

2017 Annual Report



DEAKIN
UNIVERSITY

Further Information

Deakin University Headquarters

Geelong Waterfront Campus

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

Melbourne Burwood Campus

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

Geelong Waurin Ponds Campus

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

Warrnambool Campus

Princes Highway
Warrnambool, Victoria 3280
Australia
+61 03 5563 3100

Cloud Campus

13 DEAKIN (13 332 513)

deakin.edu.au



twitter.com/Deakin



www.facebook.com/DeakinUniversity



www.youtube.com/user/deakinuniversity

Front cover image: 'Morgan's Walk' is a safe, accessible walk that for the first time links both sides of Deakin's Melbourne Burwood Campus. Morgan's Walk is named after former Deakin Chancellor Dr David Morgan AO.

Photographer: Simon Fox

Published by

Deakin University
CRICOS Provider Code 00113B
ABN 56 721 584 203

Contents

Letter to the Minister	4	Statutory Reporting	55
Organisational Overview	5	Risk Management	56
From the Chancellor	6	Register of Commercial Activities	56
From the Vice-Chancellor	7	Occupational Health and Safety	56
About Deakin	8	Environmental Performance	58
The Deakin Vision	9	Statutory Compliance	60
Deakin at a Glance	10	Financial Report	62
Our Organisation	12	Financial statements for the year ending 31 December 2017	63
Our People	16	Independent Auditor's Report	108
University Governance	18	University Disclosure Index	116
Governance of the University	19	Glossary	120
The Year in Review	25		
Learning	26		
Ideas	34		
Value	42		
Experience	48		

Letter to the Minister

**The Hon Gayle Tierney
Minister for Training and Skills**

Level 1, 2 Treasury Place
East Melbourne
Victoria 3002

15 March 2018

Dear Minister

On behalf of the Council of Deakin University and in accordance with the requirements of regulations under the *Financial Management Act 1994*, we are pleased to submit for your information and presentation to Parliament the Deakin University Annual Report for the year ending 31 December 2017.

The Annual Report was approved by the Deakin University Council at its meeting on 15 March 2018.

Yours sincerely



Mr John Stanhope AM
Chancellor

15 March 2018
Geelong

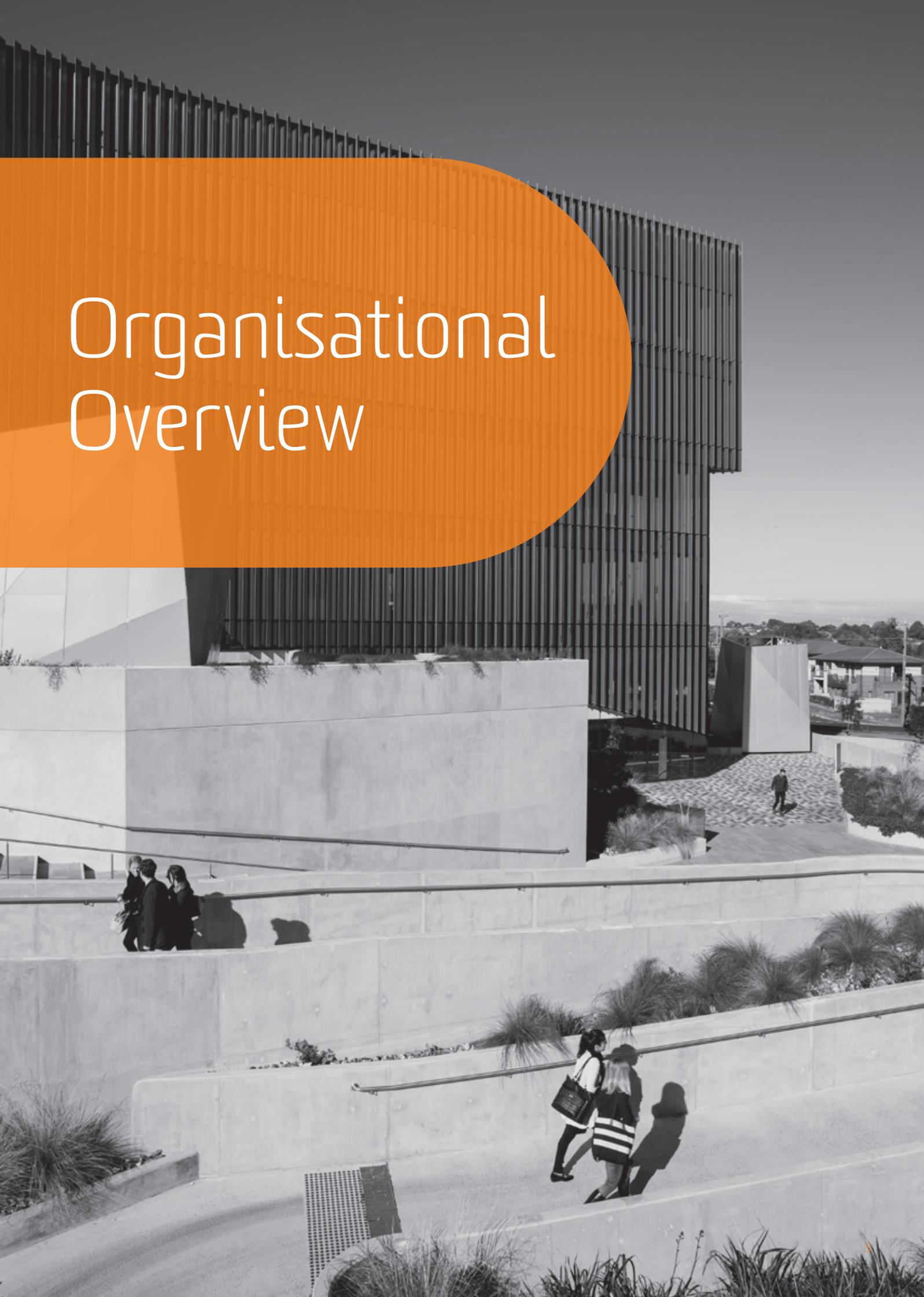


Professor Jane den Hollander AO
President and Vice-Chancellor

15 March 2018
Geelong

For and on behalf of the Deakin University Council

Organisational Overview



From the Chancellor

On behalf of Deakin University's Council I am pleased to present the University's 2017 Annual Report, endorsed by Council at its meeting on 15 March 2018 at the Geelong Waterfront Campus.



What does it mean to be a great university? For Deakin it means ensuring its graduates are highly regarded by employers and well prepared for 21st century lives and careers, and that its research informs policy or translates into commercial outcomes that will make a difference to the communities Deakin serves.

Deakin has a strong focus on teaching and has been a national advocate for the importance of working with industry to ensure graduates have the skill sets they need to be competitive and productive in an era of fast-paced change and unpredictability. In a complex and crowded market Deakin University has continued to enjoy strong growth in student numbers; with almost 58,000 students it is Australia's sixth largest university.

Deakin is also on a strong research trajectory, ranking an estimated 213 in the Shanghai Jiao Tong 2017 Academic Ranking of World Universities. This is an outstanding achievement given Deakin only entered this prestigious top 500 research ranking for the first time in 2014. The QS World University Rankings placed Deakin at 293, which according to QS puts Deakin in the top 1.1 per cent of the world's universities.

It is a great privilege to serve as Deakin's Chancellor. I am proud not only of Deakin's many successes in 2017, but by the high level of commitment of Deakin staff reflected in the biennial iSay Survey. The staff response rate was a remarkable 93 per cent with staff engagement rated at 80 per cent. Deakin's reputation as nimble and technology savvy was also reflected in staff responses with 82 per cent stating Deakin makes good use of technology and 84 per cent seeing Deakin as innovative.

Deakin's successes in 2017 are testament to the culture of excellence and commitment created by Deakin's leadership team and I thank my Council colleagues, our Vice-Chancellor Jane den Hollander and her Executive, and Deakin's staff, students, alumni and partners for their outstanding contributions to Deakin in 2017.

Mr John Stanhope AM
Chancellor

From the Vice-Chancellor



Our 2017 Annual Report presents a story of improvement and growing confidence, as Deakin students, staff, alumni and our partners continue to make a strong intellectual and economic contribution to the communities Deakin University serves.

These achievements have taken place in a context of significant challenge for the sector, with protracted uncertainty around higher education policy and seismic shifts in technology, rapidly changing global demography and the challenge of predicting future workforce skills.

We are preparing graduates for the jobs and skills of a future which is fast-changing and difficult to predict. Deakin aims to provide the skilled graduates the Australian economy will need. We are developing the capacity of our students to thrive in a complex and rapidly changing world, ensuring they have both deep discipline knowledge and the less tangible 'soft' skills associated with an entrepreneurial mindset.

Our international student numbers have continued to grow, with Deakin enrolling almost 12,000 international students from 131 countries, of which 3,372 were commencing students (a 32 per cent increase from 2016). Our diversity is one of Deakin's greatest strengths and in October 2017 Deakin was awarded the Governor of Victoria's Export Award for Education and Training for an unprecedented fourth consecutive year. Deakin also received the Australian Export Award for Education and Training.

Student employability and premium learning experiences for all of our students are my top personal priorities and I am delighted that external validation indicates Deakin continues to be first in Victoria for student satisfaction (fifth in Australia) and first in Victoria (second in Australia) for learning resources. Our Graduate Employment team was voted the best careers service at the Australian Association of Graduate Employers (AAGE) national conference. Our partnership with FutureLearn, one of the world's first and largest open learning platforms, is triggering a shift in the quality, profile and scale of Deakin's Cloud Campus courses. In

our first year we have designed or redesigned postgraduate courses in Diabetes Education, Cyber Security, IT, Property and Real Estate, Leadership and Development and Humanitarian Action, and over 100,000 learners have accessed our suite of free two-week introductory taster courses to date.

Deakin prides itself on being an engaged university, passionate about giving back to the communities it serves. We are in the innovation business, and innovation for Deakin means new industry and the creation of new high skill high productivity jobs. Our students, our industry partners and our Governments are right to expect excellence and a clear return on their investment in us.

Deakin has been a catalyst for change in its 'home town'. The Geelong Future Economy Precinct is host to a growing number of companies, and the opening of the industrial incubator ManuFutures in December has further enhanced Deakin's capacity to grow economic activity and jobs in the Geelong region. The Precinct builds on 15 years of investment in developing the research expertise and facilities which underpin Deakin's path to international research recognition, particularly in areas such as carbon fibre, nanotechnology and composite materials.

Alongside this activity it's been very pleasing to see Deakin's growing research success reflected in a continued rise in the international rankings.

Deakin has achieved this international standing by working in partnership with industry, government and the professions to ensure that our teaching programs and our research are relevant in this fast changing and hyper-connected world.

To ensure we thrive in this time of disruptive change, it is important to continue to

differentiate Deakin, continuously renewing and improving ourselves while maintaining the values and excellence to which we have long been committed. Our ongoing success rests on our ability to respond nimbly to change, working together and always thinking differently about how and why we do things. Our Think Differently project has engaged administrative staff across Deakin to break down silos and build a collaborative culture. Our aim is to find the most efficient and innovative ways of working, introducing a 'one Deakin' approach that will benefit all in our increasingly large institution.

Deakin's reputation is underpinned by the accomplishments, and the contributions of its exceptional students, talented staff and generous alumni. They are at the heart of our learning community and I thank them for their contribution to our successes in 2017. Their continued commitment and collaboration gives us all optimism for the future of our university.

Once again, I thank our Chancellor John Stanhope and Council for their guidance and wise counsel. Deakin remains in a robust financial position with an operating result of \$101.4 million. The University's strong financial position enables it to invest in initiatives that benefit students and the communities Deakin serves. The University is well governed, we are financially secure, we are joined in the promise to provide excellent education for the jobs of the future and research that makes a difference. We remain well prepared for the challenges and opportunities of the future.

Professor Jane den Hollander AO
President and Vice-Chancellor

About Deakin

“ Innovation for Deakin means collaborating with our community and industry partners to create new industry and new high value jobs. ”

Deakin Vice-Chancellor Professor Jane den Hollander AO



The Deakin Vision

Deakin's vision and mission is articulated in its strategic plan. Through *LIVE the future*, Deakin aspires to be Australia's premier university in driving the digital frontier, enabling globally connected education for the jobs of the future and research that makes a difference to the communities Deakin serves.

Deakin advances its activities across four core pillars:

Learning - offering students a brilliant education where they are and where they want to go

Ideas - making a difference through world-class innovation and research

Value - strengthening our communities, enabling our partners and enhancing our enterprise

Experience - delighting our students, our alumni, our staff and our friends.

.....

These four interconnecting pillars form the acronym LIVE and together they articulate the Deakin promise to its students, staff, alumni, partners and friends. Progress is measured through the LIVE Implementation Plan and is reported to Council biannually.

Established in 1974, Deakin University was named after the leader of the Australian Federation movement and the nation's second Prime Minister, Alfred Deakin. Deakin's family tree is an impressive one, involving a series of successful mergers with strong partners, each of whom has contributed significantly to its culture and values and to its approach to education, ideas and community.

Deakin today is still a young university with a reputation for being technologically adept and nimble and with a 'can do' approach much valued by its industry partners.

Deakin has five campuses, one in Melbourne's eastern suburbs, two in the port city of Geelong and one in Warrnambool on the south-west coast of Victoria. Its fastest growing campus is in the Cloud where over 14,000 students study predominantly online.

All students, regardless of their campus or mode of study, benefit from Deakin's award-winning digital environment. Deakin is proud of its inclusive and student-focussed culture and its reputation for using innovative digital solutions to provide an engaging and personalised learning experience.

Deakin is committed to lifelong learning, providing students with choices about how, when and where learning occurs. Deakin's four faculties offer courses across the arts, science, sport, nutrition, architecture, business, law, medicine, optometry, engineering, nursing, allied health, psychology and teaching.

As an Australian university with a global impact, Deakin is translating its research into the commercial outcomes that will drive the innovation Australia's economy needs now and into the future. Research at Deakin focusses on innovation and robust partnerships with industry and business. The University is building a formidable international reputation in areas of emerging national social, economic and political priority in its core areas of health and wellbeing, technologies, sustainability, and society and culture. Deakin has integrated its research growth plan into its overall strategy of service, developing its base in advanced manufacturing, which is vital for the Geelong community.

