP implementation in 1999, assets were incorrectly allocated between Higher Education and TAFE. All of those assets are now fully depreciated. To reflect correct position of the asset register at 31/12/2007, property, plant and equipment and retained earnings were adjusted by \$5.338m. This amendment did not change the total position reported by RMIT.

Payables

Accounts payable directly attributable to either Higher Education or TAFE Division have been so applied. All other accounts payable have been allocated on a proportional basis.

Interest bearing liabilities

The interest bearing loan facility solely relates to the Higher Education Division.

Provisions

Provisions have been attributed to either the Higher Education or TAFE Division as follows:

- directly to the appropriate Division in relation to the teaching and administrative staff operating within each Division;
- administrative support staff not directly operating within the teaching departments have been allocated on a proportional basis; and
- a small number of teaching and administrative staff who operate across the two divisions within the teaching departments have been solely allocated to the area in which they predominantly operate, as it is impractical to determine their proportional contribution to each division.

Revenue in advance

Revenue in advance directly attributable to either Higher Education or TAFE Division has been so applied, while all other revenue in advance has been allocated on a proportional basis.

Reserves & Retained surplus

In prior years, RMIT has disposed of land and buildings and not transferred revaluation amounts to accumulated retained earnings. Prior year adjustments for both Higher Education and TAFE total \$9.842m. The correction between Higher Education and TAFE re-allocation is \$0.413m. This change is within equities only; a transfer between asset revaluation and accumulated retained earnings.

	Higher Education	TAFE	Total RMIT	Higher Education	TAFE	Total RMIT
	2008	2008	2008	2007	2007	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(iii) Statement of Changes in Equity						
Total equity at the beginning of the financial year	812,843	236,515	1,049,358	781,347	232,806	1,014,153
Gain on revaluation of land and building, net of tax	38,548	18,351	56,899	–	–	–
Other Adjustments	1	–	1	–	–	–
Net income recognised directly in equity	38,549	18,351	56,900	–	–	–
Operating result for the period	51,056	3,482	54,538	31,496	3,709	35,205
Total recognised income and expense for the period	89,605	21,833	111,438	31,496	3,709	35,205
Total equity at the end of the financial year	902,448	258,348	1,160,796	812,843	236,515	1,049,358
(iv) Cash Flow Statement						
Cash flows from operating activities						
Australian Government Grants received	287,224	199	287,423	264,371	–	264,371
State Government Grants received	1,100	69,085	70,185	1,850	64,085	65,935
HECS-HELP – Student payments	14,432	–	14,432	12,750	–	12,750
Receipts from student fees and other customers	225,265	45,516	270,781	203,452	38,572	242,024
Dividends received	51	–	51	133	–	133
Interest received	5,474	1,350	6,824	4,992	875	5,867
Receipt of GST from Australian Taxation Office	12,801	3,067	15,868	10,677	4,576	15,253
Payments to suppliers and employees (inclusive of GST)	(403,851)	(101,917)	(505,767)	(411,356)	(98,643)	(509,999)
Interest and other finance costs paid	–	–	–	(1,347)	–	(1,347)
Income tax paid	(1,243)	(298)	(1,541)	(349)	(1)	(350)
Net cash provided by (used in) operating activities	141,254	17,002	158,256	85,173	9,464	94,637
Cash flows from investing activities						
Proceeds from sale of property, plant and equipment	507	69	576	1,295	114	1,409
Payments for financial assets	(685)	–	(685)	(7,785)	–	(7,785)
Payments for property, plant and equipment	(111,034)	(14,633)	(125,667)	(68,288)	(6,739)	(75,027)
Net cash provided by (used in) investing activities	(111,212)	(14,564)	(125,776)	(74,778)	(6,625)	(81,403)
Cash flows from financing activities						
Repayment of borrowings	–	–	–	(2,035)	–	(2,035)
Net cash provided by (used in) financing activities	–	–	–	(2,035)	–	(2,035)
Net increase (decrease) in cash and cash equivalents	30,042	2,438	32,480	8,360	2,839	11,199
Cash and cash equivalents at the beginning of the financial year	56,753	13,452	70,205	48,393	10,613	59,006
Cash and cash equivalents at end of year	86,795	15,890	102,685	56,753	13,452	70,205

(b) RMIT Consolidated Entity Geographical	Total Revenue		Net Operating Results		Total Assets	
	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	712,753	605,750	62,750	48,191	1,697,939	1,535,783
South East Asia	34,788	22,654	8,177	5,269	47,815	34,026
	747,541	628,404	70,927	53,460	1,745,754	1,569,809

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
3 Australian Government financial assistance including HECS-HELP and FEE-HELP					
(a) Commonwealth Grants Scheme and Other Grants	41.1				
Commonwealth Grants Scheme #		133,562	122,712	133,562	122,712
Indigenous Support Program		273	222	273	222
Equity Support Program		242	248	242	248
Disability Support Program		190	154	190	154
Workplace Reform Program		1,587	1,578	1,587	1,578
Learning and Teaching Performance Fund		-	500	-	500
Capital Development Pool		567	1,159	567	1,159
Superannuation Program		21,348	21,554	21,348	21,554
Collaboration and Structural Reform Program		256	184	256	184
Improving the Practical Component of Teacher Education Initiative		369	-	369	-
Transitional Cost Program		1,453	-	1,453	-
Total Commonwealth Grants Scheme and Other Grants		159,847	148,311	159,847	148,311
(b) Higher Education Loan Programs	41.2				
HECS-HELP		75,686	69,721	75,686	69,721
FEE-HELP		19,068	16,373	19,068	16,373
Total Higher Education Loan Programs		94,754	86,094	94,754	86,094
(c) Scholarships	41.3				
Australian Postgraduate Awards		2,439	2,485	2,439	2,485
International Postgraduate Research Scholarships		592	537	592	537
Commonwealth Education Cost Scholarships		1,295	965	1,295	965
Commonwealth Accommodation Scholarships		1,379	1,357	1,379	1,357
Indigenous Access Scholarships		29	-	29	-
Total Scholarships		5,734	5,344	5,734	5,344
(d) DIISR – Research	41.4				
Institutional Grants Scheme		5,224	5,391	5,224	5,391
Research Training Scheme		13,963	13,695	13,963	13,695
Research Infrastructure Block Grants		1,650	1,736	1,650	1,736
Implementation Assistance Program		140	69	140	69
Australian Scheme for Higher Education Repositories		320	170	320	170
Commercialisation Training Scheme		127	127	127	127
Total DIISR – Research Grants		21,424	21,188	21,424	21,188
(e) Voluntary Student Unionism	41.5				
VSU Transition Fund		233	200	233	200
Total VSU		233	200	233	200
(f) Australian Research Council	41.6				
(i) Discovery	41.6(a)				
Project		2,124	2,324	2,124	2,324
Fellowships		329	323	329	323
Total Discovery		2,453	2,647	2,453	2,647
(ii) Linkages	41.6(b)				
Infrastructure		-	700	-	700
International		106	105	106	105
Projects		3,622	3,377	3,622	3,377
Total Linkages		3,728	4,182	3,728	4,182

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
(g) Other Australian Government financial assistance				
Better Universities Renewal Fund	14,430	–	14,430	–
Other	1,984	935	1,984	935
Total other Australian Government financial assistance	16,414	935	16,414	935
Total Australian Government financial assistance	304,587	268,901	304,587	268,901
# Includes the basic CGS grant amount, CGS – Regional Loading and CGS – Enabling Loading and HEFA Transition Fund.				
## Includes Diversity and Structural Adjustment Fund				
Reconciliation				
Australian Government grants [a + c + d + e + f + g]	209,833	182,807	209,833	182,807
HECS-HELP – Australian Government payments	75,686	69,721	75,686	69,721
Other Australian Government loan Programs [FEE-HELP]	19,068	16,373	19,068	16,373
Total Australian Government financial assistance	304,587	268,901	304,587	268,901
Australian Government Grants received – cash basis				
CGS and Other DEEWR Grants	159,218	144,765	159,218	144,765
Higher Education Loan Programs	92,611	85,224	92,611	85,224
Scholarships	5,705	5,344	5,705	5,344
DIISR research	21,424	21,188	21,424	21,188
Voluntary Student Unionism	233	200	233	200
ARC grants – Discovery	2,453	2,647	2,453	2,647
ARC grants – Linkages	3,728	4,182	3,728	4,182
Other Australian Government Grants	1,984	935	1,984	935
Total Australian Government Grants received – cash basis	287,356	264,485	287,356	264,485
OS-Help (Net)	67	(114)	67	(114)
Total Australian Government funding received – cash basis	287,423	264,371	287,423	264,371
4 State and Local Government financial assistance				
Recurrent grants	61,707	59,392	61,707	59,392
Capital grants	2,997	2,731	2,997	2,731
Other grants	3,732	4,465	3,644	4,465
Total State and Local Government financial assistance	68,436	66,588	68,348	66,588
5 Fees and charges				
Course fees and charges				
Fee paying overseas students	226,128	189,658	178,092	156,406
Continuing education	12,478	11,702	12,571	11,702
Fee paying domestic postgraduate students	8,239	9,042	8,239	9,042
Fee paying domestic undergraduate students	12,197	11,605	12,197	11,605
Fee paying domestic non-award students	3,764	3,160	3,764	3,160
Other domestic course fees and charges	2,706	2,881	2,038	2,300
Total course fees and charges	265,512	228,048	216,901	194,215
Other non-course fees and charges				
Amenities and service fees	4,412	4,209	4,023	3,964
Late fees	168	205	168	196
Library fines	83	20	83	20
Registration fees	285	247	285	247
Other fees and charges	4,210	3,642	4,014	3,265
Total other fees and charges	9,158	8,323	8,573	7,692
Total fees and charges	274,670	236,371	225,474	201,907
6 Investment revenue and income				
Interest	12,170	7,558	8,680	5,905
Dividends	793	488	61	133
Total investment revenue	12,963	8,046	8,741	6,038

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
7					
Consultancy and contracts					
Consultancy		15,498	8,796	11,459	5,612
Contract research					
Commonwealth Government		8,669	7,567	8,669	7,567
Victorian State Government		1,976	2,529	1,976	2,529
Local Government		307	200	307	200
Industry and other		8,020	9,550	7,661	8,398
Total contract research		18,972	19,846	18,613	18,694
Other contract revenue					
Seminar and conference fees		903	1,275	902	1,275
Project management services		55	3,594	–	–
Service fees		498	364	104	73
Total other contract revenue		1,456	5,233	1,006	1,348
Total consultancy and contract		35,926	33,875	31,078	25,654
8					
Other revenue					
Donations and bequests		1,106	3,623	879	976
Scholarships and prizes		1,003	1,195	1,003	1,195
Product sales		10,057	8,965	2,880	1,354
Property rental		5,706	4,353	6,180	4,635
Foreign exchange gains		2,606	415	400	102
Net gain on sale of available-for-sale financial assets		–	578	–	–
Net gain on disposal of property, plant and equipment	16	85	–	92	–
Supplier rebate		182	1,400	182	700
Other		3,811	4,135	2,262	3,741
Total other revenue		24,556	24,664	13,878	12,703
9					
Employee related expenses					
Employee benefits and on costs					
Academic					
Salaries		182,619	160,549	164,191	148,120
Contributions to superannuation and pension schemes:					
Emerging cost	38 (i)	16,188	17,394	16,188	17,441
Funded		22,079	19,780	21,875	19,649
Payroll tax		8,443	9,179	8,233	9,028
Workers compensation		1,739	680	1,699	653
Long service leave expense		3,566	5,384	3,557	5,384
Annual leave expense		11,507	9,734	11,487	9,713
Total academic		246,141	222,700	227,230	209,988
Non-academic					
Salaries		123,844	109,476	113,907	100,057
Contributions to superannuation and pension schemes:					
Emerging cost	38 (i)	4,727	5,268	4,727	5,268
Funded		19,525	17,003	18,317	15,888
Payroll tax		7,790	6,908	7,232	6,348
Workers' compensation		920	584	830	500
Long service leave expense		2,962	6,133	2,668	5,898
Annual leave expense		13,273	11,350	13,143	11,113
Other		1	6	–	–
Total non-academic		173,042	156,728	160,824	145,072
Total employee benefits & on costs		419,183	379,428	388,054	355,060
Deferred employee benefit for superannuation		11,971	(22,777)	11,971	(22,777)
Total employee related expenses		431,154	356,651	400,025	332,283