Deakin at a Glance



Students

57,595

Course enrolments

39,549

Student Load (Equivalent Full time)

10,864

Course completions (2017)



Staff

3,830

Full time / part time

862

Casual

4,692

Total

By staff type

2,158

Academic

2,534

General

Campuses & Land area

27_{ha}

Melbourne Burwood

450_{ha}

Total

325_{ha}

Geelong Warrn Ponds

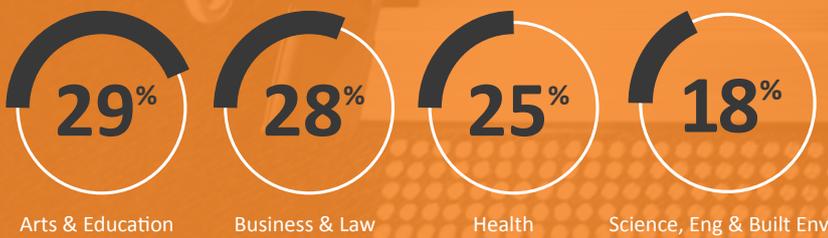
4_{ha}

Geelong Waterfront

94_{ha}

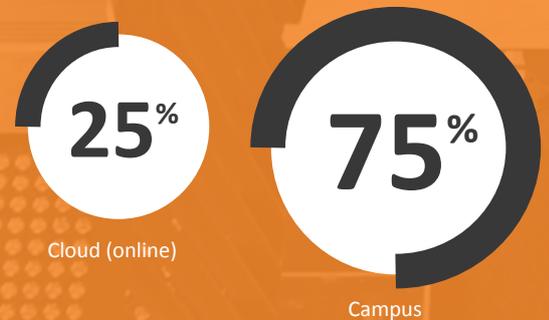
Warrnambool

Student enrolments by responsible faculty 2017

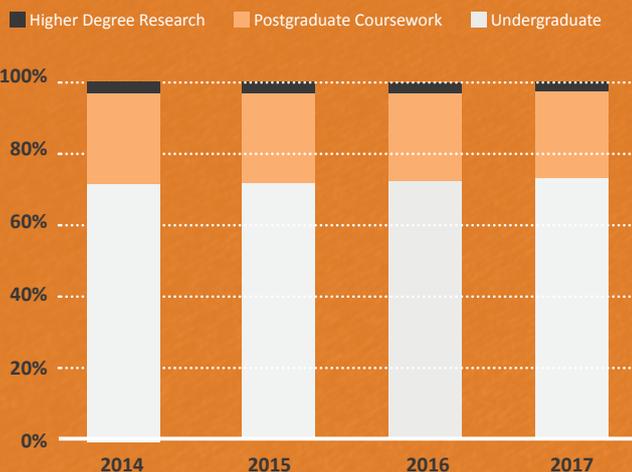


Note: Excludes data on cross institutional and non-award courses

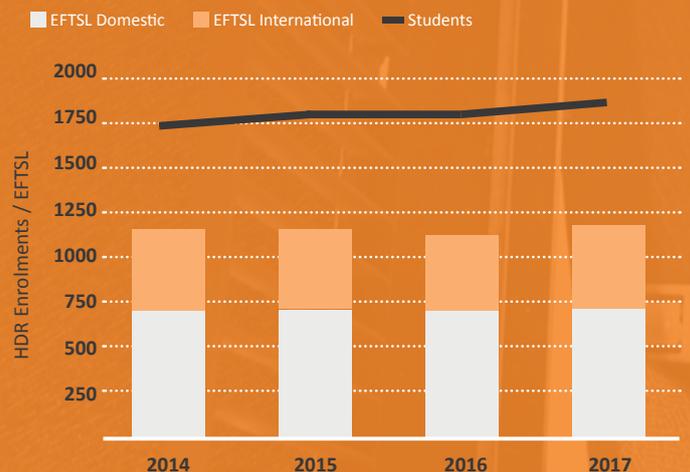
Student enrolments by attendance mode 2017



Student enrolments by course type 2017



Higher degree research enrolments



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

Course Enrolments	2014	2015	2016	2017
By Commencement Status				
Commencing	20,530	20,767	20,499	22,537
Returning	30,114	32,537	33,861	35,058
Total	50,644	53,304	54,360	57,595
By Citizenship				
Domestic	42,558	44,506	44,473	45,717
International	8,086	8,798	9,887	11,878
By Responsible Faculty				
Arts & Education	14,910	15,639	16,023	16,592
Business & Law	14,786	15,275	15,354	16,121
Health	12,406	13,035	13,122	13,965
Science, Eng & Built Env	7,760	8,582	9,070	10,172
Cross Institutional	448	510	469	519
Non-award	334	263	322	226
By Course Type				
Undergraduate	35,821	38,502	39,288	41,175
Postgraduate coursework	12,565	12,517	12,718	14,011
Higher Degree Research	1,740	1,782	1,776	1,822
Non-award	518	503	578	587
By Campus				
Burwood (Melbourne)	26,060	27,728	28,280	30,132
Waurm Ponds (Geelong)	6,728	7,173	7,312	7,657
Waterfront (Geelong)	4,300	4,555	4,702	4,969
Warrnambool	1,135	1,004	850	634
Cloud (Online)	12,335	12,718	13,047	14,061
Offshore partnership enrol	86	126	169	142

Graduate Outcomes

Domestic bachelor graduates in full time employment (of those available)	65%	67%	70%	72%
Domestic bachelor graduates in full time further study	20%	19%	19%	18%

Course Satisfaction

Bachelor Degree Graduates				
Generic skills	82%	82%	84%	83%
Good teaching	72%	72%	65%	65%
Overall satisfaction	87%	88%	84%	83%

Course Completions

Undergraduate	6,996	6,560	6,507	6,893
Postgraduate coursework	4,274	3,619	3,679	3,695
Higher Degree Research	280	252	273	276
Total	11,550	10,431	10,459	*10,864

* 2017 Completions - preliminary data only based on completions in Trimester 1 and Trimester 2. Excludes Trimester 3 data which is not yet available.

Student Load (Equiv full time, efts)	2014	2015	2016	2017
By Commencement Status				
Commencing	14,198	14,390	13,887	15,319
Returning	21,010	22,602	23,700	24,230
Total EFTSL	35,208	36,992	37,587	39,549
By Citizenship				
Domestic	29,224	30,404	30,172	30,644
International	5,984	6,588	7,415	8,905
By Responsible Faculty				
Arts & Education	10,264	10,819	11,034	11,295
Business & Law	9,774	10,151	10,255	10,672
Health	9,138	9,516	9,495	10,019
Science, Eng & Built Env	5,839	6,317	6,594	7,380
Cross Institutional	124	132	139	139
Non-award	69	57	70	44
By Course Type				
Undergraduate	27,843	29,358	29,601	30,474
Postgraduate coursework	6,065	6,331	6,683	7,750
Higher Degree Research	1,147	1,149	1,119	1,152
Non-award	153	154	184	173



For every 100 domestic students, there are...

2 who are Aboriginal or Torres Strait Islanders

8 who have some level of disability

17 who were born overseas

61 females

3 from a non-English speaking background

13 from low socio-economic areas

22 from a regional or remote home location

78 who live in a major city



Growth in international student numbers

11,878 students in 2017

51% growth since 2013

130 distinct home countries

Top 5 countries

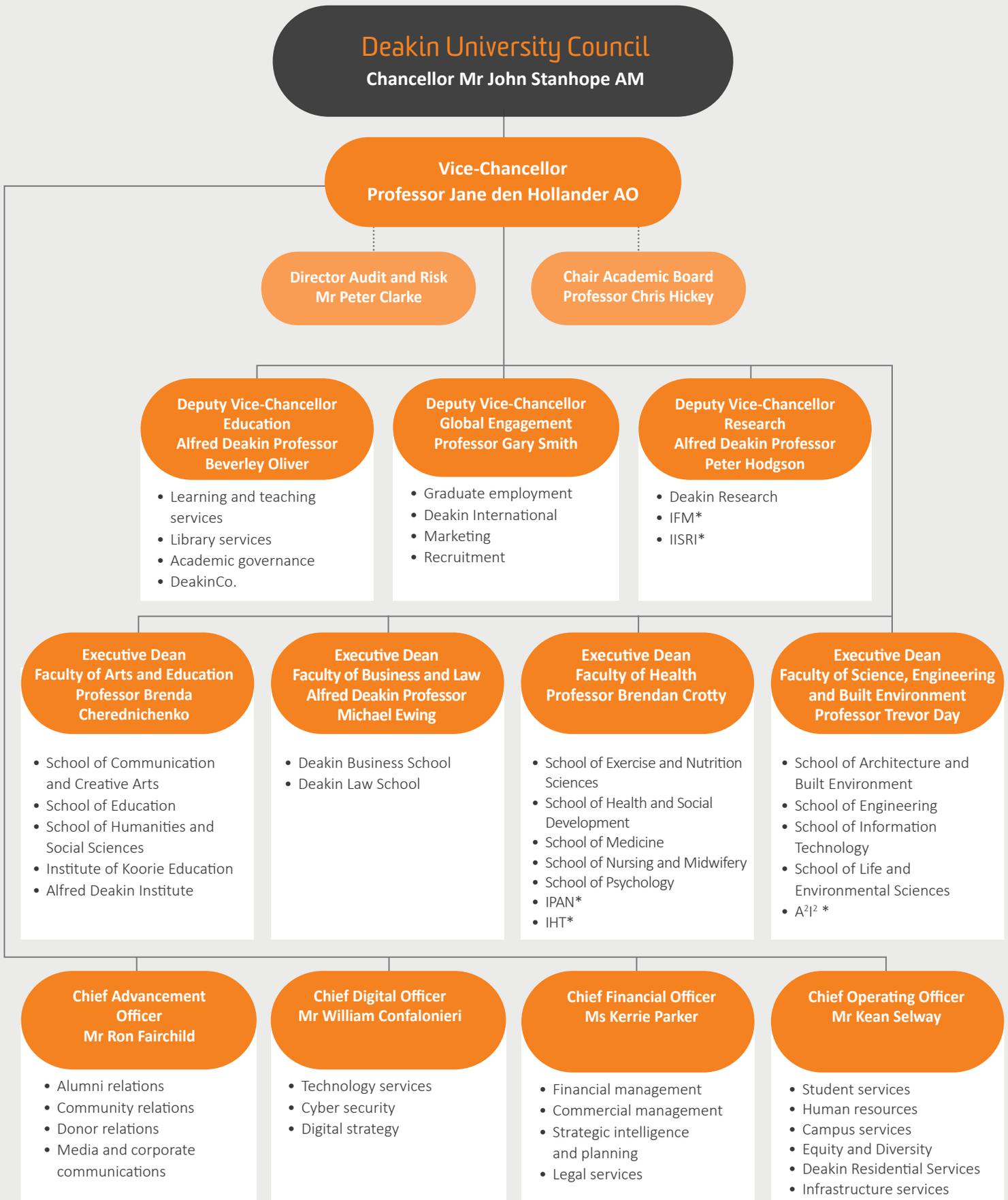
India
China
Sri Lanka
Vietnam
Malaysia

— Represents home location for 70% of all international students



Our Our Organisation Organisation

Organisational Chart



Faculties and Schools

As at 31 December 2017, Deakin University offered over 400 courses across its four faculties.

Faculty of Arts and Education

Executive Dean Professor Brenda Cherednichenko

School	Head of School
Communication and Creative Arts	Professor Matthew Allen
Education	Alfred Deakin Professor Christine Ure
Humanities and Social Science	Professor Matthew Clarke
Institute of Koorie Education	Professor Liz Cameron

Faculty of Business and Law

Executive Dean Alfred Deakin Professor Michael Ewing

School	Head of School
Deakin Business School	Alfred Deakin Professor Michael Ewing
Deakin Law School	Professor Jenni Lightowlers

Faculty of Health

Executive Dean Professor Brendan Crotty

School	Head of School
Exercise and Nutrition Sciences	Alfred Deakin Professor David Crawford
Health and Social Development	Professor Catherine Bennett
Medicine	Professor Jon Watson
Nursing and Midwifery	Alfred Deakin Professor Maxine Duke
Psychology	Professor Jane McGillivray

Faculty of Science, Engineering and Built Environment

Executive Dean Professor Trevor Day

School	Head of School
Architecture and Built Environment	Professor Anthony Mills
Engineering	Professor Karen Hapgood
Information Technology	Professor John Yearwood
Life and Environmental Sciences	Professor Chris Austin



Research Institutes and Centres

Institute	Director
Institute for Frontier Materials	Professor Matthew Barnett (Interim Director)
Alfred Deakin Institute for Citizenship and Globalisation	Alfred Deakin Professor Fethi Mansouri
Institute for Physical Activity and Nutrition	Alfred Deakin Professor David Crawford and Alfred Deakin Professor Jo Salmon
Institute for Intelligent Systems Research and Innovation	Alfred Deakin Professor Saeid Nahavandi
Institute for Healthcare Transformation	Under recruitment
Deakin Applied Artificial Intelligence Institute	Alfred Deakin Professor Svetha Venkatesh and Professor Kon Mouzakis

Strategic Research Centres	Director
Centre for Population Health Research	Professor Tony LaMontagne
Centre for Social and Early Emotional Development	Professor Craig Olsson
Centre for Cyber Security Research and Innovation	Professor Damien Manuel
Deakin Motion.Lab: Centre for Creative Arts Research	Associate Professor Sean Redmond
Centre for Molecular and Medical Research	Professor Alister Ward and Professor Ken Walder
Innovation in Mental and Physical Health and Clinical Treatment	Alfred Deakin Professor Michael Berk
Centre for Quality and Patient Safety Research	Alfred Deakin Professor Maxine Duke
Centre for Chemistry and Biotechnology	Alfred Deakin Professor Colin Barrow
Centre for Integrative Ecology	Professor Don Driscoll
Centre for Regional and Rural Futures	Dr David Halliwell
Centre for Pattern Recognition and Data Analytics	Alfred Deakin Professor Svetha Venkatesh
Centre for Sport Research	Professor David Shilbury and Associate Professor Paul Gustin
Research for Educational Impact	Professor Julianne Moss

Our People

Institutional excellence comes from the exceptional talent and commitment of individuals working together towards a shared vision. Deakin's people continue to be its greatest asset, with excellence in education, research and innovation made possible because of inspiring academic and professional staff.

University Executive

The University's Chief Executive Officer is the Vice-Chancellor and President, Professor Jane den Hollander AO.

The Executive is the University's primary management decision-making body and comprises:

Vice-Chancellor and President

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

Deputy Vice-Chancellor Education and Vice-President

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

Deputy Vice-Chancellor Global Engagement and Vice-President

Professor Gary Smith BA (Hons), PhD Monash

Deputy Vice-Chancellor Research and Vice-President

Alfred Deakin Professor Peter Hodgson B E Hons (Monash), PhD University of Qld, DHC (Univ. Valenciennes)

Executive Dean Arts and Education and Vice-President

Professor Brenda Cherednichenko TPTC Toorak Teachers College, Dip Arts Prahan CAE, BEd Victoria College, MSc (Ed) U Rochester NY, Grad Cert Indigenous Sector Mgt ECU, PhD Melb, GAICD

Executive Dean Business and Law and Vice-President

Alfred Deakin Professor Michael Ewing BCom Natal, BCom (Hons) Pretoria, MCom Pretoria, DCom Pretoria, FAMS, FANZMAC

Executive Dean Health and Vice-President

Professor Brendan Crotty MBBS MD Melbourne, FRACP

Executive Dean Science, Engineering and Built Environment and Vice-President

Professor Trevor Day BSc (Hons) Flinders, DipEd Flinders PhD (Med) Flinders

Chief Advancement Officer and Vice-President

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

Chief Digital Officer and Vice-President

Mr William Confalonieri DipSysEng UNICEN, MCompSci Lujan, MBA Eco ESEADE, DDP Austral, PGDip Neg Belgrano, Cert Enterp Arch Carnegie Mellon, GAICD

Chief Financial Officer and Vice-President

Ms Kerrie Parker BBus (Accounting) Monash, GCert IT Swinburne, FCPA, GAICD

Chief Operating Officer and Vice-President

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

Recipients of Awards and Honours

2017 Thomson Reuters Highly Cited Researchers

Thomson Reuters Highly Cited Researchers from the Intellectual Property and Science Business of Thomson Reuters is an annual list recognising leading researchers in the sciences and social sciences from around the world.

Deakin's Thomson Reuters Highly Cited Researchers for 2017 are:

- Alfred Deakin Professor Paresh K Narayan (Economics and Business)
- Professor Wei Duan (Pharmacology and Toxicology)
- Alfred Deakin Professor David Crawford (Social Sciences General)
- Alfred Deakin Professor Jo Salmon (Social Sciences General)
- Alfred Deakin Professor Kylie Ball (Social Sciences General)
- Alfred Deakin Professor Michael Berk (Psychiatry/Psychology).

Members of Australia's Learned Academies

Australian Academy of Science

- Alfred Deakin Professor John Endler (School of Life and Environmental Sciences)
- Alfred Deakin Professor Maria Forsyth (Institute for Frontier Materials)

Australian Academy of Health and Medical Sciences

- Alfred Deakin Professor David Crawford (School of Exercise and Nutrition Sciences)
- Alfred Deakin Professor Michael Berk (School of Medicine)
- Alfred Deakin Professor Kylie Ball (School of Exercise and Nutrition Sciences)

Australian Academy of Technological Sciences and Engineering

- Alfred Deakin Professor Peter Hodgson (Deputy Vice-Chancellor Research)
- Alfred Deakin Professor Svetha Venkatesh (Centre for Pattern Recognition and Data Analytics)

Australian Academy of Social Sciences

- Emeritus Professor Bill Logan (School of Humanities and Social Sciences)
- Emeritus Professor David Walker (School of Humanities and Social Sciences)
- Professor David Lowe (School of Humanities and Social Sciences)
- Alfred Deakin Professor Jillian Blackmore (School of Education)
- Alfred Deakin Professor Russell Tytler (School of Education)
- Professor Klaus Neumann (School of Humanities and Social Sciences)

Australian Academy of the Humanities

- Emeritus Professor Clare Bradford (School of Communication and Creative Arts)

Alfred Deakin Professors 2017

The title of Alfred Deakin Professor is the highest honour Deakin can bestow on its academics, with five professors honoured in 2017:

- Professor Tracey Bucknall
- Professor Chris Doucouliagos
- Professor John Grundy
- Professor Beverley Oliver
- Professor Christine Ure.

Australian Awards for University Teaching

Deakin received two Australian Awards for University Teaching. The Awards are administered by the Commonwealth Government.

Dr Richie Barker, School of Communication and Creative Arts, (Citation for Outstanding Contribution to Student Learning).

The Deakin Psychology team received a 2017 Award for Teaching Excellence in the field of social and behavioural sciences. The team is led by Dr Jade Sheen with team members Associate Professor Wendy Sutherland-Smith and Professor Jane McGillivray. The team uses simulation-based education to enhance mental health education, translating classroom theory into workplace settings.

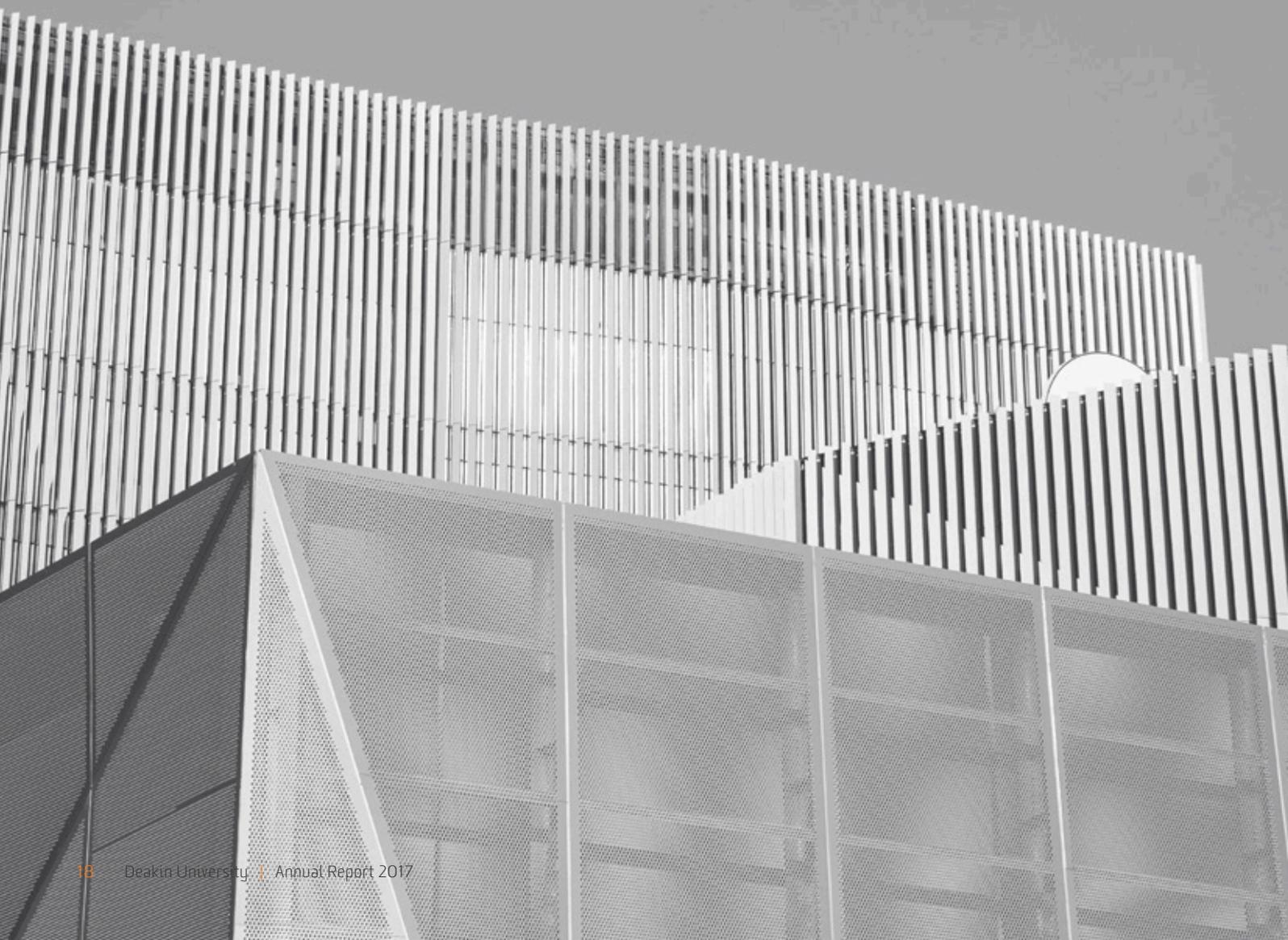


L to R: Dr Jade Sheen, Associate Professor Wendy Sutherland-Smith and Professor Jane McGillivray.

Recipients of the Vice-Chancellor's Teaching Award

The award of Teaching Team of the Year went to the Diabetes FutureLearn team (Dr Rhonda Brown, Ms Catherine McNamara, Ms Virginia Hagger, Dr Ashley Ng, Dr Chie Adachi, Mr Christian Bass, Ms Natalie Crawford, Mr Tim Crawford, Mr Peter Lane, Ms Susie Macfarlane, Ms Liza Marsh, Ms Darci Taylor, Ms Danielle Teychenne, Mr David Williams, Mr Brett Wilson and Mr Travis Zimmer).

University Governance



Governance of the University

Deakin is governed in accordance with the *Deakin University Act 2009*.

The Hon Gayle Tierney, Minister for Training and Skills was the responsible Minister throughout 2017.

Deakin University Council

Deakin University Council is the University's governing body.

Council's responsibilities include:

- approving the mission and strategic direction of the University
- appointing and monitoring the performance of the Vice-Chancellor as chief executive officer of the University
- overseeing and reviewing the management of the University and its performance
- approving the University's budget and business plan
- overseeing the management of risk across the University
- overseeing the academic activities of the University
- approving significant commercial activities and systems of control and accountability.

Council's major activities during 2017 were:

- monitoring student satisfaction, retention and success
- monitoring staff satisfaction and engagement with the University's progress
- approving initiatives to position Deakin at the digital frontier in education
- reviewing initiatives to enhance graduate employability
- approving the University's partnership with LeMond Composites on breakthrough technology in carbon fibre manufacturing

- establishing the Institute for Healthcare Transformation and the Deakin Applied Artificial Intelligence Institute
- reviewing the management of cyber security risks
- reviewing the progress of major projects against budget, scope and timeline targets
- monitoring the transition of the Warrnambool Campus to a more sustainable model
- considering reports from the Academic Board on academic governance, including measures to promote academic integrity and to uphold the highest standards in teaching and research
- overseeing the University's response to the Australian Human Rights Commission's report on sexual assault and sexual harassment at Australian universities and acknowledging the important leadership on this matter by Professor Jane den Hollander AO, Vice-Chancellor and Ms Dana Harding, President of the Deakin University Student Association
- approving major projects to drive the University's strategy including:
 - the Waurm Ponds Smart Microgrid which will create a significant energy research and education platform and will contribute to the University's carbon reduction strategy; this project is in partnership with AusNet Services and is expected to attract other industry partners committed to developing innovative energy technologies
 - Carbon Revolution Stage 2 which will enable increased carbon fibre research and development and advanced manufacturing in the Geelong Technology Precinct at the Waurm Ponds Campus
 - the construction of a specialised indoor exercise and sports science building at the Melbourne Burwood Campus to support the University's world-leading teaching and research programs in this discipline.

Reports on the outcome of each Council meeting are published on the University's website.

Council membership

Council welcomed Dr Lyn Roberts AO as a new member from 1 April 2017 to fill a vacancy arising from the resignation of Dr David Ashbridge on 17 February 2017. Council gratefully acknowledged Dr Ashbridge's service since 2012. Council also gratefully acknowledged Ms Dana Harding's service to Council as the elected student member from 1 July 2016 to 31 December 2017.

Three members of Council were reappointed during the year for further terms from 1 January 2018 to 31 December 2020. Council reappointed Ms Philippa Kelly and the Governor in Council reappointed Mr Peter Niblett and Dr Lyn Roberts AO.

Council congratulated Professor Chris Hickey and Mrs Alice Di Pasquale on their re-election as the Chair of the Academic Board and the elected staff member respectively. Each will serve a further term on Council from 1 January 2018 to 31 December 2020.

As at 31 December 2017 Council comprised fifteen members; nine women and six men.

Review of performance

Council is subject to rigorous review of its performance, including:

- annual review of the fulfilment of business schedules by Council and its committees
- annual review of the exercise of delegations of authority
- biennial reviews of Council and its committees against external benchmarks of best governance practice.

In 2017 Council reviewed the effectiveness of its committee system. The review found that:

- all committees were functioning effectively and playing a valuable role in providing advice to Council
- all recommendations from the previous reviews of committees had been effectively implemented
- reporting from committees to Council had improved significantly since the previous review in 2015.

Compliance with responsibilities under legislation and codes

At its final meeting each year Council reviews the fulfilment of its business schedule during the year to ensure that it has met all of its obligations under relevant legislation and codes, including:

- *the Deakin University Act 2009*
- the governance and accountability standards auspiced by the Tertiary Education Quality and Standards Agency
- the Voluntary Code of Best Practice for the Governance of Australian Universities
- the Deakin University Council Charter.

There were no areas of non-compliance in 2017.

Council Committees and the Academic Board

The terms of reference, composition and business schedules of each committee of Council are published on the University website. Minutes from each committee meeting are presented to the next meeting of Council and include details of the exercise of any delegations held by the committee.

Enhancements to committee work during 2017 included:

- the Audit and Risk Committee endorsed new organisational arrangements for the University's central risk and compliance function and established strong reporting arrangements to accompany the new arrangements
- the Finance and Business Affairs Committee reviewed the University's financial plan in accordance with an improved timetable enabling earlier consideration and review by the Committee and Council
- the Investment Committee agreed arrangements for a comprehensive review of the University's investment strategy to ensure that investment objectives align with the University's long-term goals
- the Legislation Committee took on an additional term of reference 'to advise Council in regard to the establishment and maintenance of policy and procedural principles for the operation of the University consistent with legal requirements and community expectations'.

The University's financial statements were reviewed and recommended by the Audit and Risk Committee prior to finalisation and submission.

Chancellor's Advisory Committee

Chair: Chancellor, Mr John Stanhope AM

The Chancellor's Advisory Committee advises Council on governance matters and proposed appointments to Council. It is also empowered to deal with matters between Council meetings where required.

Audit and Risk Committee

Chair: Deputy Chancellor, Mr Peter Meehan

The Audit and Risk Committee advises Council on the University's accounting, control and risk management reporting practices. The Committee also considers external and internal audit reports and reviews internal audit policy. The Audit and Risk Committee reviews the University's financial statements prior to their finalisation and recommends them to Council for approval.

Finance and Business Affairs Committee

Chair: Ms Philippa Kelly

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

Honorary Degrees Committee

Chair: Chancellor, Mr John Stanhope AM

On the advice of the Honorary Degrees Committee, the Vice-Chancellor may recommend to Council that an individual be honoured with a Deakin Honorary Doctorate or an Honorary Master of Innovation.

Investment Committee

Chair: Deputy Chancellor, Ms Kathy Grigg

The Investment Committee oversees the performance of the University's investments and has authority from Council to appoint the University's investment advisors and approve the investment policy.

Legislation Committee

Chair: Professor Jennifer Lightowlers

The Legislation Committee advises Council on matters pertaining to the *Deakin University Act 2009*, the University's Statutes and Regulations, major governing legislative and statutory instruments and University policy aligned to legislation.

Professor Lightowlers, Dean of the Law School and a former Deputy Chancellor, chaired the Committee in 2017 under arrangements approved by Council.

Remuneration Committee

Chair: Chancellor, Mr John Stanhope AM

The Remuneration Committee advises Council on remuneration matters including salaries and conditions of employment of senior staff and remuneration of Council members.

The Academic Board

Chair: Professor Chris Hickey

The Academic Board is the principal academic authority within the University and is responsible to Council for maintaining the highest standards in teaching and research.

The Chair of the Board reports to Council on academic governance risk and strategy matters considered and resolved at each meeting of the Board.



L to R Sitting: Professor Chris Hickey, Mrs Alice Di Pasquale, Ms Kathy Grigg (Deputy Chancellor), Mr Peter Meehan (Deputy Chancellor), Mr John Stanhope AM (Chancellor), Professor Jane den Hollander AO (Vice-Chancellor), Dr Lyn Roberts AO, Dr Simon Eassom

L to R Standing: Ms Philippa Kelly, Mr Stuart Hamilton AO, Ms Carol Boyer-Spooner, Ms Dana Harding, Ms Miranda Douglas-Crane, Mr Peter Niblett, Ms Helene Bender OAM.

Members in office 2017

The members of the University Council in office during 2017 are set out below.

The Council is chaired by the Chancellor. In 2017 there were two Deputy Chancellors, Ms Kathy Grigg and Mr Peter Meehan.

Official members

The Chancellor

Mr John Stanhope AM *BCom Deakin, FAICD, FAIM, FCPA, FICA, FHRM*

Current term of office: To 31 December 2020

Years on Council: 5.5

The Vice-Chancellor

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

Current term of office: From 19 July 2010

Years on Council: 7.5

The Chair of the Academic Board

Professor Chris Hickey *BPE, MEd UWA, PhD Deakin*

Current term of office: To 31 December 2017, re-elected to 31 December 2020

Years on Council: 1.7

Government appointed members

Members appointed by the Governor in Council

Dr David Ashbridge *MBBS, MPH, Dpl Child Hlth, Dpl Trop Med, GAICD, Member RACGP*

Resigned 17 February 2017

Years on Council: 4.4

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

Current term of office: To 31 December 2018

Years on Council: 4.3

Dr Simon Eassom *BEd (Hons), MArts, PhD*

Current term of office: To 31 December 2018

Years on Council: 2

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

Current term of office: To 31 December 2017, reappointed to 31 December 2020

Years on Council: 9

Dr Lyn Roberts AO *Dip App Sci, BA (Hons), PhD, MAICD*

Current term of office: To 31 December 2017, reappointed to 31 December 2020

Years on Council: 0.75

A member appointed by the Minister

Ms Carol Boyer-Spooner *BBus, Fellow Royal Society of Chemistry*

Current term of office: To 31 December 2018

Years on Council: 2

Council appointed members

Ms Helene Bender OAM *B Com Melbourne, Dip Travel & Tourism RMIT*

Current term of office: To 31 December 2018
Years on Council: 9.5

Ms Kathy Grigg *BEd, DipEd Adelaide, FCPA, FAICD*

Current term of office: To 31 December 2019
Years on Council: 8.3

Mr Stuart Hamilton AO *BArts (Hons), BEd*

Current term of office: To 31 December 2018
Years on Council: 4.3

Ms Philippa Kelly *LLB W.Aust, FFin, FAICD*

Current term of office: To 31 December 2017, reappointed to 31 December 2020
Years on Council: 8

Mr Peter Meehan *BBus RMIT, FCA, FCPA*

Current term of office: To 31 December 2018
Years on Council: 10.8

Elected members

A member elected by staff

Mrs Alice Di Pasquale *B Com, MBA (Deakin), CPA*

Current term of office: To 31 December 2017, re-elected to 31 December 2020
Years on Council: 1.5

A member elected by students

Ms Dana Harding

Current term of office: To 31 December 2017
Years on Council: 1.5

Council members' attendance at Council and committee meetings

The number of meetings of the Deakin University Council and of each committee of Council held during the year ended 31 December 2017, and the number of meetings attended by each member are outlined in Table 1.

Table 1: Attendance at Council and Committee meetings

	Council		Committees of the Council													
	Eight including strategy conference		Audit and Risk		Chancellor's Advisory		Finance and Business Affairs		Honorary Degrees		Investment		Legislation		Remuneration	
			A	B	A	B	A	B	A	B	A	B	A	B	A	B
Chancellor Mr J Stanhope AM	8	8			5	5			2	2					3	3
Vice-Chancellor Professor J den Hollander AO*	8	8	5	5	5	5	5	5	2	2	5	4	4	4	3	3
Deputy Chancellor Mr P Meehan	8	7	5	5	5	5			2	2					3	3
Deputy Chancellor Ms K Grigg	8	8			5	5	3	3	2	2	5	5			3	3
Ms H Bender OAM	8	7											4	3		
Ms M Douglas-Crane	8	8	5	5			5	5								
Dr S Eassom	8	7					5	3								
Mr S Hamilton AO	8	7	5	4												
Ms D Harding	8	8											4	4		
Chair, Academic Board Professor C Hickey	8	8			5	5			2	2			4	4		
Ms P Kelly	8	7					5	4							3	3
Mr P Niblett	8	7	5	3							5	5				
Mrs A Di Pasquale	8	8							2	2						
Ms C Boyer-Spooner	8	8					5	5								
Dr L Roberts AO	6	6					4	4								

KEY: A – Meetings eligible to attend as a member B – Meetings attended as a member

* – In attendance with full rights of audience and debate for Audit and Risk Committee and Investment Committee meetings.

Note: Dr D Ashbridge resigned 17 February 2017.



The Year in Review



Offering a brilliant education where students are and where they want to go.