		Consolidated		RMIT	
		2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000
10	Depreciation and amortisation				
	Depreciation				
	Buildings	13,198	12,465	12,872	12,170
	Building plant and improvements	1,594	742	1,323	573
	Equipment, motor vehicles and furniture and fittings	14,805	12,324	13,345	10,998
	Library collection	3,417	2,803	3,417	2,803
	Total depreciation	23	33,014	28,334	30,957
	Amortisation				
	Intellectual property	328	89	–	–
	Total amortisation	24	328	89	–
	Total depreciation and amortisation		33,342	28,423	30,957
11	Repairs and maintenance				
	Buildings	19,584	15,068	19,316	14,946
	Equipment	1,660	1,167	1,650	1,117
	Total repairs and maintenance		21,244	16,235	20,966
12	Finance costs				
	Interest to related corporations	–	–	1,323	1,347
	Interest to other corporations	390	1	–	–
	Total finance costs		390	1	1,347
13	Impairment of assets				
	Amounts set aside for impaired receivables				
	Trade debtors	134	104	134	150
	Student debtors	549	628	544	628
	Subsidiaries	–	–	1,431	–
	Other debtors	(2,391)	–	(2,391)	–
			(1,708)	732	(282)
	Bad debts written off in the Income Statement				
	Trade debtors	433	1	313	1
	Student debtors	2,599	2,045	2,599	2,045
			3,032	2,046	2,912
	Amounts set aside for impaired investment				
	Subsidiaries	–	–	500	4,470
	Non-related companies	185	1,444	185	1,444
	Financial assets	1,871	–	–	–
			2,056	1,444	685
	Total impairment of assets		3,380	4,222	3,315

	Note	Consolidated		RMIT		
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	
14		Other expenses				
		Scholarships, grants and prizes	27,725	24,092	27,820	28,580
		Non-capitalised equipment	8,765	8,272	8,572	8,047
		Advertising, marketing and promotional expenses	14,939	11,504	9,546	8,293
		General consumables	10,692	9,431	9,945	8,466
		Printing and stationery	5,186	4,504	5,018	4,358
		Minimum lease payments on operating leases	23,795	20,209	22,805	18,930
		Rental, hire and other leasing fees	213	89	–	–
		Telecommunications	5,540	5,342	5,053	5,101
		Travel, staff development and entertainment	19,156	16,813	17,552	15,567
	16	Net loss on disposal of property, plant and equipment	–	84	–	15
		Net loss on sale of available-for-sale financial assets	198	–	–	–
		Foreign exchange losses	1,985	1,362	260	191
		Occupancy expenses	7,285	8,312	6,131	7,010
	42	Audit fees, bank charges, legal costs, insurance and taxes	4,574	4,606	3,985	3,509
		Contractors and consultancy fees	29,656	29,059	26,534	22,312
		Patents, copyright and licences	9,158	7,059	9,137	7,028
		Memberships and subscription fees	2,552	1,717	2,503	1,702
		Computer software support and maintenance	6,890	5,305	6,604	5,276
		Other expenses	6,487	7,574	3,796	3,437
		Total other expenses	184,796	165,334	165,261	147,822
15		Significant items of revenue and expenditure				
		Expenditure				
		Staff separation payments	4,119	5,664	4,007	5,664
		Amortisation or diminution in respect of investments	–	5,914	–	5,914
		Impairment in respect of financial assets	1,871	–	–	–
16		Sales of assets				
		Proceeds from disposal of assets				
		Property, plant & equipment	561	1,421	576	1,409
		Total proceeds from sale of assets	561	1,421	576	1,409
		Carrying amount of assets disposed				
		Property, plant & equipment	476	1,505	484	1,424
		Total carrying amount of assets sold	476	1,505	484	1,424
		Net gain/(loss) on sale of assets	85	(84)	92	(15)
17		Income tax				
		(a) Income tax expense				
		Current tax	1,990	1,467	1,866	1,327
		Deferred tax expense	(41)	(20)	–	–
		Adjustment for current tax of prior periods	252	2,435	258	2,435
			2,201	3,882	2,124	3,762
		Income tax expense is attributable to:				
		Operating result from continuing operations	2,201	3,882	2,124	3,762
		Aggregate income tax expense	2,201	3,882	2,124	3,762

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
(b) Numerical reconciliation of income tax expense to prima facie tax payable				
Operating result from continuing operations	3,142	7,180	2,867	6,783
Tax at the Australian tax rate of 30% (2007 - 30%)	943	2,154	860	2,035
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Entertainment	-	2	-	-
Difference in overseas tax rates	1,001	(709)	1,006	(708)
Adjustment for current tax of prior periods	258	2,435	258	2,435
Previously unrecognised tax losses now recouped to reduce current tax expense	2,201	3,882	2,124	3,762
(c) Deferred tax				
Deferred tax assets				
Non-current	159	126	-	-
	159	126	-	-
Deferred tax liabilities				
Current	3,738	3,249	3,738	3,155
Non-current	33	42	-	-
	3,771	3,291	3,738	3,155
Net deferred tax liabilities	(3,612)	(3,165)	(3,738)	(3,155)
The following subsidiaries are subject to income tax in Australia				
Spatial Vision Innovations Pty Ltd				
RMIT Drug Discovery Technologies Pty Ltd				
In addition, RMIT's foreign operations are subject to income tax in the following jurisdictions: Hong Kong, Malaysia and Singapore.				
18	Cash and cash equivalents			
Cash at bank and on hand #	15,876	11,524	7,089	2,970
Deposits at call	146,458	102,685	94,978	66,659
Foreign currency bank accounts	618	2,013	618	576
Total cash assets	162,952	116,222	102,685	70,205

(a) Cash at bank

The cash at bank is bearing floating interest rates between 0% and 3.0% (2007 – 0% and 4.7%).

(b) Cash on deposit

The deposits are bearing floating interest rates between 7.00% and 10.2% (2007 – 6.75% and 7.13%). These deposits have an average maturity of 45 days.

Refer to note 33a(i) for information on a Debt Service Reserve Account as guarantee for the borrowings of a subsidiary.

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
19 Receivables				
Current				
Trade receivables	16,362	18,937	11,757	13,082
Less allowance for impaired receivables	(431)	(292)	(426)	(292)
	15,931	18,645	11,331	12,790
Student loans & student receivables	8,585	10,523	8,585	10,523
Less allowance for impaired receivables	(3,761)	(3,217)	(3,761)	(3,217)
	4,824	7,306	4,824	7,306
Loans and advances	9	6	9	6
Government grants receivable	8,995	6,357	8,995	6,357
Deferred government contributions for superannuation *	20,663	22,750	20,663	22,750
Interest receivable	2,253	244	2,016	160
Other debtors and accrued income	6,654	45,599	7,575	45,751
Related parties receivable:				
Amounts receivable from subsidiaries	–	–	8,703	11,902
Allowance for impairment	–	(2,391)	(1,431)	(2,391)
	38,574	72,565	46,530	84,535
Total current receivables	59,329	98,516	62,685	104,631
Non-current				
Other debtors	1,621	1,765	1,621	1,765
Allowance for impairment	(374)	(373)	(374)	(373)
Deferred government contributions for superannuation *	256,148	242,090	256,148	242,090
Related parties receivable:				
Other related parties	52	52	–	–
Total non-current receivables	257,447	243,534	257,395	243,482
Total receivables	316,776	342,050	320,080	348,113

* RMIT recognises a receivable for the amount expected to be received from the Commonwealth Government in respect of unfunded superannuation schemes operated by the State Government. The total consolidated amount owing in respect of these at 30 June 2008 amounted to \$276.81m (2007 – 264.84m). Refer Note 28.

(a) Impaired receivables

Nominal value of impaired receivables

Trade receivables	431	292	426	292
Student loans and student receivables	3,761	3,217	3,761	3,217
Amounts receivable from subsidiaries	–	2,391	1,431	2,391
	4,192	5,900	5,618	5,900

Amount of impairment set aside

Trade receivables	431	292	426	292
Student loans and student receivables	3,761	3,217	3,761	3,217
Amounts receivable from subsidiaries	–	2,391	1,431	2,391
	4,192	5,900	5,618	5,900

The ageing of these receivables is as follows:

3 to 6 months	5	–	–	–
Over 6 months	4,187	5,900	5,618	5,900
	4,192	5,900	5,618	5,900

RMIT changed its doubtful debts policy in 2008, in that the percentage of aged debts provided for in each category was altered.

The percentage provided for by aged receivable category is as follows:

181 to 270 days	40%	–
271 to 365 days	50%	–
over 366 days	100%	100%

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
Receivables which were past due but not impaired				
These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:				
3 to 6 months	2	613	–	613
Over 6 months	2,393	523	2,378	523
	2,395	1,136	2,378	1,136

No provision is made for receivables from government, education and trading sectors.

Movements in the provision for impaired receivables are as follows:

At 1 January	5,900	2,731	5,900	5,122
Provision for impairment recognised during the year	867	778	678	778
Write back of provision for impairment	(2,575)	(46)	(960)	–
At 31 December	4,192	5,900	5,618	5,900

The creation and release of the provision for impaired receivables has been included in 'Bad and doubtful debts' in the income statement. Amounts charged to the provision are generally written off when there is no expectation of recovering further cash flows.

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.

(b) Foreign exchange and interest rate risk

The carrying amounts of current and non-current receivables are denominated in the following currencies:

Australian dollar	314,474	337,730	318,940	347,586
American dollar	2,182	4,258	1,079	483
British pound	6	23	6	23
Euro	59	4	–	4
Hong Kong dollar	8	–	8	–
Japanese yen	32	12	32	12
New Zealand dollar	1	–	1	–
Singapore dollar	14	20	14	2
South African rand	–	3	–	3
Vietnam dong	131	734	–	–
Current receivables	59,329	98,516	62,685	104,631
Non-current receivables	257,447	243,534	257,395	243,482

A summarised analysis of the sensitivity of receivables to foreign exchange and interest rate risk can be found in note 39.