Learning

Through its *LIVE the future: Agenda 2020*, Deakin offers committed and capable students a brilliant education where they are and where they want to go to fulfil their personal and professional futures.

Deakin's Student Learning and Experience Plan articulates its strategies for a learning experience that delivers a rich human interaction and streamlined processes at all campuses and for all students at each stage of their student journey.

Providing premium learning in the Cloud and on Deakin's four campus-based locations

Premium learning at Deakin means:

- engaged learning communities where students can socialise whether on screen or on campus
- proactive advice and coaching both in the Cloud and in person
- multiple ways of starting or advancing a course
- high production quality, high value learning resources
- high quality, constructive and timely feedback on assessment
- quality indicators backed by comprehensive analytics.

In 2017 Deakin published *Leading Courses*, a comprehensive resource for all those who contribute to developing, delivering and supporting courses at Deakin. The Guide provides staff with a single source of truth for publication, governance and quality assurance. Deakin maintains the quality, standard and integrity of all its courses through rigorous approval, monitoring and review processes.

Quality Indicators for Learning and Teaching (QILT)

The QILT data show student and graduate satisfaction with Australian higher education provision as reported in national surveys.

Our commencing and final year undergraduates rated Deakin very positively in the 2016 Student Experience Survey (SES). Deakin was above the national average and highest rated in Victoria for Overall Satisfaction (for the seventh consecutive year), Learning resources, Skills development, Teaching quality and Student support. The Tables below are from the 2016 national datasets for the Graduate Outcomes Survey (GOS) and SES.

Deakin's School of Nursing and Midwifery celebrated its 40th anniversary in 2017.



Table 2: Student Experience Survey 2016

	Overall quality	Skills development	Teaching quality	Learner engagement*	Learning resources	Student support
Deakin	84.0	82.6	83.8	63.4	91.7	77.9
National average	79.9	81.1	81.2	64.9	85.7	71.5
Victorian rank	1	1	1	7	1	1
Australian rank	5	13	8	27	2	8

*Excludes external students

Graduates who completed undergraduate programs in 2016 registered very high Overall satisfaction and with their Generic skills development (highest in Victoria), and with Good teaching (second in Victoria). In terms of their graduate destinations, approximately seven out of ten indicated they were in full-time employment and one in five reported they had enrolled for further study (Table 2).

Table 3a: Completed Undergraduates - Graduate Outcomes Survey 2016

	Overall satisfaction	Good teaching	Generic skills	Full-time employment	Overall employment	Full-time study	Median salary
Deakin	84.4	65.3	84.1	69.8	89.2	19.3	\$56,000
National average	80.6	62.6	82.1	71.2	86.5	22.1	\$58,000
Victorian rank	1	2	1	4	2	6	4=
Australian rank	7	11	12	24=	6	18	28=

Graduates who completed postgraduate programs in 2016 also registered very high Overall satisfaction (highest in Victoria), and with their Generic skills development and Good teaching. Approximately four out of five indicated they were in full-time employment and their median salary matched the national average (Tables 3a and 3b).

Table 3b: Completed Postgraduates - Graduate Outcomes Survey 2016

	Overall satisfaction	Good teaching	Generic skills	Full-time employment	Overall employment	Full-time study	Median salary
Deakin	85.8	69.1	79.0	81.4	93.3	6.3	\$80,000
National average	82.6	68.6	78.6	85.0	92.4	7.3	\$80,000
Victorian rank	1	4	5	5	2	5	1=
Australian rank	5	13	18	30	14	23=	16=

Note: Institutional comparisons must be treated with caution given Australian higher education providers differ markedly in size and range of study areas.

Growing and transforming our Cloud Campus

A key priority for Deakin in 2017 was to grow and transform its Cloud Campus by triggering a shift in the quality, profile and scale of Deakin's Cloud Campus courses, making them premium engaging experiences and internationally prominent through a new business model and strategic partnerships with other providers.

Deakin continued to promote its Cloud Campus through a national brand awareness campaign, leveraging the success of its 'Think Young' campaign.

The campaign celebrates Deakin as a young, vibrant university, utilising advertising and content to position Deakin students, staff and alumni as owning a mind-set that will set them apart to succeed.

Six postgraduate courses are available on the global FutureLearn platform (Cyber Security, Information Technology, Leadership, Development and Humanitarian Action, Property and Real Estate and Diabetes Education). While parts of the degrees are free and open to the public, the fee-paying components match Australian domestic fees and lead to full degrees recognised through the Australian Qualifications Framework. Over 100,000 learners accessed the free two-week introductory taster courses in 2017. An online orientation course, Preparing to Succeed, was developed for all commencing postgraduate students.

DeakinSync was updated to enable credentialing of graduate capabilities using digital badging. This technology enables two sector-leading innovations in micro credentials: Deakin Hallmarks recognise outstanding achievement of specific Graduate Learning Outcomes valued in the workplace and Deakin Professional Practice Credentials recognise achievement gained through significant work experience.

Deakin introduced a number of virtual and augmented reality initiatives in 2017. In partnership with EON Reality, it developed the award-winning cARdiac ECG Augmented Reality (AR) app which enables students to see the human heart in 3D, observing the coordination of heart muscle contraction, blood pumping and cardiac electrical activity. It is the first in a suite of projects which provide targeted AR experiences designed to make learning at Deakin richer and more engaging.

DeakinCo. was launched in 2017, created by a merger of DeakinPrime and DeakinDigital Pty Ltd. Through DeakinCo., Deakin is responding to the changing nature of workplaces, developing purpose-built Professional Practice Credentials, which enable organisations to build, assess and recognise their employees' skills, knowledge and achievement.

Authentic assessment and feedback

Deakin developed and piloted new peer-assessment software with CollabHero (a start-up funded by a Deakin Spark initiative). CollabHero enables academic staff to create feedback tasks allowing students to collaborate and comment on each other's work and on group contributions. Deakin also piloted Cadmus, a new platform for academic assessments that enables monitoring and support of academic integrity. Cadmus can authenticate student users through a combination of unique keystroke patterns and location based on login through an associated smart phone.

Faculties are working with the Pro Vice-Chancellor Graduate Employment to embed career learning into courses, developing strategies to ensure assessment is authentic and relevant. An online academic integrity module was developed using the Smart Sparrow platform and Deakin introduced a number of initiatives to combat plagiarism including Contract Cheating Awareness Week with its #knowitscheating campaign.

Deakin has instituted a number of initiatives to optimise the effectiveness of its eVALUate student survey, developing a mobile-friendly version and utilising SMS reminders and video messages from the Dean of Students. The *You said, we did* website informs students on how feedback is used to improve teaching, learning and assessment.

Delivering globally connected education

A growing international market

In 2017 Deakin hosted almost 12,000 international students from 130 countries across the globe, welcoming 6,000 new international students (a 26 per cent increase from 2016). Primary source countries in 2017 were India (30 per cent) and China (27 per cent), balanced by growth in Tier 2 markets including Sri Lanka, Pakistan, Vietnam, Malaysia and Nepal (Table 4). There was an increase of 81 per cent in commencing students from India. Trimester 3 continued to grow in importance as an entry point for international students, with 44 per cent growth in commencing on-campus students in 2017. International student tuition revenue in 2017 was \$246.9 million (up 27 per cent on 2016).

Deakin received the Governor of Victoria's Export Award for Education and Training in 2017 – the fourth consecutive year it has won this award – and the Education and Training Award at the Australian Export Awards.

The Deakin University English Language Institute (DUELI) is the largest pathway program for international students studying at Deakin University and Deakin College. In 2017, more than 1,200 students articulated to a Deakin award course program and more than 500 students articulated to a Deakin College program after completing a DUELI English language pathway program.

Table 4: Leading source countries for international students 2013-2017

Home Country	2013	2014	2015	2016	2017
India	11.4%	16.4%	21.9%	25.0%	30.8%
China	43.2%	40.0%	35.5%	32.3%	28.0%
Sri Lanka	3.7%	4.1%	5.6%	5.9%	5.8%
Vietnam	4.2%	3.6%	3.6%	3.8%	4.1%
Malaysia	4.1%	3.6%	3.2%	3.3%	3.1%
Philippines	1.9%	2.4%	2.7%	3.0%	2.7%
Indonesia	3.9%	3.6%	2.8%	2.6%	2.4%
Pakistan	1.3%	1.4%	1.8%	2.0%	2.5%

Global student mobility

Deakin is one of Australia's leading universities for global student mobility with over **2,000** students studying abroad in **81** different countries.

The United States was the main destination for students (13 per cent of all outbound students) followed by China, Indonesia, Malaysia, Japan, United Kingdom and India. There was consistent growth in student mobility across all faculties with the Faculty of Business and Law and the Faculty of Arts and Education sending the largest number of students overseas.

Deakin was again successful in securing Commonwealth funding under the New Colombo Plan, receiving \$1.8 million in funding for more than 41 programs in the 2018 round enabling 509 Deakin students to undertake an overseas study experience in 15 different Asian countries.

The Deakin Global Citizenship Program enables students and the University to measure and recognise the range of different international activities and experiences our students undertake and to help students articulate their experiences and skills development to future employers. The program also aims to encourage students to become active and engaged global citizens. More than 4,600 Deakin students are currently registered and 164 students received a Global Citizenship Award in 2017.

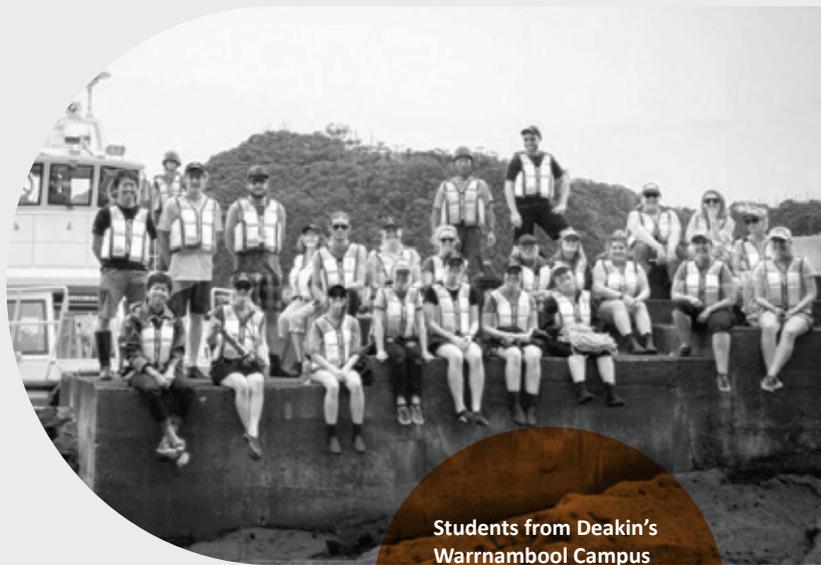
Transnational education and international partnerships

Deakin has 538 active partnerships in 57 countries to support academic collaboration via memoranda of understanding (MOU), articulation pathways, offshore course delivery, dual degrees, student mobility and industry partnerships as well as a Sino Foreign Joint Program, scholarship agreements and licensing arrangements. Most are in China (91), India (51), United States (46), Japan (40), and Indonesia (27).

Some of the MOUs signed in 2017 include:

- Belgium: the Faculty of Arts and Education; with The Network on Humanitarian Action to support research, student and staff exchange and joint program delivery. Deakin is currently the only Australian university member of the network
- China: Changchun Centre for Disease Control and Prevention, supporting research into chronic disease and emerging infectious diseases
- China: Deakin, Warrnambool City Council and Changchun Municipality, promoting cooperation and development of the sister city relationship between Warrnambool and Changchun
- India: Standard Chartered Bank facilitating internship, employment and research opportunities
- India: National Human Resources Network enhancing internships and graduate employment opportunities
- Indonesia: Universitas Brawijaya, supporting the development of dual degrees, credit for prior learning and staff mobility with the Faculty of Business and Law
- Thailand: Chiang Mai University supporting the development of an international program in food science and technology with an articulation pathway into the Bachelor of Nutrition Science
- Vietnam: Ho Chi Minh City University of Technology, supporting the development of articulation programs in engineering and IT, joint supervision of PhD candidates and research collaboration.

In 2017 the Deakin Business School held its inaugural symposium with China's South-Western University of Finance and Economics (SWUFE), strengthening plans to establish a joint research centre in banking and finance. In addition, Deakin students attended SWUFE for short-term projects and planning is underway for a work integrated learning program in which Deakin students work with Chinese businesses. The achievement of Australian Accounting Standards Board (AASB) and EPAS (EMFD Program Accreditation Scheme) reaccreditation for the Master of Business Administration and Bachelor of Commerce is recognition of a strong global brand, and opens the way to partnerships with similarly accredited partners.



Students from Deakin's Warrnambool Campus participated in a marine and aquaculture program in Japan, spending time at the Shimoda marine research station.



Attendees at the Deakin - SWUFE Research Symposium.

Welcoming, supporting and retaining committed and capable learners

Deakin has a long-standing and deep commitment to equity and inclusion, working hard to break down the barriers of disadvantage. Admission criteria are aligned to pathway alternatives that recognise an individual's likelihood to succeed. Deakin College provides a direct pathway to Deakin University and has campuses in Burwood, Waurin Ponds, Geelong and an offshore campus in Jakarta Indonesia. Deakin also has guaranteed entry pathways with Bendigo TAFE, Melbourne Polytechnic, The Gordon TAFE, South West TAFE, Box Hill Institute, Chisholm Institute and Riverina TAFE. Deakin is enhancing its credit for prior learning processes with all selection rules, entry requirements and decisions predicated on an applicant's capacity and ability to succeed. In 2017, Deakin introduced a new approach to direct applications and direct entry, enabling students to apply directly to Deakin for Trimester 1 courses in 2017.

Deakin's flexible study options give students the option of learning when, where and how they want, and are particularly valued by mature aged students juggling study, work and family responsibilities. Deakin's Start Anytime is open to students in a number of postgraduate business degrees and enables them to start a unit at any time of the year and complete it online at their own pace.

Addressing the barriers to disadvantage

The Deakin Engagement and Access Program (DEAP) is the University's outreach program to widen participation in higher education in communities experiencing socio-economic and educational disadvantage in Melbourne, Geelong and the Barwon

South Western Region. DEAP builds students' aspirations and awareness of university as a desirable and achievable pathway by working with partner schools to deliver on-campus and in-school activities for Grade 3 to Year 12 students. In 2017 the program reached almost 9,000 students.

In 2017, DEAP responded to the growing call to support the rights of people from refugee backgrounds seeking affordable higher education. Two humanitarian scholarship recipients commenced undergraduate studies in 2017 and fifteen scholarships will be offered between 2018 and 2020 covering tuition fees as well as living and study costs.

Deakin committed over \$10 million for 1,200 equity scholarships in 2017. For students experiencing financial difficulties, Deakin offers interest-free loans, emergency cards for food and transport costs and assistance planning a budget.

Deakin recognises the special place that Aboriginal and Torres Strait Islanders have as the First Peoples of Australia, understanding that all learning is enhanced through multiple ways of knowing and different cultural perspectives. DEAP and the Institute of Koorie Education have a partnership with the Australian Indigenous Mentoring Experience (AIME), a national educational program linking Indigenous secondary school students to universities through outreach and personal mentoring. In 2017 AIME conducted five on-campus program days for secondary school students at Burwood and six in Geelong with 101 university mentors working alongside 291 Indigenous mentees. In 2017 Deakin opened a hub for Aboriginal and Torres Strait Islander education at its Melbourne Burwood Campus.



Deakin scholars at the annual Vice-Chancellor's Professional Excellence Program dinner.

An inclusive digital environment

Deakin aims to create an inclusive and accessible digital environment for all students, staff and visitors. The *Inclusive Curriculum and Capacity Building* toolkit contains tips, exemplars and practical resources. All incorporate Universal Design principles and strategies and take a student centred approach.

The Digital Accessibility Project is working with the University community to develop a more accessible and inclusive digital experience for Deakin's diverse range of users, including people with a disability. Deakin is committed to achieving compliance with the Web Content Accessibility Guidelines (WCAG) 2.0 Level AA. This commitment is now embedded into Deakin's Equity and Diversity policy, and is supported by other Deakin policies, procedures and standards. The Digital Accessibility Project is increasing digital accessibility awareness, knowledge and practice across the University, and is implementing mechanisms to support the ongoing creation of accessible systems, resources and content.

Empowering learners for the jobs and skills of the future

Led by the Pro Vice-Chancellor Graduate Employment, Deakin is implementing a major program of work to improve employment outcomes for graduates and strengthen engagement with employers. The DeakinTALENT programs and services are available to Deakin graduates for life. Through the embedding of employability skills and career development learning within the curriculum combined with 'real-world' applications and industry based activities and networks, Deakin students are provided with the tools and support to commence, grow or design a career. Deakin's Career Services was voted Australia's best careers service by Australian Association of Graduate Employer members at their 2017 national conference.

Optimising the employability of Deakin graduates

The DeakinTALENT Connect is a social-business platform designed to connect Deakin students with a broad range of prospective employers throughout their courses, and facilitate personalised career development and graduate recruitment services on demand and at scale.

DeakinTALENT Connect enables students and employers to connect based on discipline, career interest or industry sector themes; it currently has over 10,000 active students.

DeakinTALENT initiatives include:

- **The Freelancing HUB** – providing group-based internship placements for not-for-profit and community organisations and giving interns an opportunity to work within cross-disciplinary, cross cultural and cross year level teams and also experience the shared economy of co-located work places while learning to freelance
- **Deakin International Student Careers** – assisting international students to understand the Australian employment market and the Australian workplace culture as well as prepare them to transition to work in their home country
- **The Graduate Job Search program** – designed to catch students as they are completing their penultimate year, helping them develop a plan to navigate the graduate recruitment process
- **Video interviewing** – to give students the opportunity to experience video interviewing to develop confidence and enhance their interviewing techniques. Deakin is also the first university in Australia to offer students the opportunity to use video interviewing, partnering with one of the global market leaders in recruitment

- **Free recruitment agency services for employers** – candidate search, applicant development and shortlisting service to support employers to recruit Deakin graduates
- **Students Leading Students** – a career-based, talent development program which highlights the leadership and collaboration skills students develop through mentor, ambassador and leadership roles
- **The Vice-Chancellor’s Professional Excellence Program** – a tailored talent development program for students who join Deakin on a prestigious Vice-Chancellor’s Academic or International Excellence Scholarship
- **Me in a Minute** videos which promote graduates to prospective employers, and builds digital literacy. The 240 videos produced to date on the YouTube channel have had over 102,000 views.

SPARK Deakin is an entrepreneurial experiential and start-up program designed for students, staff, and alumni with a strong focus on building connections with the entrepreneurial community outside of Deakin.

For those who successfully demonstrate a need and pathway for their start-up or business, SPARK Deakin provides funding, co-working space, connections, mentorship and expertise to accelerate the enterprise.

Deakin continues to engage with business and industry to enhance student employability through a range of work integrated learning initiatives, including in 2017:

- the prestigious Uni-Capitol Washington Internship Program
- the Deloitte Business-2-Education forum
- a US study program for marketing students with visits to key businesses Spotify, The Gap, Delta Airlines, Coca-Cola and CNN as well as learning from leading academics at Columbia University and Georgia Tech
- an integrated learning, language and academic program at South-Western University of Finance and Economics
- a partnership with the Victorian Parliament enabling a cross-disciplinary team of Deakin students to work on a blueprint for Parliament’s future engagement with youth through digital channels.

Deakin Freelancing HUB

Freelancing HUB students work on real business and community projects offered by real clients, without the need for students to be physically located at the client's site.

The Freelancing HUB helps organisations find solutions to issues they are confronting while enhancing student skills in their preparation for the workforce.



A cross-disciplinary team of Deakin students is working on a blueprint for parliament's future engagement with youth through digital channels such as social media. The project brief was developed following a series of workshops the Victorian Parliament held with young Victorians in association with the Foundation for Young Australians.

Legislative Council President Bruce Atkinson and Legislative Assembly Speaker Colin Brooks signing the partnership agreement with Professor Dineli Mather (PVC Graduate Employment) and Deakin students.



Making a difference through world-class innovation and research

Ideas

Deakin aims to deliver and translate high quality research and research training outcomes that are relevant and meaningful and improve the future of its communities

Research at Deakin focusses on innovation and robust partnerships with industry and business; Deakin strives to become one of Australia's leading universities in its entrepreneurial approach to applying its ideas to improve the future of communities locally and globally. In 2017 Deakin researchers continued to make a difference through world-class research across four core areas:

- Improving health and wellbeing – preventing and managing disease and improving health services
- Designing smarter technologies – in advanced materials and energy; in design technologies, modelling, simulation; and in next generation ICT
- Enabling a sustainable world – investigating the impacts of global change and driving tomorrow's economies – balancing societal and environmental needs
- Advancing society and culture – helping to advance understanding of intercultural relations, politics and governance.

Grow research capability, depth and quality

Deakin has invested strongly in research over the past five years with results reflected in the quality of research outputs, research reputation and in Deakin's growing research culture. Deakin is Australia's 11th ranked university for research in the Academic Ranking of World Universities (ARWU) for 2017.

Deakin received a total of \$65.1 million in funding for Deakin-led projects in 2017 (Table 5).

Table 5: Research Grants 2013-2017

Research Income \$ million	2013	2014	2015	2016	2017
Category 1 (Australian Competitive Grants Income)	21.7	26.1	21.7	21.5	23.0
Category 2-4 (Research Contracts, Tenders, Philanthropy and Co-Operative Research Centre Income)	21.7	21.7	25.5	32.9	42.1
Total Research Income (Higher Education Research Data Collection (HERDC) reported)	43.4	47.8	47.2	54.4	65.1

Deakin was awarded three two National Health and Medical Research Council (NHMRC) project grants, three NHMRC Fellowships and one Postgraduate Scholarship totalling over \$3.1 million.

Professor Peter Vuillermin received an NHMRC Project Grant to further his team’s work investigating the relationship between a pregnant mother’s gut bacteria and her offspring’s risk of developing allergies. Professor Ralph Maddison received a project grant to lead the trial of a new mobile cardiac rehabilitation program. Of the three Fellowships, Professor Tania de Koning Ward was awarded an NHMRC Research Fellowship, Dr Olivia Dean an NHMRC Career Development Fellowship (Level 2) and Dr Alison Beauchamp received an NHMRC Medical Research Future Fund Next Generation Clinical Researchers Program award administered through the NHMRC Translating Research into Practice Fellowship to introduce the ‘Teach-back’ approach to patient education in Victorian hospitals. The approach aims to improve health literacy for patients with chronic conditions

Deakin received \$6.8 million in Australian Research Council (ARC) funding with 13 Discovery project grants, one Linkage Infrastructure, Equipment and Facilities Scheme (LEIF) grant and four Discovery Early Career Researcher Awards (DECRA) awards. Deakin also received a Discovery Indigenous project grant, the first time it has received funding under this scheme.

Deakin has six Research Institutes and 13 Strategic Research Centres. In 2017 Deakin established two new Institutes: the Institute for Healthcare Transformation and the Deakin Applied Artificial Intelligence Institute. The Institute for Healthcare Transformation will leverage Deakin’s research strengths in health, data analytics and e-health, building the scale and scope to support world-class health systems research and innovation. It will partner with government, NGOs, industry and the community sector. The Deakin Applied Artificial Intelligence (AI) Institute will advance scientific knowledge through the application of AI-based software systems to achieve substantive societal and economic benefit in health, security and innovation. Key to the Institute’s success will be its capacity to transcend organisational and discipline boundaries to form a strong platform of capability from fundamental science through to software and product development, accelerating research and solutions in applied AI.

Deakin is actively encouraging the next generation of future researchers, including developing programs designed to increase the number of women in the sciences.

Deakin aims to grow its Higher Degree by Research (HDR) enrolments, creating a pipeline of research and innovation excellence (Table 6).

Table 6: Higher Degrees by Research (EFTSL) 2013-2017

	2013	2014	2015	2016	2017
Arts and Education	243	255	266	277	307
Business and Law	99	103	99	89	66
Health	353	361	351	324	325
Science, Engineering and Built Environment	395	429	433	430	453
Total HDR EFTSL	1,090	1,148	1,149	1,120	1,151



Deakin launched its Graduate Research Academy in 2017, providing opportunities for HDR students and academic researchers at all levels to expand their skill set and support their professional development.

Together with the PhD-Xtra program, the Academy emphasises the preparation of students as discipline experts who can interact with their community and apply research thinking to real world issues. Deakin's PhD-Xtra program offers all HDR students an individually tailored and flexible learning plan. The programs prepare HDR students for a broad range of career opportunities, early career researchers for productive careers and supervisors for 'best practice' supervision.

Deakin Law School's Paul McGorriery was Deakin's Three Minute Thesis (3MT) winner for 2017. He provided a compelling explanation as to why the prosecution of psychological harm in the legal system needs to change. Ms Julie Gaburro, from the Institute for Intelligent Systems Research and Innovation (IISRI), was named Runner Up, as well as the People's Choice Award Winner, for her research on Zika virus-affected mosquitoes using IISRI's 'brain on a chip' technology. Her work has revealed valuable insights into how Zika virus manipulates neurons and how a cure might be found for brain infections caused by such viruses.

Deakin is one of 32 Australian universities participating in the Science in Australia Gender Equity (SAGE) pilot, supporting and resourcing initiatives to increase the numbers of women in science, technology, engineering, mathematics and medicine (STEMM) at Deakin. Dr Karen Lamb from the Institute for Physical Activity and Nutrition (IPAN) was named in the inaugural 2017 Superstars of STEMM program. The program aims to raise the profile of Australia's most dynamic female scientists and technologists and create a critical mass of strong female role models in STEMM. Dr Emma Sciberras, a senior lecturer within Deakin's School of Psychology and a practicing child psychologist, received a coveted veski 'Inspiring Women' Fellowship. The veski Fellowships recognise exceptional women researchers and their accomplishments in science, supporting Fellows to juggle family and carer commitments.

Research highlights in 2017

- A partnership between Deakin and AusNet Services will establish a 7.25MW smart microgrid, including a 14.5 hectare solar energy generation farm with over 1MWh of battery storage capacity and an integrated research and visualisation centre. The partnership will enable researchers to develop and test solutions at an industrial scale.
- The Director of Deakin's Centre for Pattern Recognition and Data Analytics (PRaDA), Alfred Deakin Professor Svetha Venkatesh, was awarded an ARC Laureate Fellowship by the Australian Research Council (ARC).
- Australian Laureate Fellow and Alfred Deakin Professor Maria Forsyth was awarded the 2017 Victoria Prize for Science and Innovation (Physical Sciences) for her pioneering work in developing advanced electrolyte materials for electrochemical devices. The *veski* awards recognise the important role of innovation to Victoria's economic future and the need for Victorians to be skilled in science, technology, engineering and mathematics.
- Professor Tim Winter from the Alfred Deakin Institute for Citizenship and Globalisation and Associate Professor Ly Tran from the Research for Educational Impact Strategic Research Centre both received ARC Future Fellowships.
- Professor Wanlei Zhou from the School of Information Technology was awarded an ARC Linkage grant for a project that aims to reshape existing data-sharing systems by developing an innovative system with a mathematically provable privacy guarantee, suitable for use in the cloud.
- Dr Ludovic Dumée was awarded a Victoria Fellowship at the 2017 *veski* awards. As part of his Fellowship, Dr Dumée will spend three months in France at Centre National de la Recherche Scientifique (CNRS) and the Ecole Nationale Supérieure de Chimie de Montpellier (ENSCM) further developing his skills in 2D nanomaterials design and control by Atomic Layer Deposition (ALD), an emerging technique to generate ultra-thin separation materials.
- Professor Tania De Koning-Ward received a National Health and Medical Research Council (NHMRC) Research Fellowship and Dr Olivia Dean received an NHMRC Career Development Fellowship.
- Associate Professor Luke Henderson received a Victorian Young Tall Poppy Science Award, recognising him as one of Victoria's most promising young scientists.
- The University gained its second ARC Industrial Transformation Research Hub, one of only three awarded nationwide. The ARC Research Hub for Digital Enhanced Living will address the growing challenges of supporting the aging who are living in their own homes or residential care by inventing new, personalised medical technologies.
- A partnership between PRaDA and the Garvan Institute for the Garvan-Deakin Program in Advanced Genomic Investigation (PAGI) will use big data to transform our understanding of human biology and disease using genome sequencing.
- Researchers at the Institute for Frontier Materials achieved a world first in successfully 3D printing a Boron Nitride Nanotube/Titanium (BNNT) composite. The ability to produce larger quantities of BNNTs, which have unique qualities, will revolutionise the material's use in multiple industries.
- A \$4 million grant from the Wellcome Trust has enabled innovative silk membrane implants designed by researchers at Deakin and the Ear Science Institute Australia to go to clinical trial as a treatment for perforated eardrums. The silk membranes are thin and able to vibrate like the natural eardrum, biocompatible, strong enough to resist inner-ear pressure, easy to shape and manipulate during surgery, and they biodegrade when the eardrum has regenerated over a few months.



Professor Svetha Venkatesh's ARC Laureate Fellowship will provide \$3 million to support a project that will determine how pattern recognition can be harnessed to accelerate and expand the capability of the experimental optimisation that underpins scientific innovation.

Develop targeted commercial research partnerships

As a local university with a global impact, Deakin aims to translate its research into commercial outcomes that are relevant and meaningful to improving the future of its communities.

Deakin has integrated its research growth plan into the University's overall strategy of service, developing its base in advanced manufacturing, which is vital for its Geelong community, and IT, which is strong in the surrounds of its Melbourne Burwood Campus. Research at Deakin focusses on innovation and robust partnerships with industry and business and Deakin is one of only a few universities to develop a research focus on manufacturing. The development of long-term industry partnerships for fundamental and applied research and intellectual property (IP) protection and commercialisation are coordinated through Deakin Research Commercial.

The Geelong Future Economy Precinct

Deakin has made a substantial and continuing investment in its Future Economy Precinct in Geelong and some of Australia's, and the world's leading advanced manufacturers now call the Precinct home.

The Precinct integrates Deakin's high level research capabilities with specialised research equipment and industrial-scale infrastructure. Together with its partners, Deakin leverages end-to-end solutions in areas of emerging national social, economic and political priority. The Geelong Future Economy Precinct draws on over 15 years of investment in developing the research expertise and facilities to underpin Deakin's path to international research recognition, particularly in areas such as carbon and ultra-fine fibre, nanotechnology and composite materials, as well as robotics, pattern recognition and data analytics. In just five years, the Precinct at Deakin's Geelong Waurin Ponds Campus has led to the creation of over 1,000 jobs through industry partnerships and co-location opportunities.

Deakin further accelerated economic activity with the opening of ManuFutures in December 2017. ManuFutures is a purpose-built, commercially-operated facility that will act as an exemplar of the way in which universities support co-located advanced manufacturing enterprises. It will provide benefits to both industry and the University, in particular to the students who are the next generation of innovators, operators and researchers in Australia's

advanced manufacturing industries. It is estimated that once fully operational, ManuFutures will create an estimated 400 jobs within the State economy.

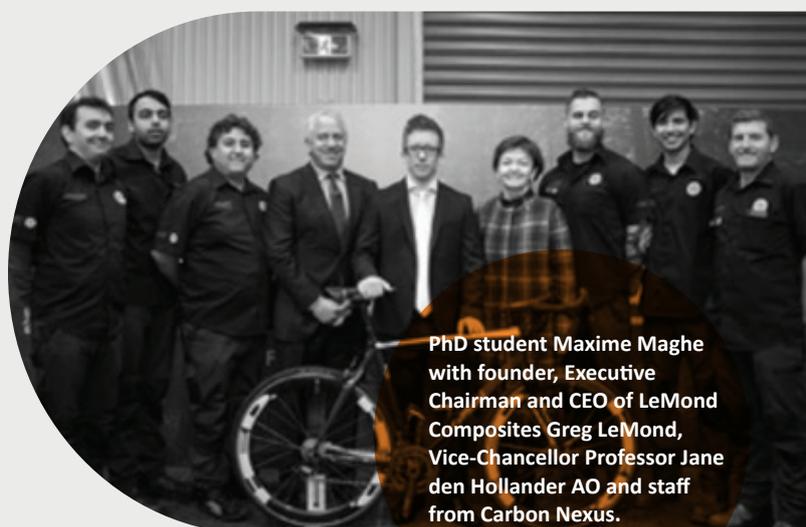
ManuFutures will leverage the skills of Deakin researchers and students, to provide expertise in critical areas such as process, mechanical, electrical and software engineering, additive manufacturing, supply chain and logistics solutions, business development and marketing.

Deakin partnered with the City of Greater Geelong and the G21 Geelong Region Alliance in the delivery of a series of lectures exploring opportunities for future economic growth for the region in the Our Future Geelong lecture series. The lectures focused on opportunities identified in the 'Geelong Economic Futures' report which outlined four potential major projects worth about \$2 billion in direct investment that would build on Greater Geelong's existing strengths.