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
20 Inventories					
Current					
Trading stock		812	446	-	-
Work in progress		-	242	-	-
Total inventories		812	688	-	-
21 Available for sale financial assets through equity					
Non current					
Investments in managed trust funds – at fair value		5,690	10,909	-	-
Balance 1 January		10,909	8,447	-	-
Additions		1,430	3,000	-	-
Disposals (sale and redemption)		(2,892)	(567)	-	-
Revaluation		(3,757)	29	-	-
Balance 31 December		5,690	10,909	-	-
Represented by:					
Financial assets under funds management – pooled equity holdings		5,131	7,622	-	-
Financial assets under funds management – direct equity holdings		559	1,321	-	-
Financial assets under funds management – fixed interest		-	1,966	-	-
		5,690	10,909	-	-
Impairment and risk exposure					
None of the financial assets are either past due or impaired.					
All available-for-sale financial assets are denominated in Australian currency. For an analysis of the sensitivity of available-for-sale financial assets to price and interest rate risk refer to note 39.					
22 Other financial assets					
Non-current					
Investments traded on organised markets					
Government stocks and bonds		17	15	-	-
Other (non-traded) investments - held-to-maturity					
Unlisted shares in subsidiaries		-	-	7,544	7,044
Less Provision for diminution in value of investment		-	-	(4,971)	(4,471)
Unlisted shares in non-related companies		7,272	7,163	7,228	7,043
Less Provision for diminution in value of investment		(7,107)	(7,002)	(7,107)	(6,922)
Total non-current other financial assets		182	176	2,694	2,694
Total other financial assets		182	176	2,694	2,694
Net fair values of investments					
Traded securities are listed and other securities which are readily traded on organised markets. The aggregate net fair values of these securities are:					
Non-current					
Government stocks and bonds		17	15	-	-
Unlisted investments		165	161	2,694	2,694
Total non-current other financial assets		182	176	2,694	2,694
Total other financial assets		182	176	2,694	2,694

	Land	Buildings	Buildings under construction	Leasehold improvements	Equipment, motor vehicles, furniture and fittings	Library collection	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
23	Property, plant and equipment						
	RMIT Consolidated Entity						
	1 January 2007						
Cost	–	25,476	11,857	15,811	161,564	39,663	254,371
Valuation	251,612	701,503	–	–	–	–	953,115
Accumulated depreciation	–	(12,735)	–	(10,534)	(118,257)	(21,161)	(162,687)
Net book amount	251,612	714,244	11,857	5,277	43,307	18,502	1,044,799
	Year ended 31 December 2007						
Opening net book amount	251,612	714,244	11,857	5,277	43,307	18,502	1,044,799
Additions	5,052	15,561	26,165	3,449	22,038	5,982	78,247
Transfer out of capital works in progress	–	6,816	(7,952)	–	1,136	–	–
Disposals	–	–	–	–	(1,505)	–	(1,505)
Depreciation	–	(12,465)	–	(742)	(12,324)	(2,803)	(28,334)
Foreign currency translation gain/(loss)	–	(820)	(102)	–	(480)	–	(1,402)
Closing net book amount	256,664	723,336	29,968	7,984	52,172	21,681	1,091,805
	31 December 2007						
Cost	5,052	27,182	29,967	18,907	180,296	45,645	307,049
Valuation	251,612	721,265	–	–	–	–	972,877
Accumulated depreciation	–	(25,111)	–	(10,923)	(128,123)	(23,964)	(188,121)
Net book amount	256,664	723,336	29,967	7,984	52,173	21,681	1,091,805
	Year ended 31 December 2008						
Opening net book amount	256,664	723,336	29,967	7,984	52,173	21,681	1,091,805
Revaluation	26,263	30,636	–	–	–	–	56,899
Additions	4,513	13,594	77,038	279	28,637	7,068	131,129
Transfer out of capital works in progress	–	13,518	(17,503)	3,178	808	–	1
Disposals	–	–	(1)	–	(498)	–	(499)
Depreciation	–	(13,197)	–	(1,645)	(14,755)	(3,417)	(33,014)
Reclassification	–	(753)	–	1,135	(417)	–	(35)
Foreign currency translation gain/(loss)	–	1,989	959	66	1,006	–	4,020
Closing net book amount	287,440	769,123	90,460	10,997	66,954	25,332	1,250,306
	31 December 2008						
Cost	–	10,801	90,460	15,679	199,012	52,713	368,665
Valuation	287,440	759,907	–	–	–	–	1,047,347
Accumulated depreciation	–	(1,585)	–	(4,682)	(132,058)	(27,381)	(165,706)
Net book amount	287,440	769,123	90,460	10,997	66,954	25,332	1,250,306
	Parent entity						
	1 January 2007						
Cost	–	16,582	11,460	7,292	152,265	39,663	227,262
Valuation	251,612	700,633	–	–	–	–	952,245
Accumulated depreciation	–	(11,985)	–	(1,732)	(114,186)	(21,161)	(149,064)
Net book amount	251,612	705,230	11,460	5,560	38,079	18,502	1,030,443
	Year ended 31 December 2007						
Opening net book amount	251,612	705,230	11,460	5,560	38,079	18,502	1,030,443
Additions	5,052	15,561	23,603	3,263	21,566	5,982	75,027
Transfer out of capital works in progress	–	6,450	(6,646)	–	196	–	–
Disposals	–	–	–	–	(1,424)	–	(1,424)
Depreciation	–	(12,170)	–	(573)	(10,998)	(2,803)	(26,544)
Closing net book amount	256,664	715,071	28,417	8,250	47,419	21,681	1,077,502
	31 December 2007						
Cost	5,052	18,832	28,416	10,556	171,365	45,645	279,866
Valuation	251,612	720,395	–	–	–	–	972,007
Accumulated depreciation	–	(24,156)	–	(2,306)	(123,945)	(23,964)	(174,371)
Net book amount	256,664	715,071	28,416	8,250	47,420	21,681	1,077,502

	Land	Buildings	Buildings under construction	Leasehold improvements	Equipment, motor vehicles, furniture and fittings	Library collection	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 31 December 2008							
Opening net book amount	256,664	715,071	28,416	8,250	47,420	21,681	1,077,502
Revaluation	26,263	30,636	–	–	–	–	56,899
Additions	4,513	13,592	72,144	–	28,352	7,066	125,667
Transfer out of capital works in progress	–	13,364	(16,543)	3,179	–	–	–
Disposals	–	–	–	–	(483)	–	(483)
Depreciation	–	(12,872)	–	(1,323)	(13,345)	(3,417)	(30,957)
Reclassification	–	117	–	–	(117)	–	–
Closing net book amount	287,440	759,908	84,017	10,106	61,827	25,330	1,228,628
31 December 2008							
Cost	–	–	84,017	13,735	187,759	52,711	338,222
Valuation	287,440	759,908	–	–	–	–	1,047,348
Accumulated depreciation	–	–	–	(3,629)	(125,932)	(27,381)	(156,942)
Net book amount	287,440	759,908	84,017	10,106	61,827	25,330	1,228,628

(a) Valuations of land and buildings

An independent valuation of land and buildings was carried out as at 31 December 2008 by Cunningham Property Consultants Pty Ltd. The valuation has been determined on the following basis: Land at market value and Buildings at market value or depreciated replacement cost.

(b) Assets held in the name of the Minister

Land and buildings valued at \$267.015m (2007 – \$250.160m) is held by RMIT on behalf of the Minister. Upon disposal of any such properties, the application of the proceeds will be directed by the Minister.

	Note	Consolidated		RMIT	
		2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000
24 Intangible assets					
1 January 2007					
Cost		838	71	909	–
Accumulated amortisation and impairment		(838)	(25)	(863)	–
Net book amount		–	46	46	–
Year Ended 31 December 2007					
Opening net book amount		–	46	46	–
Additions		–	1,424	1,424	–
Amortisation charge	10	–	(89)	(89)	–
Closing net book amount		–	1,381	1,381	–
31 December 2007					
Cost		–	1,534	1,534	–
Accumulated amortisation		–	(153)	(153)	–
Net book amount		–	1,381	1,381	–
Year Ended 31 December 2008					
Opening net book amount		–	1,381	1,381	–
Additions		–	153	153	–
Amortisation charge	10	–	(330)	(330)	–
Reclassification		–	21	21	–
Net book amount		–	1,225	1,225	–
31 December 2008					
Cost		–	1,763	1,763	–
Accumulated amortisation		–	(538)	(538)	–
Net book amount		–	1,225	1,225	–

	Note	Consolidated		RMIT		
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	
25		Other non-financial assets				
		Current				
		Library subscriptions prepaid	2,560	1,038	2,560	1,038
		Workcover	6	4	–	–
		Other prepayments	5,173	3,138	4,147	2,295
		Total other non-financial assets	7,739	4,180	6,707	3,333
26		Trade and other payables				
		Current				
		Trade and other creditors				
		Trade creditors	52,717	35,751	51,566	35,353
		Sundry creditor and operating accruals	38,378	36,134	26,699	30,400
		OS-HELP Liability to Australian Government	73	6	73	6
		Amounts payable to subsidiaries	–	–	573	1,791
		Total current trade and other payables	91,168	71,891	78,911	67,550
		Foreign currency risk				
		The carrying amounts of the Group's and parent entity's trade and other payables are denominated in the following currencies:				
		Australian dollar	78,912	67,154	76,412	66,329
		American dollar	2,089	656	2,089	656
		British pound	320	456	320	456
		Canadian dollar	–	1	–	1
		Chinese renminbi	14	9	14	9
		Danish krone	–	1	–	1
		Euro	28	67	28	67
		Hong Kong dollar	–	2	–	2
		Indian rupee	3	5	3	5
		New Zealand dollar	–	4	–	4
		Norwegian krone	1	–	1	–
		Singapore dollar	39	6	39	6
		South Korean Won	5	–	5	–
		Swiss franc	–	12	–	12
		Thailand bhat	–	2	–	2
		Vietnam dong	9,757	3,516	–	–
			91,168	71,891	78,911	67,550
		For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to Note 39.				
27		Borrowings				
		Current – unsecured				
		Amounts payable to subsidiaries	–	–	27,208	19,121
		Current – secured				
		Bank loan	657	–	–	–
		Total current borrowings	657	–	27,208	19,121
		Non-current – secured				
		Bank loan	4,395	7,940	–	–
		Total non-current borrowings	4,395	7,940	–	–
		Total borrowings	5,052	7,940	27,208	19,121

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
(a) Financing arrangements				
Unrestricted access was available at balance date to the following lines of credit:				
Credit standby arrangements				
Fixed term debt facility	30,000	30,000	30,000	30,000
Working capital redraw facility	10,000	10,000	10,000	10,000
Bank overdraft facility	50	50	-	-
Total facilities	40,050	40,050	40,000	40,000
Amount utilised	-	-	-	-
Unused credit facility	40,050	40,050	40,000	40,000
Bank loan facilities				
Long-term borrowing – ADB	10,465	8,224	-	-
Long-term borrowing – IFC	10,465	8,224	-	-
Total facilities	20,930	16,448	-	-
Amount utilised	(5,052)	(7,940)	-	-
Unused credit facility	15,878	8,508	-	-
Technology finance operating lease facility				
Lease facility available	25,000	25,000	25,000	25,000
Amount utilised	(14,444)	(13,755)	(14,444)	(13,755)
Unused credit facility	10,556	11,245	10,556	11,245
Business credit card facility:				
Business credit facility available	7,600	7,500	7,600	7,500
Amount utilised	(1,437)	(1,278)	(1,437)	(1,278)
Unused credit facility	(6,163)	6,222	6,163	6,222
(b) Details of borrowings				
Credit standby arrangements				
The fixed term debt facility with respect to \$30m expires on 23 November 2010. The working capital redraw facility is subject to annual review.				
A subsidiary has arranged an overdraft facility which is secured by a floating charge over its assets.				
Long-term borrowing				
The loans term is 10 years at an interest rate based on the London Interbank Offered Rate (LIBOR) on 6 months deposit plus 2.25% – equating to 5.79% (2007 – 6.85%) at 31 December 2008. The first repayment is due on the 15 May 2009 and every 6 months thereafter until 15 November 2013.				
RMIT and RMIT Vietnam Holdings Pty. Ltd. have provided guarantees for the borrowings of the subsidiary.	33(a)			
Credit card facility:				
RMIT has entered into an arrangement with its bankers for the provision of a corporate credit card facility. No interest has been paid during the year as all outstanding balances have been paid by the due dates.				
(c) Risk exposures				
The exposure of the Group's and parent entity's borrowings to interest rate changes and the contractual repricing dates at the balance dates are as follows:				
Current borrowings				
12 month or less	(657)	-	-	-
Non-current borrowings				
more than 12 month	(4,395)	(7,940)	-	-

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000

The carrying amounts of the Group's borrowings are denominated in the following currencies:

US dollar	(5,052)	(7,940)	–	–
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For an analysis of the sensitivity of borrowings to interest rate risk and foreign exchange risk refer to note 39.