In June, Deakin announced a A\$58 million contract with United States company LeMond Composites.

The partnership allows LeMond Composites to license technology developed by Deakin's carbon fibre research centre, Carbon Nexus. The new technology was developed by PhD student Maxime Maghe and Carbon Nexus General Manager Steve Atkiss. It will enable carbon fibre to be manufactured using up to 75 per cent less energy, making the process faster and cheaper. This will allow carbon fibre to be developed for a wider range of everyday products. LeMond Composites is also considering the development of a carbon fibre manufacturing plant in Geelong, which would invest more than \$30 million in construction and equipment, and create dozens of jobs for Geelong manufacturers to take the carbon fibre of the future to the global market.

A partnership between Dimension Data, Launch Victoria and Deakin has enabled the establishment of cyber security accelerator program CyRise which will give five cyber security start-ups from Australia, New Zealand, and the Asia Pacific the opportunity to be mentored by cyber security and startup veterans from Australia and around the world.



PhD student Maxime Maghe with founder, Executive Chairman and CEO of LeMond Composites Greg LeMond, Vice-Chancellor Professor Jane den Hollander AO and staff from Carbon Nexus.

Deakin has continued to increase its international research footprint through the development of strategic international partnerships.

Develop a strategic international research footprint

The Deakin Research Plan facilitates the co-ordination and alignment of Deakin's international research and includes a co-ordinated In-Country PhD program, centrally co-ordinated joint and dual degrees with partner organisations and an incentive program for international research partnerships and their development.

International research partnerships

Deakin is focused on partnering with large international companies to develop new technology licences, support large research projects and provide opportunities to create new local industries within the Geelong region. The goal is to build strong strategic international partnerships that are multi-disciplinary, involve teams of academics and include scope for other types of engagement such as student mobility, staff exchanges and employment opportunities for our graduates.

Deakin Research has continued to develop a focused international research training platform through strategic international partnerships. During 2017, Deakin has signed doctoral cotutelle program agreements with strategic institutions in Europe (France, UK) leading to the enrolment of 14 new PhD students to date in the fields of Life and Environmental Sciences, Communication and Creative Arts and Materials Engineering. Deakin is currently negotiating further doctoral cotutelle agreements with Université Paris Ovest and the Université de Nantes (France), IIT Madras (India) and the University of Erlangen (Germany). The University has also established an ongoing partnership with the University of Copenhagen Faculty of Health, which includes joint PhD projects, staff and student exchanges, and research collaboration.

Deakin currently has 70 in-country PhD research projects with industry partners and academic institutions in India, and has now extended the model to China, the US and other areas of strategic importance to Deakin.

The model enables students to connect with industry throughout their candidature with benefits both to local industry and for students. In its 22 years in India, Deakin has developed more than 40 strategic research and academic partnerships and 15 corporate partnerships with India's leading universities, research institutions and corporations. Partners include the Indian Oil Corporation Limited/Indian Oil Department of Biotechnology, Madras Diabetes Research Foundation, The Energy Research Institute (TERI), Reliance Industries Limited (through Reliance Life Sciences and Reliance Technology Centre), Public Health Foundation of India, General Electric Technology Centre, Vision Research Foundation of India, Amrita University, the National Institute for Mental Health and Neurosciences and Biocon.

Deakin was the first Australian university to open an office in Beijing and has continued to work closely with Chinese universities, businesses, research institutions and government agencies. Deakin currently has more than 50 partnerships with universities and corporate agencies in China. Deakin's China partnerships are in material science, mental health and biotechnology. Industry partnerships include a Sino-Australian initiative with the Wuhan Iron and Steel Corporation (WISCO), the Dongfang Turbine Company, the Shanghai Mental Health Centre affiliated with Shanghai Jiao Tong University, the Australian Initiative for Automotive Materials and Technologies, in Heifei and Suzhou Genepharma and Beijing Pharma and Biotech Centre.

A growing international research profile

Deakin's growing international profile is reflected in its continued rise in the major global rankings (Table 7).

Table 7: International rankings 2013-2017

		2013	2014	2015	2016	2017
ARWU	World	>500	400-450	397*	214*	213*
	National	–	19	19	11	11
	Victoria	–	4	4	3	3
Times HE	World	301-350	301-350	301-350	251-300	301-350
	National	13	14	18	11	17
	Victoria	3	3	3	3	3
Leiden Impact top 10%	World	–	–	323	262	225
	National	–	–	14	12	11
	Victoria	–	–	4	4	4
QS ranking	World	380	360	324	355	293
	National	19	19	17	19	17
	Victoria	4	4	4	4	4

* Estimate

Table 8: QS Global Discipline Rankings 2017

Field of study	World rank	National
Sports related subjects	35	5
Nursing	24	5
Education	28	5
Accounting and finance	101-150	14
Business and management studies	101-150	12
Communication and media studies	101-150	10
Law	101-150	13
Philosophy	101-150	7
Sociology	101-150	10

Deakin's Master of Business Sport Management ranks seventh internationally and first in Australia in the Sport Business International's Postgraduate Sports Rankings.

Deakin's School of Exercise and Nutrition Sciences was ranked first in the world in the 2016 and 2017 ARWU ranking of sports science schools.

International research highlights in 2017

- Expansion of the Nanobiotechnology Research Centre at Gual Pahari near New Delhi. The facility is a partnership between Deakin University and The Energy and Resources Institute of India (TERI). The TERI Deakin Nanobiotechnology Centre combines TERI's experience in biotech applications in food, agriculture, environment and bioenergy with Deakin's expertise in nanomaterials.
- Further development of the Faculty of Health partnership with the Madras Diabetes Research Foundation (MDRF) through joint PhD student supervision, collaborative research projects, establishment of a Diabetes Educator course at MDRF and awarding of an Honorary Doctorate to the Director of MDRF, Dr Viswanathan Mohan.
- Australia-India Strategic Research Fund grant led by Professor Matt Barnett from the Institute for Frontier Materials. Indian partners include the Indian Institute of Technology Madras, the Indian Institute of Science Bangalore and General Electric India. The project will pioneer new high-entropy alloy components and compositions using advanced manufacturing.
- Deakin partnered with Zhengzhou University in China to establish a Zhengzhou-Deakin laboratory of Translational Medicine. The venture is exploring cell-based therapies and a new program for the development of innovative cancer models.
- Establishment of a partnership with Suzhou Genepharma to support the development of aptamer-based diagnostics and therapeutic agents.
- Deakin facilitated the Comparative Persona Research project at Central China Normal University. The project explores how online culture and social media platforms like Weibo and WeChat are shaping individual identity, journalism and politics.



The Energy and Resources Institute of India (TERI), was unveiled digitally by Australian Prime Minister, the Honourable Malcolm Turnbull, alongside Indian Prime Minister Narendra Modi.

Research into global challenges around food security and sustainable agriculture will benefit from the expansion of the world's first dedicated nanobiotechnology research centre, opened in India on 9 April 2017.

The new facility, a partnership between Deakin and The Energy and Resources Institute of India (TERI), was unveiled digitally by Australian Prime Minister, the Honourable Malcolm Turnbull, alongside Indian Prime Minister Narendra Modi, during a State Banquet in New Delhi.

Nanobiotechnology involves the application of nanomaterials to medicine, agriculture, food or other biological systems. Research at the TERI-Deakin Nanobiotechnology Centre will focus on issues of global concern including water quality, efficient farming practices, waste management and innovative, agriculture-dependent, ways to treat human disease.



Enhancing
our enterprise,
strengthening
our communities
and enabling our
partners

Value

Through its network of partnerships with community, industry and government, Deakin strives to add value by contributing to the social, economic and business life of each of its communities.

Deakin adds value to its own community by recruiting and retaining a workforce of the highest calibre, fostering a workplace culture that celebrates diversity and supports excellence in teaching, research and administration. Deakin is focused on embedding sustainability in all aspects of its organisation, reducing environmental impact, maintaining its financial viability and promoting the social aspects of sustainability.

Creating innovative learning environments

Deakin continues to create innovative learning environments across all of its campuses including its Cloud Campus. The Active Learning Transformation project has guided the design of new learning spaces of Deakin's physical spaces and projects in 2017 which include the

development of active learning studios at the Geelong Waurin Ponds and Burwood campuses, upgrading health facilities at the Geelong Waterfront Campus and a major refurbishment of the Central Precinct at Burwood. The new Precinct has a range of social and study areas, including a student community lounge, 250 informal learning spaces and digital wayfinding screens.

Affordable and accessible student accommodation is critical to student success. The Waratah Place student accommodation building on the Burwood Campus provides accommodation for an additional 575 students, bringing the total student accommodation at Burwood to 1,175 beds. A 410 bed student accommodation building at the Waterfront Campus is due to open in 2018.

With the launch of a pedestrian link over Gardiners Creek in August, people with disabilities are now able to travel safely between the two sides of Deakin's Melbourne Burwood Campus for the first time. Morgan's Walk was named after Dr David Morgan AO, who served on Deakin's Council from 1999 to 31 December 2015 and was Chancellor from 2006 to 2015. With more than 43,000 pedestrian trips per week between the two parts of the Burwood Campus, Morgan's Walk provides a safe, accessible and environmentally friendly crossing for staff, students and the community.



The development of the Central Precinct Hub at the Melbourne Burwood Campus provides a contemporary flexible space with multiple social and study spaces including innovative informal learning spaces.

Smart Campus

Deakin continues to roll out its *Smart Campus* concept, embedding digital functionality into its built environment to make its campuses more personalised, responsive, efficient and sustainable. The Smart Campus senses and responds to user interactions with the built environment, adjusting heating and lighting to individual preferences. Smart Campus projects are enabling Deakin to connect with students in ways that make a large, complex campus feel intimate. The data generated from user activity and sensors means that campus management decisions are based on real data, whether it's the optimal use of teaching spaces, traffic control, scheduling security patrols or waste management.

Smart Campus initiatives in 2017 include:

- the Deakin Genie app, giving students personalised 'just in time' alerts and briefings, and helping them to keep on top of deadlines and tasks. Genie has voice-and intent-recognition capability with notification, delivery and management tools to access resources. Genie received the Global ICT Support and Services Award in the Wharton Business School/Quacquarelli Symonds- Reimagine Education Awards for 2017
- the Scout mobile app, which guides students, staff and visitors around campus, while delivering relevant content to their device, based on their location
- trialling of a network of interactive digital 'smart screens' which provide wayfinding and personalised information through touch screen or screen-to-mobile interaction
- augmenting the Deakin Student Diary with digital content to deliver an 'Immersive Digital Reality'.

Deakin's Smart Campus strategy and program was recognised for its complexity, scale, impact and innovation in the 2017 Digital Edge 50, the second year Deakin has received this award. Deakin is the only Australian university named in the list, which recognises 50 organisations worldwide for their excellence in digital transformation.

Cyber security

Deakin has invested in an enterprise-wide cyber security strategy *DeakinShield* to mitigate the risk of University data and information being compromised. DeakinShield comprises 17 initiatives, providing a secure foundation to protect Deakin against cyber threats. A key principle of DeakinShield is continuous improvement and assessment. Ongoing cyber security maturity assessments are completed in partnership with Internal Audit, the Victorian Auditor-General's Office and key vendors of the University to ensure Deakin meets industry best practice according to the relevant global standards, including the Information Security Manual (ISM) and ISO/IEC 27000:2016. Deakin's cyber security strategy also recognises the important role students and staff play in building the University's cyber resilience and the shared responsibility all have in protecting Deakin's data, information and systems.

Building employee capacity, capability and productivity

Deakin's Enterprise Agreement 2017 was approved by the Fair Work Commission and commenced in July. The agreement includes a two per cent annual salary increase, and a \$1,000 initial increase to all salary bands (pro rata for non-full time staff).

Deakin is committed to a workplace culture that fosters and supports excellence in teaching, research and community engagement. Deakin recruits staff who are creative, adaptable, and ready to meet the changes of a rapidly changing workplace. In compliance with relevant legislation, Deakin uses an open and transparent process to recruit and promote the most suitably qualified employees.

All advertisements for staff vacancies include the statement: 'Deakin University values diversity, enables access and promotes inclusion'.

Deakin University is an employer of choice for women and strongly encourages applications from Aboriginal and Torres Strait Islander people. In 2017 Deakin employed a Human Resources Consultant (Indigenous Staffing) to oversee implementation of the Indigenous Employment Strategy.

All employees are expected to adhere to the University's Code of Conduct. The principles underpinning the Code of Conduct are supported by the University's performance management policy which provides managers and staff with a formal performance management framework enabling staff to contribute to the achievement of University goals and their own career development goals. Tables 9 and 10 depict the breakdown and numbers of staff Deakin between 2013 and 2017.

Employees are classified correctly in workforce data collections according to the criteria stipulated in any specifications that support requests for workforce data collection from external bodies.

Table 9: Deakin Staff 2013-2017

Full-time equivalent staff	2013	2014	2015	2016	2017
Full-time/part-time	3,098	3,284	3,461	3,662	3,830
Casual (estimate)	730	747	757	826	862
Total	3,828	4,031	4,218	4,488	4,692
Academic	1,787	1,881	1,922	2,057	2,158
Professional	2,041	2,150	2,296	2,431	2,534

Table 10: Deakin Staff 2013-2017 (gender full-time/part-time staff)

Full-time equivalent staff	2013	2014	2015	2016	2017
Gender					
Female	1,825	1,924	2,023	2,133	2,194
Male	1,273	1,360	1,438	1,529	1,636
Total	3,098	3,284	3,461	3,662	3,830

Table 10 (continued): Deakin Staff 2013-2017 (age)

Full-time equivalent staff	2013	2014	2015	2016	2017
Age bracket					
18-30 years	284	276	292	375	338
30-40 years	905	996	1,044	1,100	1,215
40-50 years	849	893	939	984	1,059
50- 60 years	780	821	867	869	878
above 60	280	298	319	334	340
Total	3,098	3,284	3,461	3,662	3,830

Throughout 2017 Deakin continued to provide an extensive program of capacity building for staff at all levels.

Programs included the *Enabling Successful Performance* project which provides staff with a range of group and digital learning opportunities to expand skills and confidence around performance conversations and enable meaningful and regular two-way conversations about performance, career and development.

The Program will be fully implemented for both professional and academic staff by 2018 and will include an online tool for capturing the outcomes of performance conversations. The Deakin Manager’s Advancement Program (DMAP) was again made available to HEW 8-10 managers. The Deakin Employee Excellence Program (DEEP) for HEW 6-7 supervisors, originally launched in 2016, has been modified and a further round of DEEP for HEW 6-7 high-performing and high-potential staff with no direct reports commenced in 2017, with a focus on peer leadership and preparing for leadership roles.

The new, two-day People Essentials course launched in 2017, focusing on providing managers with advice and best practice in leading staff through all aspects of the employment life cycle. A framework for a new, centrally delivered Academic Leadership program for high-potential and aspiring academic leaders will commence in 2018. Deakin continues to run an extensive program supporting capacity building in the use of technologies.

Progressing a sustainable and competitive enterprise

Deakin has continued to grow as an organisation, improving its financial position and resilience.

The Deakin Portfolio Office reports to the Portfolio Board and is responsible for the oversight and governance of all major projects at Deakin, ensuring that they are assessed, delivered, monitored and controlled within a structured and scalable framework from idea through to realisation. The Portfolio Board meets monthly to determine priorities, assess requests, monitor the health of medium and long-term projects, assess outcomes from post-implementation reviews, and deal with any escalated items.

In 2017, Deakin embarked on the Think Differently program, which aims to deliver a strong foundation for Deakin's future by building a new way of working together and improving the delivery of professional services. The program will streamline processes, reduce duplication, develop our capability to change and build a collaborative culture. Think Differently is guided by three Guiding Principles:

- One Deakin – breaking down silos and building a collaborative culture Deakin-wide
- Nimble – finding the most efficient and innovative ways of working
- Secure – securing Deakin's ongoing growth and success.

A commitment to sustainability

Deakin is committed to being a sector leader in sustainability, embedding sustainability principles in everything we do, minimising our environmental impact, maintaining our financial viability and promoting the social aspects of sustainability whilst nurturing and enabling our future leaders.

Deakin is a signatory to the United Nations Sustainable Development Goals, undertaking research that provides solutions to sustainable development challenges, providing educational opportunity for students to acquire the knowledge and skills needed to promote sustainable development and ensuring our campuses and major programs are sustainable and socially inclusive. Since 2013, Deakin has maintained part of its investment portfolio in an Environmental, Social and Governance (ESG) Pool which specialises in ESG focussed active managers and sustainable investments exclusively, in accordance with the Investment Management policy approved by the University Council's Investment Committee.