(d) Fair value

The carrying amounts and fair values of borrowings at balance date are:

	2007		2008	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
On-balance sheet				
Bank loans	(5,052)	(5,052)	(7,940)	(7,940)
Credit card borrowings	9,184	9,184	1,278	1,278
	4,132	4,132	(6,662)	(6,662)

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The fair values of non-current borrowings are based on cash flows discounted using borrowing rates 4.85% (2007: 6.99%)

	Consolidated		RMIT	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
28 Provisions				
Current provisions expected to be settled within 12 months				
Provision for restructuring costs	2,323	2,107	2,323	2,107
Employee benefits and oncosts				
Annual leave – at nominal value	21,290	16,864	21,109	16,204
Long service leave – at nominal value	2,896	2,508	2,896	2,508
Deferred benefits for superannuation #	20,663	22,750	20,663	22,750
	44,849	44,229	44,668	43,569
Current provisions expected to be settled later than 12 months				
Employee benefits and oncosts				
Annual leave – at net present value	6,757	7,736	6,256	7,736
Long service leave – at net present value	39,310	41,330	38,362	40,616
	46,067	49,066	44,618	48,352
Total current provisions	93,239	93,295	91,609	91,921
Non-current				
Employee benefits and oncosts				
Long service leave – at net present value	11,854	6,192	11,636	5,973
Deferred benefits for superannuation #	256,148	242,090	256,148	242,090
Total non-current provisions	268,002	248,282	267,784	248,063
Total provisions	361,241	341,577	359,393	339,984
Movements in provisions				
Movements in each class of provision during the financial year, other than employee benefits, are set out below:				
Carrying amount at start of year	2,107	2,107	2,107	2,107
Additional provisions recognised	216	–	216	–
Carrying amount at end of year	2,323	2,107	2,323	2,107

	Consolidated		RMIT	
	2008	2007	2008	2007
	Note	\$'000	\$'000	\$'000
Employee benefits				
Provision for employee benefits and oncosts – current		90,916	91,188	89,286
Provision for employee benefits and oncosts – non-current		268,002	248,282	267,784
Aggregate employee benefits		358,918	339,470	357,070

	Note	Restructuring costs	Annual leave	Long service leave	Deferred benefits for superannuation	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
RMIT Consolidated Entity						
2007						
Carrying amount at start of year		2,107	24,520	41,702	287,617	355,946
Additional provisions recognised		–	91	8,328	–	8,419
Unused amounts reversed		–	(11)	–	(22,777)	(22,788)
Carrying amount at end of year		2,107	24,600	50,030	264,840	341,577
2008						
Carrying amount at start of year		2,107	24,600	50,030	264,840	341,577
Additional provisions recognised		216	3,447	4,030	11,971	19,664
Carrying amount at end of year		2,323	28,047	54,060	276,811	361,241
Parent entity						
2007						
Carrying amount at start of year		2,107	23,951	40,996	287,617	354,671
Additional provisions recognised		–	–	8,101	–	8,101
Unused amounts reversed		–	(11)	–	(22,777)	(22,788)
Carrying amount at end of year		2,107	23,940	49,097	264,840	339,984
2008						
Carrying amount at start of year		2,107	23,940	49,097	264,840	339,984
Additional provisions recognised		216	3,425	3,797	11,971	19,409
Carrying amount at end of year		2,323	27,365	52,894	276,811	359,393

A total consolidated unfunded liability for retirement benefits of \$276.81m (2007 – \$264.84m) accruing to beneficiaries of the State Superannuation Scheme has been recorded in the Balance Sheet as a liability. Refer Notes 1.18 and 38.

	Consolidated		RMIT	
	2008	2007	2008	2007
	Note	\$'000	\$'000	\$'000
Other liabilities				
Current				
Australian Government unspent financial assistance		3,108	1,319	3,108
Monies held in trust		2,709	2,129	–
Research grants		5,495	4,823	5,495
Student fees		34,128	26,859	20,741
Projects fees		365	276	–
Other		1,404	2,390	1,404
Total current other liabilities		47,209	37,796	30,748

	Consolidated		RMIT		
	2008	2007	2008	2007	
	Note	\$'000	\$'000	\$'000	\$'000
30 Reserves					
Consolidated reserves					
Balance at beginning of year		534,707	547,287	491,655	501,497
Transfers from/(to) retained surplus		(518)	(891)	–	–
Revaluation of land and buildings		56,899	–	56,899	–
Premium received on issued shares		–	18	–	–
Foreign exchange gains/(losses)		6,175	(1,824)	–	–
Disposals through revaluation reserve		195	(9,912)	–	(9,842)
Unrealised valuation gain/(losses) taken to equity		(3,757)	29	–	–
Impairment Loss transferred to income statement		1,871	–	–	–
Balance at end of year		595,572	534,707	548,554	491,655
Represented by:					
Asset revaluation reserve		588,406	531,507	548,554	491,655
Fixed asset replacement reserve		119	637	–	–
Capital projects reserve		10,000	10,000	–	–
Foreign currency translation reserve		(2,977)	(9,152)	–	–
Share premium reserve		24	24	–	–
Available for sale revaluation reserve		–	1,691	–	–
		595,572	534,707	548,554	491,655
Movements in reserves during the year were:					
Asset revaluation reserve					
Balance at beginning of year		531,507	541,349	491,655	501,497
Transfers from/(to) retained surplus		–	(9,842)	–	(9,842)
Revaluation of land		26,263	–	26,263	–
Revaluation of buildings		30,636	–	30,636	–
Balance at end of year		588,406	531,507	548,554	491,655
Fixed asset replacement reserve					
Balance at beginning of year		637	637	–	–
Transfers from/(to) retained surplus		(518)	–	–	–
Balance at end of year		119	637	–	–
Capital projects reserve					
Balance at beginning of year		10,000	10,000	–	–
Balance at end of year		10,000	10,000	–	–
Foreign currency translation reserve					
Balance at beginning of year		(9,152)	(7,437)	–	–
Transfers from/(to) retained surplus		–	109	–	–
Foreign currency translation gains/(losses)		6,175	(1,824)	–	–
Balance at end of year		(2,977)	(9,152)	–	–
Scholarship reserve					
Balance at beginning of year		–	1,000	–	–
Transfers from fixed asset replacement reserve		–	(1,000)	–	–
Balance at end of year		–	–	–	–
Share premium reserve					
Balance at beginning of year		24	6	–	–
Premium received on issued shares		–	18	–	–
Balance at end of year		24	24	–	–

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
Available for sale revaluation reserve				
Balance at beginning of year	1,691	1,732	–	–
Realised gains/(losses) through income statement	195	(70)	–	–
Unrealised valuation gains/(losses) taken to equity	(3,757)	29	–	–
Impairment losses transferred to income statement	1,871	–	–	–
Balance at end of year	–	1,691	–	–
Nature and purpose of reserves				
Asset revaluation reserve				
The asset revaluation reserve is used to record asset revaluation increments and decrements in the value of non-current physical assets.				
Fixed asset replacement reserve				
The fixed asset replacement reserve sets aside retained earnings to be used for replacing assets that exist on the asset register.				
Capital projects reserve				
The capital projects reserve sets aside retained earnings to be used for major projects over \$10,000.				
Foreign currency translation reserve				
Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve. The reserve is recognised in the profit and loss when the net investment is disposed of.				
Scholarship reserve				
The scholarship reserve sets aside retained earnings to be used for the provision of scholarship to students needing financial support in order to complete their studies.				
Share premium reserve				
Amount paid by shareholders for shares in excess of their nominal value				
Available for sale revaluation reserve				
Changes in fair value are taken to available for sale revaluation reserve, as described in note 1.14.				
31	Retained surplus			
Retained surplus at beginning of year	569,875	505,641	557,703	512,656
Operating result attributable to RMIT entity	70,927	53,521	54,538	35,205
Adjustment as a result in change in equity holdings	–	(20)	–	–
Transfers from/(to) reserves	30	10,733	–	9,842
Other Adjustments	–	–	1	–
Retained surplus at end of year	641,320	569,875	612,242	557,703
32	Minority interest			
Outside equity interest in subsidiaries comprises:				
Interest in accumulated funds at the beginning of the year	312	263	–	–
Interest in net operating result	107	149	–	–
Dividends received	(59)	(120)	–	–
Adjustment as a result in change in equity holdings	–	20	–	–
Interest in accumulated funds at the end of the year	360	312	–	–
Interest in share capital	120	120	–	–
Interest in reserves	28	28	–	–
Total outside equity interests in controlled entities	508	460	–	–

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
Future minimum rental payments for leased equipment				
Due within one year	8,394	7,083	8,200	6,828
Due after one year but within five years	10,906	6,534	10,582	6,127
	19,300	13,617	18,782	12,955
Operating leases – as lessor				
Leases contracted for at the reporting date but not recognised as assets				
Future minimum rental receivable				
Due within one year	3,467	1,767	3,569	1,767
Due after one year but within five years	8,003	2,578	8,003	2,578
Due after five years	1,589	993	1,589	993
	13,059	5,338	13,161	5,338
The weighted average interest rate impact of the leases is 4.2% (2006 – 3.9%)				
(c) Other expenditure commitments				
Commitments relate to CRC research and other non capital expenditure				
Due within one year	9,134	7,323	9,117	7,323
Due after one year but within five years	8,690	7,839	8,690	7,839
Due after five years	75	–	75	–
	17,899	15,162	17,882	15,162
The University has entered into research contracts with the National Health and Medical Research Council and the Australian Research Council, the revenues from which are recognised in the year of receipt. Under these contracts and as at balance date the University is committed to further expenditures to complete the relevant research and satisfy those commitments.				
	10,106	9,721	10,106	9,721
(d) Remuneration commitments				
Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities.				
Due within one year	38,994	36,252	38,308	35,901
Due after one year but within five years	37,137	30,859	36,708	28,892
Due after five years	124	–	124	–
	76,255	67,111	75,140	64,793

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
35	Notes to statement of cash flows				
	(a) Reconciliation of cash				
	For the purpose of the statement of cash flows, cash represents:				
	Cash on hand, at bank, short term money market deposits, short dated bills of exchange and outstanding bank overdrafts.				
	Cash at the end of the reporting period is shown in the Statement of Cash Flows and is reconciled to the related items in the financial statements as follows:				
	Cash at the beginning of year				
	Cash at bank and at hand	11,524	17,829	2,970	7,031
	Short-term money market deposits	102,685	71,511	66,659	51,517
	Foreign currency bank accounts	2,013	458	576	458
		116,222	89,798	70,205	59,006
	Cash at the end of year				
	Cash at bank and at hand	15,876	11,524	7,089	2,970
	Short-term money market deposits	146,458	102,685	94,978	66,659
	Foreign currency bank accounts	618	2,013	618	576
		162,952	116,222	102,685	70,205
	Cash movement for the year	46,730	26,424	32,480	11,199
	(b) Reconciliation of operating result after income tax to net cash inflow from operating activities				
	Operating result for the period after income tax	71,034	53,609	54,538	35,191
	Eliminate non-cash flows in net result				
	Loss/(gain) on sale of property, plant and equipment	14	(85)	84	(92)
	Loss/(gain) on sale of available-for-sale financial asset	8	198	(578)	–
	Loss/(gain) on revaluation on available for sale financial assets at fair value	21	3,757	(29)	–
	Depreciation on property plant & equipment	10	33,014	28,334	30,957
	Net diminution/(increase) in value of investments	13	2,056	1,444	685
	Provision for doubtful debts	13	(1,708)	732	(282)
	Bad debts written off/(written back)	13	3,032	2,046	2,046
	Amortisation of intangible assets	10	328	89	–
	Change in assets and liabilities				
	Net (increase) / decrease in receivables		33,888	(10,980)	45,461
	Net (increase) / decrease in inventories		(124)	(145)	–
	Net (increase) / decrease in other assets		(3,559)	256	(3,374)
	Net increase / (decrease) in income received in advance		9,413	10,001	8,069
	Net increase / (decrease) in payables		19,277	13,090	11,361
	Net increase / (decrease) in current tax liability		447	3,393	583
	Net increase / (decrease) in employee entitlements (excluding deferred superannuation)		7,693	8,061	7,438
	Net cash flows from operating activities	178,661	109,468	158,256	94,637
36	Economic dependency				
	The RMIT Consolidated Entity is reliant on a significant volume of its revenue being derived from:				
	Commonwealth Government financial assistance	325,227	253,691	325,227	253,691
	Victorian State Government financial assistance	70,324	69,117	70,324	69,117
		395,551	322,808	395,551	322,808
	The percentage of the RMIT consolidated entity revenue was sourced from:				
	Commonwealth Government financial assistance	43.51%	40.37%	47.93%	44.37%
	Victorian State Government financial assistance	9.41%	11.00%	10.36%	12.09%

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
37 Events occurring after the balance sheet date				
No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the RMIT consolidated entity or parent entity, the results of those operations, or the state of affairs of the RMIT consolidated entity or parent entity in future financial years.				
38 Superannuation				
Funds to which RMIT or any controlled entity contributed during the financial year:				
(a) Defined benefit schemes				
ESSSUPER – State Superannuation Fund – closed	20,915	22,662	20,915	22,709
ESSSUPER – State Employees Retirement Benefits Scheme – closed	829	84	829	84
UniSuper	11	15	–	–
(b) Defined contribution schemes				
Victorian Superannuation Fund	2,422	3,164	2,343	3,144
UniSuper	36,910	29,321	36,670	32,056
AGEST Non Casual	9	6	9	6
AMP – closed	49	21	12	5
Australian Superannuation Fund	32	21	9	5
Australian Retirement Fund	21	–	21	–
AXA (include the former RMIT Super Plan)	348	1,278	29	70
B T Life Super	178	115	1	–
Catholic Superannuation Fund	–	3	–	3
CBUS Non Casual	41	22	41	22
Colonial First Choice	39	23	39	23
Commonwealth Superannuation	3	6	3	6
Fitzgerald Services P/L Superfund	91	84	–	–
Health Super	22	2,121	22	21
Hesta – closed	39	20	35	18
Holland Park Superannuation	2	2	2	2
Host Plus	26	30	23	18
MTAA Superannuation	26	25	–	–
NTEU	13	–	–	–
Premium Choice	5	3	5	3
Retirement Results	6	5	6	5
Superannuation Trust of Australia	316	235	–	–
Summit Master Trust	15	6	6	6
Other	151	173	87	40
	62,519	59,445	61,107	58,246

ESSSuper

ESSSuper is the dedicated super fund for emergency services employees and state employees. RMIT has in its staffing profile a number of employees who are members of ESSSuper (formerly called the Victorian State Superannuation Fund or the State Employees Retirement Benefit Scheme) and in respect of whom defined benefits are payable on termination of employment.

As at 30 June 2008, ESSSuper were carrying total liabilities for member benefits in excess of the value of the fund's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the funds.

The notional share of this public sector employee superannuation funds unfunded liabilities attributable to RMIT, as assessed by the funds as at 30 June 2008, amounted to \$276.811m (2007 - \$264.84m). Unfunded liabilities are met by the Australian Government.

funds as at 30 June 2007, amounted to \$287.617m (2006 - \$287.617m). Unfunded liabilities are met by the Australian Government.

There was no other unfunded superannuation liability for any other scheme.

(i) Defined benefit schemes**ESSSUPER – State Superannuation Fund**

RMIT is required to contribute as and when the Higher Education Sector contributors become beneficiaries under the scheme (Emerging cost). The employer's contribution is that which is required to meet the defined benefit.

RMIT is required to contribute on a fortnightly basis for TAFE employees in respect of:

- Revised Scheme 15.5%.
- New Scheme 9%, 9.5% or 10% based on members election.

ESSSUPER – State Employees Retirement Benefit Scheme

RMIT contributes 100% of pensions paid in respect of former employees.

(ii) Defined contribution schemes**Victorian Superannuation Fund**

RMIT is required to contribute on account of members of the fund at the rate required to meet the 'Superannuation Guarantee' – currently 9%.

UniSuper Plans

UniSuper is a multi employer superannuation fund operated by UniSuper Limited as the Corporate Trustee and administered by UniSuper Management Pty Ltd, a wholly owned subsidiary of UniSuper Limited. The operations of UniSuper are regulated by the Superannuation Industry (Supervision) Act 1993.

(i) UniSuper offers eligible members the choice of two schemes known as the Defined Benefit Division (DBD) (previously referred to as Defined Benefit Plan) or Accumulation Super (2) (previously referred to as Investment Choice Plan). The contribution rate to the scheme is 21% of member's salary of which the member contributes 7% and the University 14%. From 1 July 2006, members can elect to reduce the level of member contributions with corresponding reductions in benefits.

In 2005, UniSuper advised that the Defined Benefits Plan should be disclosed under the multi employer provisions of AASB 119 Employee Benefits which allowed for defined benefit obligations to be reported on a defined contribution basis with some additional information. AASB 119 Employee Benefits states that this is an appropriate solution for a Defined Benefit Plan where the employer does not have access to the information required and there is no reliable basis for allocating the benefits, liabilities, assets and costs between employers.

As a consequence of changes to the UniSuper Trust deed in December 2006, UniSuper have advised that the foregoing no longer applies and that both the Defined Benefit Division and Accumulation Super (2) plans are defined as Multi Employer Defined Contribution Schemes in accordance with AASB 119 Employee Benefits.

(ii) UniSuper also offers a cash accumulation productivity scheme known as Accumulation Super (1) (previously referred to as the Award Plus Plan (APP)). University employees have no requirement to contribute to the scheme. The University contributes the equivalent of 3% of the base salary in respect of these employees who were members of the Defined Benefits Division or the Accumulation Super (2) Plan. Employees who do not qualify for membership of the Defined Benefits Division or the Accumulation Super (2) Plan will have a minimum contribution 9% of their annual salary contributed by the University to Accumulation Super (1) prescribed under the Superannuation Guarantee Charges Act 1992.

Casual and non-permanent employees who do not qualify for membership of the Defined Benefit Division or Accumulation Super (2) are eligible for Accumulation Super (1).

The employer is required to contribute on account of eligible employees at a minimum rate of 9% to all superannuation funds.

No contribution remained unpaid at the end of the year except to the extent of normal and current terms of payment. The amount payable at 31 December 2008 was \$1.711m (2007 – \$1.516m).

39 Financial risk management

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in note 1 of the financial statements.

(i) 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 by adhering to principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by management on a continuous basis. The Consolidated Entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and data analysis in respect of investment portfolios to determine market risk.

(ii) Foreign currency risk

The RMIT Consolidated Entity undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters so as to minimise the total exposure to exchange rate risk.

The group is mainly exposed to the currency of the United States of America (USD).

The following table details the group's sensitivity to a 30% increase or 5% decrease in the Australian Dollar (AUD) against the relevant foreign currencies. 30% and -5% are the sensitivity rates used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 30% and -5% change in foreign currency rates.

31 December 2008		Currency rate risk				
		-5.0%		30.0%		
Consolidated	Carrying Amount	Result	Equity	Result	Equity	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Financial Assets						
	Cash and cash equivalents	618	(31)	(31)	185	185
	Receivables	2,302	(115)	(115)	691	691
Financial Liabilities						
	Payables	2,499	(125)	(125)	750	750

(iii) Interest rate risk

Interest rate exposures arise predominantly from assets bearing variable interest rates. The group's exposure to interest rates on financial assets are detailed in the liquidity risk management section of this note.

The sensitivity analyses below have been determined based on the exposure to price adjustments 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 increase or 250 basis point decrease is used when reporting interest rate risk as this represents management's assessment of the possible change in interest rates:

31 December 2008		Interest rate risk				
		-2.5%		1.0%		
Consolidated	Carrying Amount	Result	Equity	Result	Equity	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Financial Assets						
	Cash and cash equivalents	162,952	(4,074)	(4,074)	1,630	1,630
	Receivables	316,689	-	-	-	-
Financial Liabilities						
	Payables	91,081	-	-	-	-

(iv) Price Risk

The sensitivity analyses 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 10% increase or 30% decrease is used when reporting on price risk as this represents management's assessment of the possible change in prices:

31 December 2008		Price risk				
		-30.0%		10.0%		
Consolidated	Carrying Amount	Result	Equity	Result	Equity	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Financial Assets						
	Available for sale financial assets – equity	5,690	(1,707)	(1,707)	569	569

(v) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the entity's governing body, which has built an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The entity 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.

The Entity has also established a standby facility of \$10 million to provide short-term cash should the need arise. Exposure to liquidity risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table.

	Note	Fixed Interest Maturing					Total \$'000
		Floating interest rate	1 year or less	1 to 5 years	Over 5 years	Interest Bearing	
		\$'000	\$'000	\$'000	\$'000	\$'000	
31 December 2008							
Assets							
Cash at bank and on hand #	18	15,876	-	-	-	-	15,876
Deposits at call	18	146,458	-	-	-	-	146,458
Foreign currency bank accounts	18	618	-	-	-	-	618
Receivables	19	-	-	-	-	316,776	316,776
Available for sale financial assets	21	-	-	-	-	5,690	5,690
Deferred tax asset	17	-	-	-	-	159	159
Government stocks – short term	22	-	17	-	-	-	17
Shares in non-related companies	22	-	-	-	-	165	165
		162,952	17	-	-	322,790	485,759
Weighted average interest rate		5.78%	0.14%				
Liabilities							
Trade and other payables	26	-	-	-	-	91,168	91,168
Current tax liabilities	17	-	-	-	-	3,738	3,738
Deferred tax liabilities	17	-	-	-	-	33	33
Borrowings	27	5,052	-	-	-	-	5,052
		5,052	-	-	-	94,939	99,991
Weighted average interest rate		5.79%					
Net financial assets (liabilities)		157,900	17	-	-	227,851	385,768
31 December 2007							
Assets							
Cash at bank and on hand #	18	11,524	-	-	-	-	11,524
Deposits at call	18	102,685	-	-	-	-	102,685
Foreign currency bank accounts	18	2,013	-	-	-	-	2,013
Receivables	19	-	-	-	-	342,050	342,050
Available for sale financial assets	21	-	1,966	-	-	8,943	10,909
Deferred tax assets	17	-	-	-	-	126	126
Government stocks - short term	22	-	15	-	-	-	15
Shares in non-related companies	22	-	-	-	-	161	161
		116,222	1,981	-	-	351,280	469,483
Weighted average interest rate		5.55%	0.14%				
Liabilities							
Trade and other payables	26	-	-	-	-	71,891	71,891
Current tax liabilities	17	-	-	-	-	3,249	3,249
Deferred tax liabilities	17	-	-	-	-	42	42
Borrowings	27	7,940	-	-	-	-	7,940
		7,940	-	-	-	75,182	83,122
Weighted average interest rate		6.39%					
Net financial assets (liabilities)		108,282	1,981	-	-	276,098	386,361

(vi) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the entity. The entity has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The entity's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparty limits that are reviewed and approved by management regularly.

The entity minimises concentrations of credit risk by undertaking transactions with a large number of customers and counterparties, spread across diverse industries and geographical areas and by performing extensive due diligence procedures on major new customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the entity's maximum exposure to credit without taking account of the value of any collateral obtained.

The Entity has not obtained any collateral or other security for its financial assets.

(vii) Market risk

RMIT Consolidated Entity's exposure to market risk is borne by the borrowings placed in bank accepted commercial bills and bank short term deposits.