Development of the Waurm Ponds Smart Grid through Deakin's partnership with AusNet Services will enable Deakin to generate half the Geelong Waurm Ponds Campus' energy needs on site, reducing its carbon emissions by 12,000 tonnes per year. The system begins powering the campus from mid-2019, enabling the University to achieve 50 per cent of its emissions target for 2020 and to continue to move towards carbon neutrality.

The Deakin Green Lab Program was developed and introduced during 2017 to improve the sustainability of Deakin laboratories. Deakin was a finalist in the Australian Campuses Towards Sustainability Green Gown Awards for its food waste trial at the Waurm Ponds Estate and its 2015 Sustainability Report was awarded the Australasian Reporting Award for sustainability reporting.

Deakin's Environmental Performance against required standards is detailed in the Statutory Reporting section.



Vice-Chancellor Professor Jane den Hollander AO with Costa Georgiadis, host of Gardening Australia at the launch of Deakin's Community Garden.

The Deakin Community Garden at Deakin's Melbourne Burwood Campus was established in 2017 and is an initiative of the student-led Deakin Sustainable Food Movement. It is supported by the Deakin University Student Association (DUSA), the Division of Student Life, BUPA, the Facilities Division and the Health Nature and Sustainable Research group.





Delight our students,
our staff our alumni
and our friends

Experience

Integral to *LIVE the future* is the goal of nurturing the personal development and wellbeing of our students and staff, fostering a vibrant and inclusive culture that crosses discipline and organisational boundaries.

Deakin continues to strengthen its connections with government, industry and alumni, making a significant contribution to the intellectual, social and economic life of each of the communities it serves.

Deliver support services to enable success and enrich learning, living and social experience for students

Students are Deakin's first priority and are at the centre of its thinking, planning and practice. The goal of nurturing the personal development and wellbeing of its students and staff is fundamental to Deakin. There is a 'one-Deakin' approach to planning, program design and service delivery – evidence-based and with a focus on personalisation, agility and innovation. Deakin works across organisational portfolios with representation from all units together with student representation.

The goals of the Student Learning and Experience Plan mirror the student life cycle and encompass the Learning and Experience tranches of its *LIVE the future* strategy:

- ensuring all students have access to clear, concise and compelling information about the right courses for them, and the employment and career opportunities open to them once they graduate
- on commencing at Deakin, all students are kept well-informed, prepared, connected, welcomed and supported to start their course and throughout their first critical year
- all students have equitable and consistent access to premium learning resources and high quality constructive and timely feedback on credit-bearing authentic assessments
- all students feel safe, supported and engaged, with engaging, and inclusive experiences and a support environment tailored to student success
- students are connected and employment-ready, with all students engaged with career development from the commencement of their course, assisting them to obtain a job, and to create jobs.

Deakin is restructuring its student services to deliver an integrated borderless network of services – where information, advice and services are easy to find and use, responses are immediate and solutions are swift. The Student Services Network will consolidate and streamline programs across faculties and divisions Deakin-wide.

Specialised support initiatives for Cloud Campus students include:

- Cloud Peer Assisted Study Sessions (PASS)
- Cloud Success Coaches
- targeted outreach from the Priority Students Team
- Cloud Orientation Program, including online workshops, information sessions and live-chat
- a comprehensive suite of learning resources developed for online delivery
- the Ask Counselling online blog, providing students with advice from Deakin's Counselling and Psychological Services team.

Deakin's e-Wellbeing Centre is available through students' personal online hub DeakinSync, and gives students access to a range of fitness apps and advice as well as online appointments and the SafeZone app.

Deakin's Priority Student Program uses predictive analytics to identify students at risk of having academic difficulties or discontinuing their studies. Deakin then uses current students who are trained to engage with these students and make referrals to the appropriate staff or services.

During 2017, Deakin launched its Food Charter. Based on feedback from students and staff, the Charter is a set of principles supported by the University's Faculty of Health, and guides a balanced food and drink offering across all Deakin campuses. The Charter is based on five pillars – healthy, informed, balanced, easy and sustainable. The pillars inform the way our food offer will evolve, such as increasing our use of fresh, seasonal ingredients, reducing packaging and ensuring no minimum EFTPOS applies.

The quality of Deakin's elite sporting facilities at its Geelong Waurn Ponds Campus meant that it was able to host the 2017 Southern University Games and the 2017 Indigenous University Games.

The Indigenous University games celebrate a 21-year tradition of Aboriginal and Torres Strait Islander culture, reinforcing identity and promoting unity, health, fitness and wellbeing.

For the first time Deakin was able to field two full teams with the Deakin Dragons winning for the second consecutive year.

Safer Community is a Deakin-wide service which aims to keep all campuses safe. The service is preventative and responds to all reports of behaviour which are concerning, inappropriate or threatening, offering support to all parties involved. There is a high level of coordination between Safer Community, Security and other areas and members of the Deakin community are encouraged to contact Safer Community when they encounter behaviour which makes them feel threatened or unsafe.



Deakin Dragons winning basketball team.

The team's uniform was designed by fellow athlete Raymond Walters.

Respect.Now.Always

Along with all of Australia's 39 universities, Deakin participated in the Respect.Now.Always survey of students' experiences of sexual assault and sexual harassment. Deakin has closely analysed the results from the survey and is instituting initiatives to improve the mechanisms for the reporting and disclosure of sexual assault or sexual harassment and to more effectively promote the support available regarding sexual assault and harassment. Deakin is targeting training both for students and staff, challenging attitudes and upholding uncompromising standards. Deakin has also conducted an audit of its capacity, training and wait times for its counselling service.

Deakin has commenced White Ribbon accreditation, participating in the White Ribbon Survey, a baseline survey for Deakin to understand how it is doing as a workplace in relation to its attitudes, education and awareness in relation to violence against women.



Deliver services, resources and facilities to enable an engaged, inclusive, productive and satisfied staff

Deakin invests to ensure its staff are supported to develop the flexibility, skills and experience they need to meet the challenges of disruptive change in the workplace. It is committed at all levels and parts of the University to providing a safe and healthy working environment for all staff, students, contractors and visitors. Internal communications at Deakin are facilitated by regular emails from the Vice-Chancellor, an online Staff News Hub and the Network Staff News Bulletin.

Deakin has a diverse working population with a wide range of personal and work wellbeing needs. Deakin offers a range of benefits and services to support and improve the wellbeing of its staff, including full access to sporting facilities, on-campus medical centres, and information and resources.

Deakin attained full recognition for the Smoking (2015), Mental Health (2015) and Physical Activity (2016) pillars of the Healthy Together Victoria Achievement Program and in 2017 achieved

certification of the Alcohol pillar. Work is progressing on the remaining Healthy Eating pillar. These pillars provide a focus for the University's health and wellbeing programs.

Childcare is available at the Melbourne Burwood, Geelong Waurn Ponds and Warrnambool Campuses and Deakin supports a range of family-friendly and work-life balance policies, programs and initiatives. Deakin also provides welfare and support services to staff ranging from counselling services through the Employee Assistance Program to disability support plans and return to work adjustments.

A volunteering leave entitlement was introduced for staff in July 2017. All continuing and fixed term staff are eligible for one day (or two half days) per annum to volunteer with not for profit organisations within their community.

In 2017, Deakin developed its Aboriginal and Torres Strait Islander Higher Education Agenda, outlining initiatives to improve outcomes for Deakin's Aboriginal and Torres Strait Islander students, staff and communities and providing a framework for cultural change. Deakin seeks to achieve sustained improvement across the depth and breadth of its teaching, research and engagement, including recognition and reconciliation for the advancement of all members of Deakin's communities and engagement with the Aboriginal and Torres Strait Islander communities whom Deakin serves.

Deakin surveys all staff biennially and the 2017 iSay Survey affirms staff have a high level of engagement and commitment to Deakin and to its strategic direction. Ninety-three per cent of Deakin staff responded to the Survey. 'Staff engagement' is 80 per cent (four percentage points above university benchmarks), 'satisfaction with progress' is at 79 per cent (20 percentage points higher than university benchmarks). Eighty-two per cent of staff believe Deakin makes good use of technology and 84 per cent believe Deakin is innovative.

A commitment to workplace diversity and inclusion

Deakin is committed to workplace diversity and inclusion and to ensuring gender equity becomes a business and cultural norm, the indicator for success of the Workplace Gender Equality Agency.

Deakin was again successful in being awarded an Australian Workplace Equality Index (AWEI) Employer Bronze Tier in 2017. The AWEI saw 116 employers across Australia participate this year, a 38 per cent increase compared to 2016.

Deakin is a participant in the Science in Australia Gender Equity (SAGE) national program promoting gender equity and gender diversity in science, technology, engineering, mathematics and medicine (STEMM). The SAGE Athena SWAN pilot program is progressing well, with working groups established to undertake in depth analysis of key barriers to career progression for gender minorities. Deakin's performance on a number of core gender equity indicators has declined, including the gender pay gap (>15 per cent) and senior female representation (37.5 per cent for Level D and above and 42.7 per cent for HEW 10 and above).

In developing its Gender Equity Plan 2017-2020 Deakin aims to reverse this trend and improve progress against key targets. The Plan has four guiding principles which underpin its strategies.

Leadership – University leaders demonstrate an active, visible and consistent commitment to achieving gender equity.

Success for All – identification, understanding and amelioration of disadvantage created by the intersection of gender with cultural background, socio-economic status, sexuality, carer status and work arrangements.

Affirmative Action – advancement towards equal representation of women and men through considered attraction, recruitment, staff development, promotion and retention initiatives.

Equal Work, Equal Pay – reduction of the in-band pay gaps within each work area to achieve greater parity (four per cent or less).

Diversity initiatives in 2017 included the inaugural Diversity @ Deakin event on gender and sexuality at Federation Square. IDAHOBIT (International Day Against Homophobia, Biphobia, Intersex Phobia and Trans Phobia) was celebrated with a 'Human Library' at the Geelong Waterfront and Melbourne Burwood Campuses, encouraging new ideas and ways of thinking, to celebrate difference and to promote community building.

In 2017 Deakin launched its LGBTIQ+ Action Plan, supporting the inclusion and wellbeing of all of Deakin's Lesbian, Gay, Bisexual, Transgender, Intersex and Queer students and staff.

Community celebrations involving staff, students and community members are held for key cultural events such as the Chinese New Year, Eid, and Diwali.



Deputy Vice-Chancellor
Research Professor
Peter Hodgson at the
Diwali lamp-lighting
ceremony.

Strengthen connections with, and add value to governments, industry, alumni and the communities that Deakin serves



2017 Alumni Award winners
L to R: Auntie Joan Vickery AO, Mr Dean Landy, Ms Tracey Gaudry, Dr Nicole Weber, Dr David Parkin OAM.

A growing alumni network

Deakin encourages students to develop a lifelong relationship with their University from undergraduate to graduate to alumni to friend to partner; it acknowledges that its alumni are its best ambassadors and the best evidence of Deakin's success.

The alumni relations program experienced significant growth in 2017 with 29 alumni Chapters and over 15,000 alumni actively engaged through alumni events, social activities, webinars and reunions. Final-year students and Cloud students were also invited to participate in alumni activities globally creating a pipeline to future engagement. In 2017 Deakin launched its alumni social media channels, increasing the opportunities for alumni to stay connected.

Five new international networks were established in Sri Lanka, Singapore, Malaysia, Vietnam and Hong Kong.

The annual Alumni Awards dinner was attended by 250 guests and five outstanding alumni were recognised for their achievements.

The 2017 Deakin Alumni Award winners were:

- Lifetime Achievement Award - Dr David Parkin OAM
- Lifetime Achievement Award - Auntie Joan Vickery AO
- Alumni of the Year Award - Ms Tracey Gaudry
- Community Service Award - Dr Nicole Weber
- Young Alumni of the Year Award - Mr Dean Landy.

Engaging with our communities

Deakin uses traditional and social media to inform communities locally, nationally and internationally. The @DeakinMedia Twitter account has grown by more than a third to generate a following of more than 600 serving as a key engagement channel with journalists, sector influencers and other key stakeholders.

Deakin continued to increase its social media following in 2017:

 431,982

 31,716

 49,924

 148,812

Social media is the major driver to Deakin's award winning content hub *this.* and the online magazine was the global award winner in the Content Marketing Institute's education category.

Deakin's website was relaunched late in 2016 with a distinct, fresh new look and a centralised authoring model.

Major public events in 2017 included:

- the multi-lingual Addressing the New Landscape of Terrorism: Formulating Actionable Response Conference which was held in Bangkok, Thailand
- Brookes Oration with Ms Anna Bligh AC, Chief Executive Officer of the Australian Bankers' Association
- Law Oration with Sri Lankan Prime Minister The Hon. Ranil Wickremesinghe
- Parkin Oration with sporting icon Dr Ric Charlesworth AO
- School of Medicine Oration with Harvard University Professor of Surgery, Francis L Delmonico
- UNESCO Chair's Oration with Dr Tim Soutphommasane, the Australian Race Discrimination Commissioner
- Alfred Deakin Institute Oration with the Hon Julie Bishop MP, Minister for Foreign Affairs.

Promoting women in sport

Deakin continued to support its communities by promoting women in sport, in particular through the Women in Sport and Exercise collaboration (WISE) and its sponsorship of:

- the Deakin Melbourne Boomers WNBL team
- Netball Australia and the Australian Diamonds
- the Geelong Cats Women's VFL team
- the Deakin University Elite Women's Race as part of the Cadel Evans Great Ocean Road Race.

The Deakin Community Bank, a partnership between Deakin and the Bendigo and Adelaide Bank has now been operating for a year

and initial ambitious forecasts have been surpassed by 50 per cent, setting new records in the community banking sector.

At the end of 2017 \$53,000 was made available for Deakin projects. In addition the Bendigo Bank has contributed \$60,000 to a Deakin Scholarship with a further commitment of \$60,000 over the next two years.

Deakin in Warrnambool

Deakin continues to implement plans for a long-term and sustainable model for its Warrnambool Campus, ensuring that Deakin continues its role as the major higher education provider for the South-West region of Victoria. The Deakin South-West Advisory Group, chaired by Deakin's CEO South-West Victoria who has played a key role in progressing initiatives and strengthening ties with businesses and schools in the region.

Deakin has strengthened its relationships with schools across the South-West and is developing a new agribusiness major in the Bachelor of Commerce. Deakin is working with the local community to promote a new suite of scholarships, including international scholarships which support study in China and Sri Lanka. Deakin has also introduced a number of initiatives to deepen its engagement with local industry and community groups, including a research forum, an entrepreneurship forum and welcoming new tenants on campus (the Victorian Government Gas Program team will come on campus in 2018).

The Western Victoria Postgraduate Medical Regional Training Hub has been established at the School of Medicine Clinical School at Warrnambool Hospital. The Hub will address regional medical workforce shortages by creating accredited specialty training programs in Western Victoria.

The Minister for Foreign Affairs was the keynote speaker at the Alfred Deakin Institute Oration in November. The Hon Julie Bishop spoke on Australia in the Indo-Pacific: Opportunity and Ambition.

L to R. The Hon Julie Bishop MP, Minister for Foreign Affairs, Sarah Henderson MP, Vice-Chancellor Jane den Hollander AO, Director of the Alfred Deakin Institute Professor Fethi Mansouri.





In December, 90 staff from Deakin's Facilities Services and Enterprise Finance teams undertook a community building project at St Laurence Park Retirement Village, Lara. St Laurence Park was established in 1952 to provide social housing options for the older residents in the Geelong community.

The power of philanthropy

Gifts large and small make a real difference to people's lives, and how we respond to those in need is a marker of the strength of a civil society. The generosity and support of Deakin's alumni and donors is assisting Deakin to pursue new discoveries through world-class research and helping to create the leaders of tomorrow. Gifts to Deakin's Change 100 Lives campaign and the Open Minds, Open Possibilities campaign which supports scholarships for the humanitarian leadership program, have made a transformative difference to the students receiving the scholarships.

The generosity of those who give to Deakin is supporting research and enabling access to education for those who otherwise would not have the benefit of a university education. Overall in 2017 the University has realised \$15.763 million in cash and pledges. Deakin recognised its donors at a number of events during the year, including events held to honour and recognise our most significant donors who cumulatively have given over \$14 million to student support and research in the last few years.

The Bertarelli Foundation committed a \$1.4 million donation to support the work of Professor Graeme Hayes and his research protecting marine life, particularly southern sea turtles. This donation is the largest received by any partnering university globally for marine science and highlights the quality of research at Deakin's Warrnambool Campus.