	Note	Consolidated	
		2008	2007
		\$'000	\$'000
(viii) Reconciliation of net financial assets to net assets			
Net financial assets as above		385,768	386,361
Non-financial assets and liabilities			
Inventories	20	812	688
Other non-financial assets	25	7,739	4,180
Property, plant and equipment	23	1,250,306	1,091,805
Intangible assets	24	1,225	1,381
Provisions	28	(361,241)	(341,577)
Other liabilities	29	(47,209)	(37,796)
Net assets per balance sheet		1,237,400	1,105,042

(ix) Net fair values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date are as follows:

	Note	2008		2007	
		Carrying amount	Net Fair value	Carrying amount	Net Fair value
		\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents					
Cash at bank and on hand #	18	15,876	15,876	11,524	11,524
Deposits at call	18	146,458	146,458	102,685	102,685
Foreign currency bank accounts	18	618	618	2,013	2,013
Receivables	19	316,689	316,689	342,050	342,050
Other financial assets					
Government stocks and bonds	22	17	17	15	15
Available for sale financial assets	21	5,690	5,690	10,909	10,909
Unlisted shares in non-related companies	22	165	165	161	161
Deferred tax assets	17	159	159	126	126
		485,672	485,672	469,483	469,483
Financial liabilities					
Trade and other payables	26	91,168	91,168	71,891	71,891
Current tax liabilities	17	3,738	3,738	3,249	3,249
Deferred tax liabilities	17	33	33	42	42
Borrowings	27	5,052	5,052	7,940	7,940
		99,991	99,991	83,122	83,122

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the consolidated entity approximates their carrying amounts.

Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

40 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in note 1.02:

Notes	Class of Shares	Place of Incorporation	Ownership		Shares Held		Net Equity		
			2008 %	2007 %	2008 %	2007 %	2008 %	2007 %	
Controlled entities – corporate									
RMIT International Pty Ltd	(a)	Ordinary	Australia	100.00	100.00	200,002	200,002	4	(2,006)
RMIT Training Pty Ltd	(b)	Ordinary	Australia	100.00	100.00	502,000	502,000	12,885	7,801
Spatial Vision Innovations Pty Ltd	(c)	Ordinary	Australia	45.90	45.90	102,000	102,000	830	742
RMIT Vietnam Holdings Pty Ltd	(d)	Ordinary	Australia	100.00	100.00	1,225,000	1,225,373	27,340	25,675
RMIT International University Vietnam	(e)	Licence	Vietnam	100.00	100.00	–	–	32,923	18,571
Meltech Services Ltd	(f)	Limited by guarantee	Australia	100.00	100.00	–	–	–	–
RMIT Drug Discovery Technologies Pty Ltd	(g)	Ordinary	Australia	100.00	100.00	4,971,000	4,470,563	2,367	3,470
Controlled entities – other									
RMIT Union	(h)	Unincorporated body						7,374	7,427
RMIT Foundation	(i)	Unincorporated body						19,691	20,774
								103,414	82,454

- (a) RMIT International Pty Ltd's deregistration was approved by Council in December 2008 and subsequent application forms lodged with ASIC were approved in late December 2008. Final confirmation of deregistration was received from ASIC in 2009.
- (b) RMIT Training Pty Ltd is a company incorporated under the Corporations Act 2001 with share capital of 502,000 ordinary shares of \$1 each.
- (c) Spatial Vision Innovations Pty Ltd is a company incorporated under the Corporations Act 2001 with ordinary shares of 222,222 (2007 - 222,222) of \$1 each. The company is a subsidiary of RMIT by virtue of its financial control and the power to appoint the board.
- (d) RMIT Vietnam Holdings Pty Ltd (RVH) is a wholly owned entity of RMIT and has 12 ordinary shares of \$1 each. The company's principal activity is holding RMIT's investment in RIUV and to hold funds for distribution to operations at the RMIT International University Vietnam (RIUV) Campus and RMIT's investment in RIUV. Each year the RVH results will be affected by a timing difference between receipt of grants and the subsequent payment of those grants to RIUV.
- (e) RMIT International University Vietnam is a wholly owned entity of RMIT Vietnam Holdings Pty Ltd. Its purpose is to provide advanced education to the Vietnamese community in Vietnam.
- (f) Meltech Services Ltd is a company incorporated under the Corporations Act 2001, limited by guarantee and without share capital. The liability of members at balance date was limited to \$120, being six members with a liability limited to \$20 each. Three directors, being a majority of directors, are nominees of RMIT. Accordingly, Meltech Services Ltd is a controlled entity of RMIT.
- (g) RMIT Drug Discovery Technologies Pty Ltd was incorporated on 1 January 2007 and is wholly owned by RMIT. The company's principal activity is to develop and provide OECD Principles of Good Laboratory Practice preclinical toxicology and bio-analytical testing services for national and global biotechnology, pharmaceutical and chemical industry clients progressing products for human health care through development.
- (h) RMIT Union is an unincorporated body. Its principal purpose is to provide support services to RMIT students.
- (i) RMIT Foundation is a trust. Its principal purpose is to raise funds, provide grants to RMIT for the conduct of research, construction of teaching facilities, provide for scholarships and to engage visiting scholars.

41 Acquittal of Australian Government financial assistance

41.1 DEEWR – CGS and Other DEEWR Grants

	Note	Parent entity (RMIT) ONLY							
		Commonwealth Grants Scheme#		Indigenous Support Program		Equity Support Program		Disability Support Program	
		2008	2007	2008	2007	2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		132,086	121,520	273	222	242	248	190	154
Net accrual adjustments		2,930	1,192	-	-	-	-	-	-
Revenue for the period	3(a)	135,016	122,712	273	222	242	248	190	154
Surplus / (deficit) from the previous year		-	-	-	-	-	-	-	71
Total revenue including accrued revenue		135,016	122,712	273	222	242	248	190	225
Less expenses including accrued expenses		-	122,712	273	222	242	248	190	225
Surplus / (deficit) for reporting period		135,016	-	-	-	-	-	-	--

Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading.

* Includes Higher Education Disability Support Program and Equity Support Program

DEEWR – Teaching and Learning (Continued)

	Note	Parent entity (RMIT) ONLY							
		Learning & Teaching Performance Fund		Workplace Reform Program		Capital Development Pool		Superannuation Program	
		2008	2007	2008	2007	2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		-	500	1,587	1,578	567	-	23,648	19,200
Net accrual adjustments		-	-	-	-	-	-	(2,300)	2,354
Revenue for the period	3(a)	-	500	1,587	1,578	567	-	21,348	21,554
Surplus / (deficit) from the previous year		-	-	-	-	-	-	-	-
Total revenue including accrued revenue		-	500	1,587	1,578	567	-	21,348	21,554
Less expenses including accrued expenses		-	500	1,587	1,578	567	-	20,915	21,554
Surplus / (deficit) for reporting period		-	-	-	-	-	-	433	--

DEEWR – Teaching and Learning (Continued)

	Note	Parent entity (RMIT) ONLY							
		Collaboration & Structural Reform Program		Capital Development Pool		Other Total		Total	
		2008	2007	2008	2007	2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		256	184	-	1,159	369	-	159,218	144,765
Net accrual adjustments		-	-	-	-	-	-	630	3,546
Revenue for the period		256	184	-	1,159	369	-	159,848	148,311
Surplus / (deficit) from the previous year		221	408	946	329	-	-	1,167	808
Total revenue including accrued revenue		477	592	946	1,488	369	-	161,015	149,119
Less expenses including accrued expenses		39	371	-	542	369	-	24,182	147,952
Surplus / (deficit) for reporting period		438	221	946	946	-	-	136,833	1,167

41 Acquittal of Australian Government financial assistance (continued)

41.2 Higher Education Loan Programs

	Note	Parent entity (RMIT) ONLY							
		HECS-HELP (Australian Government payments only)		FEE-HELP		Total		OS-HELP	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		75,726	67,816	16,885	17,408	92,611	85,224	344	305
Net accrual adjustments		(41)	1,905	2,183	(1,035)	2,142	870	-	-
Revenue for the period	3(b)	75,685	69,721	19,068	16,373	94,753	86,094	344	305
Surplus / (deficit) from the previous year			-		-	-	-	6	120
Total revenue including accrued revenue		75,685	69,721	19,068	16,373	94,753	86,094	350	425
Less expenses including accrued expenses		75,685	69,721	19,068	16,373	94,753	86,094	277	419
Surplus / (deficit) for reporting period		-	-	-	-	-	-	73	6

41.3 Learning Scholarships

	Note	Parent entity (RMIT) ONLY					
		Australian Postgraduate Awards		International Postgraduate Research Scholarship		Commonwealth Education Costs Scholarships	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		2,439	2,485	592	537	1,295	965
Revenue for the period	3(c)	2,439	2,485	592	537	1,295	965
Surplus / (deficit) from the previous year		737	(953)	(225)	(208)	19	19
Total revenue including accrued revenue		3,176	1,532	367	329	1,314	984
Less expenses including accrued expenses		2,283	795	601	554	1,295	965
Surplus / (deficit) for reporting period		893	737	(234)	(225)	19	19

Scholarships (continued)

	Note	Parent entity (RMIT) ONLY			
		Commonwealth Accommodation Scholarships		Total	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		1,379	1,357	5,705	5,344
Revenue for the period	3(c)	1,379	1,357	5,705	5,344
Surplus / (deficit) from the previous year		58	58	589	(1,084)
Total revenue including accrued revenue		1,437	1,415	6,294	4,260
Less expenses including accrued expenses		1,379	1,357	5,558	3,671
Surplus / (deficit) for reporting period		58	58	736	589

41 Acquittal of Australian Government financial assistance (continued)

41.4 Commonwealth Research

	Note	Parent entity (RMIT) ONLY							
		Institutional Grants Scheme		Research Training Scheme		Research Infrastructure		Implementation Assistance Program	
		2008	2007	2008	2007	2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		5,224	5,391	13,963	13,695	1,650	1,736	140	69
Revenue for the period	3(d)	5,224	5,391	13,963	13,695	1,650	1,736	140	69
Surplus / (deficit) from the previous year		1,416	-	-	-	127	208	10	-
Total revenue including accrued revenue		6,640	5,391	13,963	13,695	1,777	1,944	150	69
Less expenses including accrued expenses		6,640	3,975	13,963	13,695	1,777	1,817	86	59
Surplus / (deficit) for reporting period		-	1,416	-	-	-	127	64	10

	Note	Parent entity (RMIT) ONLY					
		Australian Scheme for Higher Ed Respositories		Commercialisation Training Scheme		Total	
		2008	2007	2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		320	170	127	127	21,424	21,188
Revenue for the period		320	170	127	127	21,424	21,188
Surplus / (deficit) from the previous year		170	-	3	-	1,726	208
Total revenue including accrued revenue		490	170	130	127	23,150	21,396
Less expenses including accrued expenses		213	-	89	124	22,768	19,670
Surplus / (deficit) for reporting period		277	170	41	3	382	1,726

41.5 Voluntary Student Unionism

	Note	Parent entity (RMIT) ONLY					
		VSU Transition Fund		VSU Small Business Support		Total	
		2008	2007	2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		233	200	-	-	233	200
Revenue for the period	3(e)	233	200	-	-	233	200
Surplus / (deficit) from the previous year		-	-	-	-	-	-
Total revenue including accrued revenue		233	200	-	-	233	200
Less expenses including accrued expenses		233	200	-	-	233	200
Surplus / (deficit) for reporting period		-	-	-	-	-	-

41 Acquittal of Australian Government financial assistance (continued)

41.6 Australian Research Council Grants

(a) Discovery

	Note	Parent entity (RMIT) ONLY					
		Projects		Fellowships		Total	
		2008	2007	2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		2,124	2,324	329	323	2,453	2,647
Revenue for the period	3(f)(i)	2,124	2,324	329	323	2,453	2,647
Surplus / (deficit) from the previous year		1,133	1,054	139	158	1,272	1,212
Total revenue including accrued revenue		3,257	3,378	468	481	3,725	3,859
Less expenses including accrued expenses		2,336	2,245	293	342	2,629	2,587
Surplus / (deficit) for reporting period		921	1,133	175	139	1,096	1,272

Australian Research Council Grants (continued)

(b) Linkages

	Note	Parent entity (RMIT) ONLY					
		Special Research Initiatives		International		Infrastructure	
		2008	2007	2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		–	–	106	105	–	700
Revenue for the period	3(f)(ii)	–	–	106	105	–	700
Surplus / (deficit) from the previous year		–	51	107	75	700	–
Total revenue including accrued revenue		–	51	213	180	700	700
Less expenses including accrued expenses		–	51	107	73	700	–
Surplus / (deficit) for reporting period		–	–	106	107	–	700

	Note	Parent entity (RMIT) ONLY			
		Projects		Total	
		2008	2007	2008	2007
		\$'000	\$'000	\$'000	\$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian for the Programs)		3,622	3,377	3,728	4,182
Revenue for the period	3(f)(ii)	3,622	3,377	3,728	4,182
Surplus / (deficit) from the previous year		1,790	1,647	2,597	1,773
Total revenue including accrued revenue		5,412	5,024	6,325	5,955
Less expenses including accrued expenses		3,148	3,234	3,955	3,358
Surplus / (deficit) for reporting period		2,264	1,790	2,370	2,597

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
42	Remuneration of auditors				
	Auditing or reviewing the financial reports of the entity or any entity in the consolidated entity				
	Auditor-General of Victoria	303	292	216	203
	Total accounting and auditing services	303	292	216	203

43 Key management personnel disclosures**(a) Responsible persons related disclosures**

In accordance with the directions of the Minister for Finance under the Financial Management Act 1994, the following disclosures are made for the responsible Ministers and responsible Members of Council.

(i) Minister

The relevant Minister is Ms Jacinta Allan, Minister for Skills and Workforce Participation. Remuneration of the Ministers is disclosed in the financial report of the Department of Premier and Cabinet. Other relevant interests are declared in the Register of Members interests which is completed by each member of the Parliament.

(ii) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of RMIT during the year:

Council Members

Awcock, F.	Nieuwenhuysen, J.
Ballagh, A.	O'Donnell, R.
Chitkara, V.	Pekarek, H.
Coloe, P.	Robinson, N.
Dalton, A.	Schulze, M.
Francis, T.	Tappenden, T.
Gardner, M.	Thompson-Gordon, L.
Gibson, D.	Thorn, F.
Gilmour, J.	Walker, C.
Lever, R.	Wulff, R.
McKenzie, E.	Young, D.

Executive Officers

Alcorn, D.	Furlong, N.
Ballagh, A.	Gardner, M.
Barber, J.	Kirk, J.
Bellamy, S.	Palmer, G.
Coloe, P.	Reeve, M.
Dalton, A.	Somogyi, S.
Fudge, C.	

In addition to the senior executive members listed above, the table below includes the chief executives of four controlled entities.

43 Key management personnel disclosures (continued)

(b) Remuneration of responsible persons

Income paid or payable, or otherwise made available, to Councillors and/or directors by entities in the RMIT consolidated entity and related parties in connection with the management of affairs of the RMIT entity or its subsidiaries.

	5,239	3,991	1,598	1,565
	2008 No.	2007 No.	2008 No.	2007 No.
Number of RMIT Councillors whose total remuneration from RMIT and any related bodies corporate was within the following bands:				
\$ 0	5	2	3	1
Less than \$10,000	3	3	-	-
\$ 10,000 – \$ 19,999	12	8	12	6
\$ 20,000 – \$ 29,999	-	7	-	7
\$ 60,000 – \$ 69,999	-	1	-	-
\$ 70,000 – \$ 79,999	2	1	2	1
\$ 80,000 – \$ 89,999	-	1	-	1
\$ 90,000 – \$ 99,999	1	2	1	2
\$100,000 – \$109,999	2	1	1	-
\$110,000 – \$119,999	2	-	-	-
\$120,000 – \$129,999	1	1	-	-
\$130,000 – \$139,000	-	1	-	-
\$160,000 – \$169,999	1	-	-	-
\$170,000 – \$179,999	1	1	-	-
\$180,000 – \$189,999	-	2	-	1
\$190,000 – \$199,999	-	1	-	1
\$210,000 – \$219,999	1	1	1	-
\$220,000 – \$229,999	1	1	-	-
\$230,000 – \$239,999	1	-	1	-
\$250,000 – \$259,999	1	1	-	-
\$260,000 – \$269,999	-	1	-	-
\$270,000 – \$279,999	1	1	-	-
\$280,000 – \$289,999	1	1	-	-
\$290,000 – \$299,999	1	-	-	-
\$300,000 – \$309,999	1	-	-	-
\$320,000 – \$329,999	1	-	-	-
\$350,000 – \$359,999	1	-	-	-
\$490,000 – \$499,999	-	1	-	-
\$500,000 – \$509,999	1	-	-	-
\$560,000 – \$569,999	-	1	-	1
\$600,000 – \$609,999	1	-	1	-
	42	40	22	21

(c) Remuneration of executive officers

Income received or due and receivable from entities in the consolidated entity and related parties by Australian-based executive officers occupying a senior management role except for responsible persons whose remuneration was at least \$100,000.

	Consolidated		RMIT	
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
<i>Note</i>				
Base remuneration of executive officers	3,321	2,812	2,376	1,768
Total remuneration of executive officers	3,646	3,414	2,686	2,180

43 Key management personnel disclosures (continued)**(c) Remuneration of executive officers** (continued)

The number of executive officers whose total remuneration was within the following bands:

	2008 No.	2007 No.	2008 No.	2007 No.
\$100,000 – \$109,999	1	1	1	–
\$110,000 – \$119,999	–	3	–	–
\$120,000 – \$129,999	–	3	–	–
\$130,000 – \$139,999	–	1	–	1
\$170,000 – \$179,999	–	1	–	–
\$180,000 – \$189,999	–	1	–	1
\$190,000 – \$199,999	1	1	–	–
\$200,000 – \$209,999	1	–	–	–
\$210,000 – \$219,999	1	1	1	–
\$220,000 – \$229,999	1	1	1	1
\$230,000 – \$239,999	1	–	–	–
\$250,000 – \$259,999	1	2	1	1
\$260,000 – \$269,999	–	2	–	2
\$270,000 – \$279,999	1	1	1	1
\$280,000 – \$289,000	–	1	–	1
\$290,000 – \$299,000	2	–	2	–
\$300,000 – \$309,999	1	1	1	1
\$330,000 – \$339,999	1	–	–	–
\$350,000 – \$359,999	2	–	2	–
	14	20	10	9

Remuneration of executive officers also includes annual leave, long service leave and termination payments made during the period.

44 Related parties

The following related party transactions occurred during the financial year and were conducted on normal terms and conditions unless otherwise stated:

(a) Responsible persons and specified executives

The names, remuneration and retirement benefits of persons who were Councillors of RMIT and specified executives at any time during the financial year are set out in Note 43.

(b) Controlled entities

Interests in subsidiaries are set out in Note 40.

(c) Transactions with related parties

The following transactions occurred with related parties:

Aggregate amounts included in the determination of operating result from ordinary activities that resulted from transactions with each class of other related parties within the group:

	Consolidated		RMIT	
	2008	2007	2008	2007
Note	\$'000	\$'000	\$'000	\$'000
Sale of services				
Fees and charges	–	–	1,680	–
Donations and bequests	–	–	642	707
Interest income	–	–	–	16
Rental income	–	–	784	570

44 Related parties (continued)

	Note	Consolidated		RMIT	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Purchase of services					
Materials expense		–	–	1	–
Grants, scholarships and prizes		–	–	2,501	4,900
Expenditure incurred on behalf of related parties					
Audit fees		–	–	9	–
Investment of capital		500	5,696	–	–
Loans to related parties					
Loans advanced by subsidiaries		–	–	8,087	–
Loans repayments to subsidiaries		–	–	–	2,035
Interest expense		–	–	1,323	1,347
(d) Outstanding balances					
The following balances are outstanding at the reporting date in relation to transactions with related parties:					
Current Receivables					
Subsidiaries		–	–	8,034	11,902
Current Payables					
Subsidiaries		–	–	573	1,791
Interest bearing liabilities					
Subsidiaries		–	–	27,208	19,121
An allowance for impairment has been raised in relation to outstanding balances of current receivables					
		–	–	–	2,391
(e) Forgiveness of debts					
In 2007, as part of the process of winding up RMIT Innovation Ltd, RMIT forgave the company's outstanding receivable. In 2008, RMIT fully impaired its receivable from RMIT International (as this company was to cease operations and be de-registered). At 31/12/08, this debt was reported as forgiven in the books of RMIT International.					
		–	–	1,431	123
(f) Terms and conditions					
All transactions were made on normal commercial terms and conditions and at market rates, except that there are no fixed terms for repayment of loans between the parties. The average interest rate on loans during the year was 6.76% (2007 – 6.39%).					
Outstanding balances are unsecured and are repayable in cash.					
Certain administrative services are provided by RMIT to a number of entities within the wholly owned group at no charge.					

45 Correction of errors and revision of estimates

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

Property, plant and equipment

In 1999 when SAP was implemented, assets were incorrectly allocated between HES and VET in the Asset Register. At the time, an adjustment of \$5.338M was included in the financial report to reflect the true assets split between HES and VET. These assets are now fully depreciated and assets are correctly represented on the asset register schedule. The amendments will not alter the consolidated figures, only change retained surplus and property, plant and equipment within HES and VET as below:

- Property, plant and equipment for VET decrease by \$5.338M
- Retained surplus for VET decrease by \$5.338M
- Property, plant and equipment for HES increase by \$5.338M
- Retained surplus for HES increase by \$5.338M

The revaluation reserve incorrectly included land and buildings previously disposed. These items will be transferred from reserves to retained surplus. As this error occurred in prior financial years, the Balance Sheet opening balances as at 31 December 2008 are reinstated as follows:

- Reserves for VET decrease by \$749K
- Retained surplus for VET increase by \$749K
- Reserves for HES decrease by \$9.093M
- Retained surplus for HES increase by \$9.093M

In addition, the revaluation reserve allocation between HES and VET was incorrectly disclosed in prior financial years. The adjustments will reinstate as follows:

- Reserves for VET decrease by \$413K
- Retained surplus for VET increase by \$413K
- Reserves for HES increase by \$413K
- Retained surplus for HES decrease by \$413K

Balance Sheet extract	Note	2007 Actual		Correction		Corrected 2007 Actual	
		Consolidated \$'000	RMIT \$'000	Consolidated \$'000	RMIT \$'000	Consolidated \$'000	RMIT \$'000
Equity							
RMIT entity interest							
Reserves	30	544,549	501,497	(9,842)	(9,842)	534,707	491,655
Retained surplus	31	562,137	547,847	9,842	9,842	571,979	557,689
Total RMIT entity interest		1,106,686	1,049,344	-	-	1,106,686	1,049,344
Reserves extract							
Consolidated reserves							
Balance at end of year		544,549	501,497	(9,842)	(9,842)	534,707	491,655
Retained surplus extract							
Retained surplus at end of year		562,137	547,847	9,482	9,842	571,619	557,689

Balance Sheet extract	Note	2007 Actual			Correction			Corrected 2007 actual		
		HES \$'000	TAFE \$'000	Total RMIT \$'000	HES \$'000	TAFE \$'000	Total RMIT \$'000	HES \$'000	TAFE \$'000	Total RMIT \$'000
Non-current assets										
Property, plant and equipment		835,722	241,780	1,077,502	5,338	(5,338)	-	841,060	236,442	1,077,502
Total non-current assets		1,081,898	241,780	1,323,678	1,565,458	2,889,136	4,454,594	2,647,356	3,130,916	5,778,272
Total assets		1,241,446	260,387	1,501,833	5,338	(5,338)	-	1,246,784	255,049	1,501,833
Net assets		807,489	241,855	1,049,344	5,338	(5,338)	-	812,827	236,517	1,049,344
Equity extract										
RMIT entity interest										
Reserves		362,157	139,340	501,497	(8,680)	(1,162)	(9,842)	353,477	138,178	491,655
Retained surplus		445,332	102,515	547,847	14,018	(4,176)	9,842	459,350	98,339	557,689
Total equity		807,489	241,855	1,049,344	5,338	(5,338)	-	812,827	236,517	1,049,344

Equity

In 2008, prior year equity has been adjusted for the following items:

- RMIT University – retained surplus was increased by \$13.65K due to correction to accounts receivable processing in 2007.
- RMIT Consolidated – correction of elimination entries in relation to impairment of subsidiary debtors (\$2,391K) and treatment of dividend received from Spatial Vision (\$102K). Also, superannuation expense adjustment in relation to RMIT Training (\$46.7K).

Balance Sheet extract	Note	2007 Actual		Correction		Corrected 2007 Actual	
		Consolidated \$'000	RMIT \$'000	Consolidated \$'000	RMIT \$'000	Consolidated \$'000	RMIT \$'000
Retained surplus		1,107,266	1,049,344	(2,224)	14	1,105,042	1,049,358

Balance Sheet for the years 2008 to 2004 inclusive

	Consolidated AIFRS					RMIT AIFRS				
	2008	2007	2006	2005	2004	2008	2007	2006	2005	2004
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current assets										
Cash and cash equivalents	162,952	116,222	89,798	59,557	32,107	102,685	70,205	59,006	31,814	6,699
Receivables	59,329	98,516	88,349	46,434	42,713	62,685	104,631	90,354	49,380	47,438
Inventories	812	688	543	888	989	-	-	-	-	-
Non-current assets classified as held for sale	-	-	-	29,875	-	-	-	-	29,875	-
Other non-financial assets	7,739	4,180	4,436	3,500	3,518	6,707	3,333	3,908	2,947	3,042
Total current assets	230,832	219,606	183,126	140,254	79,327	172,077	178,169	153,268	114,016	57,179
Non-current assets										
Receivables	257,447	243,534	270,509	285,463	254,502	257,395	243,482	270,509	285,463	254,502
Available for sale financial assets through equity	5,690	10,909	8,447	6,956	-	-	-	-	-	-
Other financial assets	182	176	173	174	5,729	2,694	2,694	823	822	934
Property, plant and equipment	1,250,306	1,091,805	1,044,799	1,040,994	1,047,165	1,228,628	1,077,502	1,030,443	1,021,486	1,031,464
Deferred tax asset	159	126	484	66	-	-	-	387	-	-
Intangible assets	1,225	1,381	46	2,140	2,172	-	-	-	2,093	1,225
Other non-financial assets	-	-	-	-	332	-	-	-	-	-
Total non-current assets	1,515,009	1,347,931	1,324,458	1,335,793	1,309,900	1,488,717	1,323,678	1,302,162	1,309,864	1,288,125
Total assets	1,745,841	1,567,537	1,507,584	1,476,047	1,389,227	1,660,794	1,501,847	1,455,430	1,423,880	1,345,304
LIABILITIES										
Current liabilities										
Trade and other payables	91,168	71,891	58,830	58,284	45,836	78,911	67,550	48,040	51,571	40,898
Borrowings	657	-	-	-	3,582	27,208	19,121	21,156	13,724	15,323
Provisions	93,239	93,295	81,826	89,064	43,589	91,609	91,921	80,497	87,516	41,470
Current tax liabilities	3,738	3,249	224	239	-	3,738	3,155	130	239	-
Other liabilities	47,209	37,796	27,795	30,531	22,856	30,748	22,679	17,280	22,016	18,238
Total current liabilities	236,011	206,231	168,675	178,118	115,863	232,214	204,426	167,103	175,066	115,929
Non-current liabilities										
Borrowings	4,395	7,940	8,825	9,541	8,986	-	-	-	-	-
Provisions	268,002	248,282	274,467	286,124	299,299	267,784	248,063	274,174	284,800	298,086
Deferred tax liabilities	33	42	32	21	-	-	-	-	-	-
Total non-current liabilities	272,430	256,264	283,324	295,686	308,285	267,784	248,063	274,174	284,800	298,086
Total liabilities	508,441	462,495	451,999	473,804	424,148	499,998	452,489	441,277	459,866	414,015
Net assets	1,237,400	1,105,042	1,055,585	1,002,243	965,079	1,160,796	1,049,358	1,014,153	964,014	931,289
EQUITY										
RMIT entity interest										
Reserves	595,572	534,707	547,287	557,548	546,553	548,554	491,655	501,497	510,154	500,672
Accumulated funds	641,320	569,875	507,926	444,463	418,407	612,242	557,703	512,656	453,860	430,617
Total RMIT entity interest	1,236,892	1,104,582	1,055,213	1,002,011	964,960	1,160,796	1,049,358	1,014,153	964,014	931,289
Outside equity interest in controlled entities	508	460	372	232	119	-	-	-	-	-
Total equity	1,237,400	1,105,042	1,055,585	1,002,243	965,079	1,160,796	1,049,358	1,014,153	964,014	931,289

Income Statement for the years 2008 to 2004 inclusive

	Consolidated AIFRS					RMIT AIFRS				
	2008	2007	2006	2005	2004	2008	2007	2006	2005	2004
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from continuing operations										
Australian Government financial assistance										
Australian Government grants	209,833	182,807	170,468	160,587	138,685	209,833	182,807	170,468	160,587	138,685
HECS-HELP – Australian Government payments	75,686	69,721	64,815	55,870	47,817	75,686	69,721	64,815	55,870	47,817
FEE-HELP	19,068	16,373	14,607	12,441	10,659	19,068	16,373	14,607	12,441	10,659
State and Local Government financial assistance	68,436	66,588	65,235	60,042	59,246	68,348	66,588	65,235	60,042	59,213
HECS-HELP – Student Payments	14,432	12,750	12,769	11,452	8,331	14,432	12,750	12,769	11,452	8,331
Fees and charges	274,670	236,371	206,592	187,977	174,169	225,474	201,907	182,434	170,729	160,816
Investment income	12,963	8,046	5,342	4,034	1,463	8,741	6,038	3,745	2,906	809
Consultancy and contracts	35,926	33,875	37,959	39,091	41,187	31,078	25,654	24,988	23,103	25,720
Other revenue and income	24,556	24,664	31,892	29,722	24,329	13,878	12,703	14,639	13,595	10,687
	735,570	651,195	609,679	561,216	505,886	666,538	594,541	553,700	510,725	462,737
Deferred government superannuation contributions	11,971	(22,777)	(14,851)	29,466	35,837	11,971	(22,777)	(14,851)	29,466	35,837
Total revenue from continuing operations	747,541	628,418	594,828	590,682	541,723	678,509	571,764	538,849	540,191	498,574
Expenses from continuing operations										
Employee related expenses	419,183	379,428	343,691	344,301	340,179	388,054	355,060	316,316	319,332	316,830
Depreciation and amortisation	33,342	28,423	28,131	26,506	26,561	30,957	26,544	25,302	23,574	24,037
Repairs and maintenance	21,244	16,235	15,937	13,558	14,562	20,966	16,063	15,578	13,157	14,112
Finance costs	390	1	22	914	397	1,323	1,347	446	973	882
Impairment of assets	3,380	4,222	976	1,255	(229)	3,315	8,738	1,451	1,309	(242)
Other expenses	184,796	165,334	164,482	146,432	149,716	165,261	147,822	143,156	129,456	132,004
	662,335	593,643	553,239	532,966	531,186	609,876	555,574	502,249	487,801	487,623
Deferred employee benefits for superannuation	11,971	(22,777)	(14,851)	29,466	35,837	11,971	(22,777)	(14,851)	29,466	35,837
Total expenses from continuing operations	674,306	570,866	538,388	562,432	567,023	621,847	532,797	487,398	517,267	523,460
Operating result before income tax	73,235	57,552	56,440	28,250	(25,300)	56,662	38,967	51,451	22,924	(24,886)
Income tax expense	2,201	3,882	1,437	(543)	1,154	2,124	3,762	1,312	(319)	742
Operating result from continuing operations	71,034	53,670	55,003	28,793	(26,454)	54,538	35,205	50,139	23,243	(25,628)
Operating result attributable to minority interest	(107)	(149)	(146)	(114)	(92)	–	–	–	–	–
Operating result attributed to RMIT entity	70,927	53,521	54,857	28,679	(26,546)	54,538	35,205	50,139	23,243	(25,628)

OBJECTS OF RMIT UNIVERSITY

Extract from the RMIT Act

The objects of the University include:

- (a) The development of an institution with excellence in teaching, training, scholarship, research, consultancy, community service and other educational services and products, with emphasis on technology and its development, impact and application;
- (b) The provision of a multi-level system of post-secondary education programs relevant to the needs of the community covering a wide range of fields and levels from basic trade to post-doctoral studies with provision for recognition of prior learning and flexibility of transition between programs;
- (c) The provision of high quality educational, research, residential, commercial, cultural, social, recreational, sporting and other facilities;
- (d) The advancement of knowledge and its practical application by research and other means, the dissemination by various means of the outcomes of research and the commercial exploitation of the results of such research;
- (da) To promote critical enquiry within the university and in the general community;
- (e) The participation in commercial ventures and activities;
- (f) The fostering of the general welfare and development of all enrolled students;
- (g) The conferring of prescribed degrees and the granting of prescribed diplomas, certificates and other awards;
- (h) The provision of opportunities for development and further training for staff of the university;
- (i) The development and provision of educational, cultural, professional, technical and vocational services to the community and in particular the fostering of participation in a university of technology of persons living or working in the northern metropolitan region of Melbourne;
- (j) The provision of programs, products and services in ways that take account of the principles of equity and social justice;
- (k) The maintenance of close interaction with industry and the community and the development of associations or agreements with any other educational, commercial, governmental or other institution;
- (l) The development of a strong international dimension to the university's teaching, research, consultancy, development, service and other activities;
- (m) Generally the development and operation of a university providing appropriate academic and other programs, courses of study, educational products and research activity such as the council considers necessary for the attainment of the foregoing within Victoria and elsewhere.

GLOSSARY

ALTC	Australian Learning and Teaching Council	LSL	Long service leave
ARC	Australian Research Council	LTIF	RMIT Learning and Teaching Investment Fund
ATN	Australian Technology Network of Universities	MBA	Master of Business Administration
CEQ	Course Experience Questionnaire	NCVER	National Centre for Vocational Education Research
CRC	Cooperative Research Centre	NEIS	New Enterprise Incentive Scheme
DEEWR	Department of Education, Employment and Workplace Relations	NHMRC	National Health and Medical Research Council
DFAT	Department of Foreign Affairs and Trade	NTEU	National Tertiary Education Union
DSC	RMIT College of Design and Social Context	OHS	Occupational health and safety
EFT	Equivalent full-time	OUA	Open Universities Australia
EFTSL	Equivalent full-time study load	Program	A collection of courses leading to a University award
ELICOS	English Language Intensive Courses for Overseas Students	PVC	Pro Vice-Chancellor
ENTER	Equivalent National Tertiary Entrance Rank	RMIT	RMIT University
EOWA	Equal Opportunity for Women in the Workplace Agency	SCH	Student contact hour
GDS	Graduate Destination Survey	SET	RMIT College of Science, Engineering and Technology
HE	Higher Education	SOS	Student Outcomes Survey
HECS	Higher Education Contribution Scheme	TAFE	Technical and Further Education
IT	Information technology	VCAL	Victorian Certificate of Applied Learning
		VCE	Victorian Certificate of Education
		VET	Vocational Education and Training

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