Moose Toys committed a \$1 million donation to support research at the Deakin Child Study Centre, which works with children who face developmental challenges such as autism spectrum disorder and attention hyperactivity disorder. The Deakin Child Study Centre works with the Auskick and the AFL to support these children to access physical activity programs.

Recognising our community

Deakin Honorary Degrees are conferred on individuals for distinguished contributions to the community. They honour achievements that are aligned to the University's aims and provide inspiration to the Deakin community. The following Honorary Degrees were awarded in 2017:

- Air Chief Marshall Mark Binskin AC
- Dr Elizabeth Broderick AO
- His Excellency Charles Lepani CBE
- Dr Viswanathan Mohan
- Professor Budaraju Srinivasa Murty
- Mr Paul Tobias
- The Hon Judith Troeth AM
- The Hon Ranil Wickremesinghe.



Statutory Reporting

Risk management

Risk management is an integral component of Deakin's governance framework. Deakin implements a robust and transparent risk management program that is aligned to the Australian and New Zealand Standard (AS/NZS ISO 31000:2009), *Risk management – Principles and guidelines*; ensuring continuous improvement in risk management practices.

The Council, its Audit and Risk Committee and the Executive oversee Deakin's risk management framework, its implementation and evaluation, supporting the development of a positive risk culture. The Executive and management teams of the faculties and portfolios are focussed on managing their business risks and ensuring the risk management program supports effective decision-making in the achievement of strategic objectives.

The risk management process ensures that Deakin's key risks to strategic, operational and project objectives are identified and assessed appropriately, controls are maintained and managed effectively and that, where warranted, further risk treatments are adopted.

High risks are centrally monitored and regularly reported to Council, its Audit and Risk Committee and the Executive. The risk management framework and risk profile informs the annual Internal Audit Plan.

Deakin has dedicated programs for managing specialist risk in the areas of Legislative and Regulatory Compliance, Work, Health and Safety, Biosafety, Insurance, WorkCover, Technology, Fraud and Corruption, Business Continuity Planning, Disaster Recovery and Critical Incident and Emergency Management.

ATTESTATION ON COMPLIANCE WITH MINISTERIAL STANDING DIRECTION 3.7.1

I, Professor Jane den Hollander, Vice-Chancellor, certify that Deakin University has complied with the Ministerial Standing Direction 3.7.1- Risk Management Framework and Processes. Deakin's risk management processes are consistent with the Australian/New Zealand Risk Management Standard: (ISO 31000:2009) and based on an internal control system that enables the Executive to understand, manage and satisfactorily control risk exposures. The Audit and Risk Committee verifies this assurance and confirms that the risk profile of Deakin University has been reviewed within the last 12 months.



Professor Jane den Hollander AO

Vice- Chancellor
Deakin University

15 March 2018
Geelong

Register of commercial activities

The Commercial Activity Guidelines mandated by the terms of the *Deakin University Act 2009* remain the Interim Guidelines made by the Minister on 21 January 2011 and gazetted on 3 February 2011. These require the University to maintain a Register of Commercial Activities.

The University Solicitor is responsible for maintaining the register.

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

Proposals are submitted to the Finance and Business Affairs Committee of Council regarding University participation in a company or commercial activity in accordance with the Commercial Activities and Entities Policy and Procedure approved by Council.

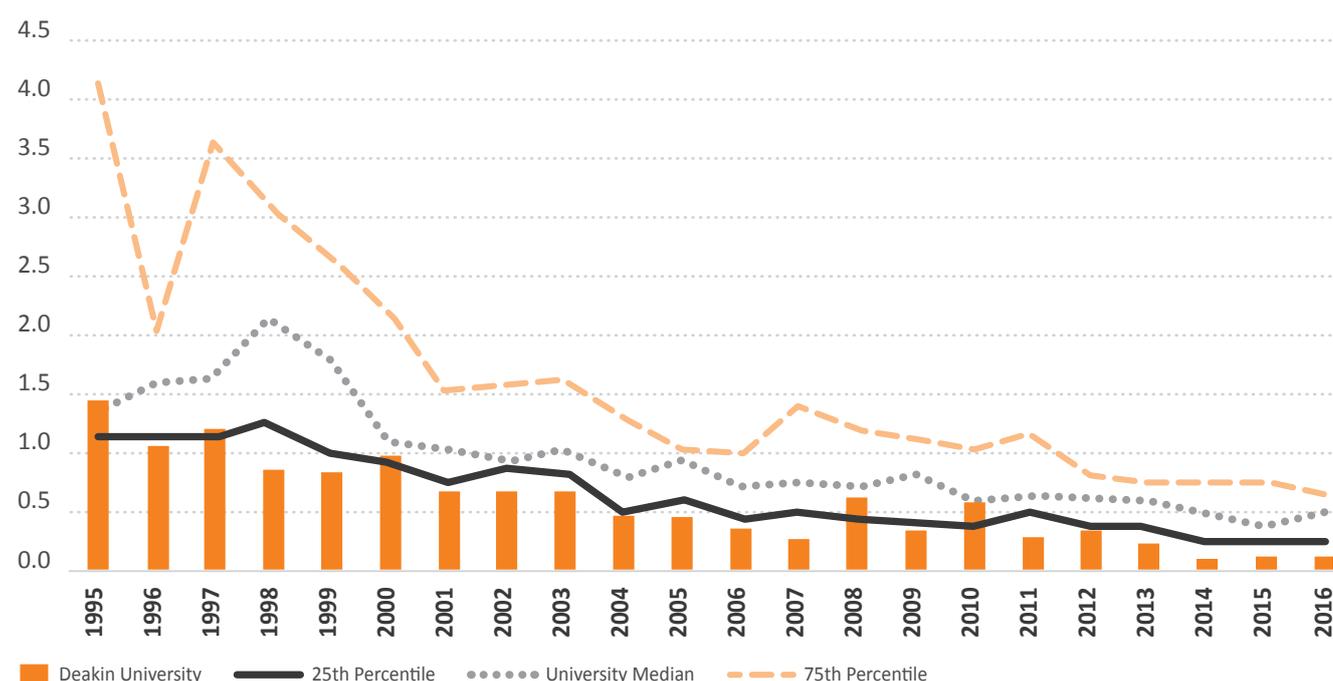
Deakin Cyber Security Accelerator Pty. Ltd., FLAIM Systems Pty. Ltd., and Universal Motion Simulator Pty. Ltd. are companies that have been set up with a commercial purpose.

Occupational Health and Safety

Commitment to a safe and healthy workplace

Deakin is a complex workplace with a wide range of activities occurring on and off campus. Some of these activities present significant Occupational Health and Safety (OHS) risks. Higher risk activities include construction, small scale manufacturing, field work, event management, plant design and fabrication as well as use of a wide range of chemicals, biological materials and radiation sources. These are in addition to the more common risks of psychological stress, slips, trips and falls, and manual materials handling. Despite these challenges, Deakin has a very good safety record compared the latest benchmark data for other universities (Figure 1).

Figure 1: Lost Time Incidence Rate: 28 Australian Universities



Notes: Lost Time Incidence Rate = Number of Lost Time Injuries per 100 Full Time Equivalent staff
Benchmark data for 28 universities (latest data is for 2016, with data for 2017 available May 2018)

Deakin is committed to providing a safe and healthy working environment for all staff, students, contractors and visitors. Deakin encourages and values safe work practices and behaviours through leadership at all levels and consultation with staff on safety matters. Deakin is committed to ensuring all of its managers and supervisors have the necessary skills and support to be effective safety leaders.

Mental health related issues and work related stress remain a significant safety and productivity challenge and Deakin is committed to ensuring all managers and supervisors have the necessary skills and support to be effective safety leaders.

Regardless of the University's strong safety performance and safety culture, there are still opportunities for improvement in OHS. In particular, mental health and psychological stress remain a significant safety challenge. Most of the work related mental health and psychological stress issues are resolved locally by supportive

and competent managers taking prompt action jointly with the staff member. The provision of targeted capability development programs for managers working with mental health concerns has enabled this outcome.

In 2017 Deakin undertook a range of activities to maintain and strengthen its OHS program, including audits and inspections, training programs, risk assessments, reviews of new and refurbished buildings, upgrading of access and facilities and asbestos abatement. Furthermore in 2017 Deakin was one of a few Victorian universities able to promptly and fully meet the asbestos control requirements of the Victorian government.

There were 15 hazards reported in 2017 with an average cost per claim of \$19,331.

Table 11: OHS Performance Indicators (2013 –2017)

	2013	2014	2015	2016	2017
Lost time injury (LTI) frequency rate	1.5	0.62	1.1	0.40	1.2
WorkCover frequency rate	3.5	3.8	2.0	1.1	1.8
Average lost time rate (days/LTI)	29	43	101	239	60
Days lost per 100 FTE	7	7	18	15	12
WorkCover costs per FTE	\$36	\$30	\$80	\$55	\$52
Premium costs per FTE	\$371	\$265	\$204	\$257	\$242
WorkCover premium rate (% of remuneration)	0.34%	0.24%	0.18%	0.25%	0.22%

Environmental performance

Deakin is committed to being a sector leader in sustainability and minimising the environmental impact of its operations and services. With the establishment of sustainability aspirations in 2017 Deakin will strive to achieve 2020, 2025 and 2030 targets in the areas of energy, emissions, waste, water, transport and several others. Deakin has a strong focus on undertaking sustainability initiatives to achieve these aspirations and measuring, monitoring and reporting on progress.

Energy and emissions

In 2017 the University consumed just under 350,000 gigajoules of energy, a rise of six per cent from the previous year.

Fifty-four per cent of this energy was from grid supplied electricity, 43 per cent from natural gas and the remainder from fuels used in the University vehicle fleet and generators. Deakin does not currently purchase green power or offset emissions from energy.

In 2017 the University produced a total of 82,021 tonnes of emissions (tCO₂e). Of this, 66,035 tonnes were from scope 1 and 2 sources such as electricity and natural gas, and a further 15,986 tonnes from scope 3 sources, primarily air travel.

By 2020, the University aspires to return total emissions to the 2013 baseline of 77,346 tCO₂e, and by 2030 achieve carbon neutrality. The University's Carbon Management Strategy outlines how this aspiration will be achieved, and contains a suite of strategic initiatives to avoid, reduce, replace and offset university emissions.

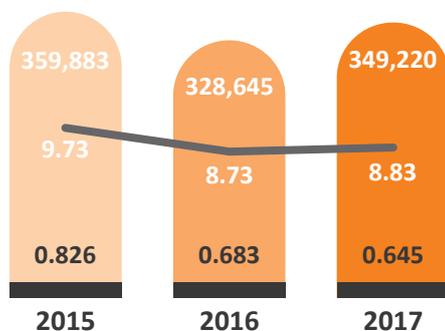
In 2017 the University announced the Deakin smart microgrid. As a key initiative within the Carbon Management Strategy, the 7.25 megawatt microgrid will generate 54 per cent of the Waurnd Ponds Campus' electricity requirements and reduce the University's carbon emissions by over 12,000 tonnes per annum, a major step forward in Deakin's drive towards carbon neutrality and sustainable operation.

The University also entered into the Qantas Future Planet Program, a partnership to offset Deakin's travel emissions and provide funding towards Deakin's Blue Carbon research led by Dr Peter Macreadie.

Future and ongoing initiatives within the Carbon Management Strategy include a significant building efficiency program, a reduction in waste to landfill and an increase in onsite renewable energy generation.

Energy

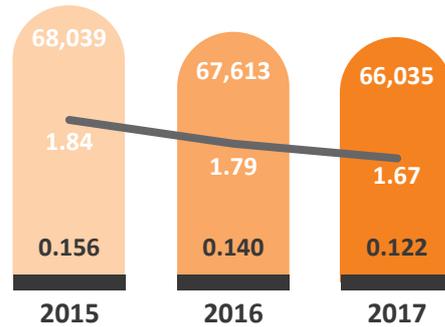
Electricity, Gas, Fuel (including fleet)



■ Energy (Gj)
■ Energy (Gj) / GFA
— Energy (Gj) / EFTSL

Emissions

Scope 1 and 2 (electricity, gas, fuel, refrigerants)



■ Scope 1 and 2 emissions (tCO₂e)
■ Emissions (tCO₂e) / GFA
— Emissions (tCO₂e) / EFTSL

Note: 2017 energy and emissions data includes some estimates due to a lag in billing data from utility providers.

Total energy consumption has increased from 2016 to 2017 due to a 3 per cent increase in electricity consumption across the Burwood and Waurnd Ponds Campuses, and a significant 26 per cent increase in natural gas consumption at the Burwood Campus, mainly due to the new student accommodation. Conversely, total emissions have reduced, primarily from a decrease in fleet emissions and a change to the emissions factor used for grid supplied electricity.

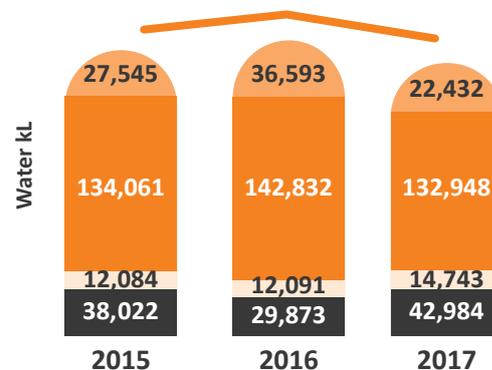
Water

In 2017, the University consumed 213,107 kilolitres (kL) of water across all campuses, an overall reduction of around 2.5 per cent from 2016.

This equates to 0.39 kL per metre square of gross floor area and 4.91 kL per person (EFTSL and FTE staff), achieving the University's 2020 aspiration to reduce mains water consumption to 5 kL or less per person.

Water

Kilolitres (kL)



■ Warrnambool
■ Waurnd Ponds
■ Waterfront
■ Burwood

Total water consumption has remained reasonably consistent over the past few years, however there are some notable variations from 2016 to 2017. At the Burwood Campus 42 per cent more water has been used in 2017 than 2016, primarily due to essential fire services testing. Additionally, bore water consumption at the Warrnambool Campus has reduced by 64 per cent due to decreased irrigation requirements.

Waste

In 2017, 1,895 tonnes of waste was generated by the University (including student accommodation). Sixteen per cent of this was recycled, which represents 308 tonnes diverted from landfill.

Per person (EFTSL + FTE staff), this equates to 37 kilograms (kg) of waste to landfill generated annually, and presents a continued sustainability challenge.

The University is committed to reducing this figure, and in 2017 developed a new Waste Management Plan which will guide the University towards achieving its 2030 aspiration of zero waste (equivalent to diverting 90 per cent or more from landfill).

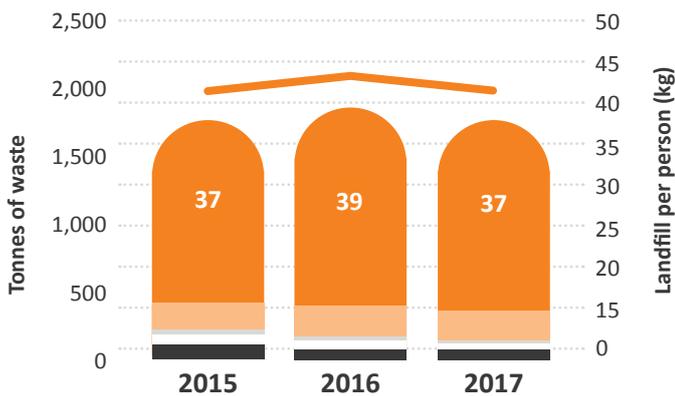
This plan outlines the incremental aspirations and initiatives to achieving zero waste, with the first milestone being the reduction of waste to landfill per person (EFTSL + FTE staff) from the 2016 baseline of 38.6 kg, to 20 kg per person in 2020 (equivalent to diverting 26 per cent of waste from landfill).

Actions within the plan focus on reducing waste to landfill by diverting organic food waste, reducing recyclable content in the general waste and implementing a strategic communications campaign.



Waste

Tonnes of waste and Landfill per person (kg)



	2015	2016	2017
Waste	1,487	1,590	1,587
Paper Recycling	175	184	166
Other Recycling	22	18	13
Organic Recycling	77	67	36
Comingled Recycling	107	81	94
Landfill per person (kg)	37	39	37

Total waste volumes have plateaued from 2015 to 2017 despite a growth in people (staff and students) of over 7 percent and increased gross floor area of 24 per cent. However, the overall proportion of waste diverted from landfill (i.e. recycling) has reduced from 20 per cent in 2015, to just 16 per cent in 2017.

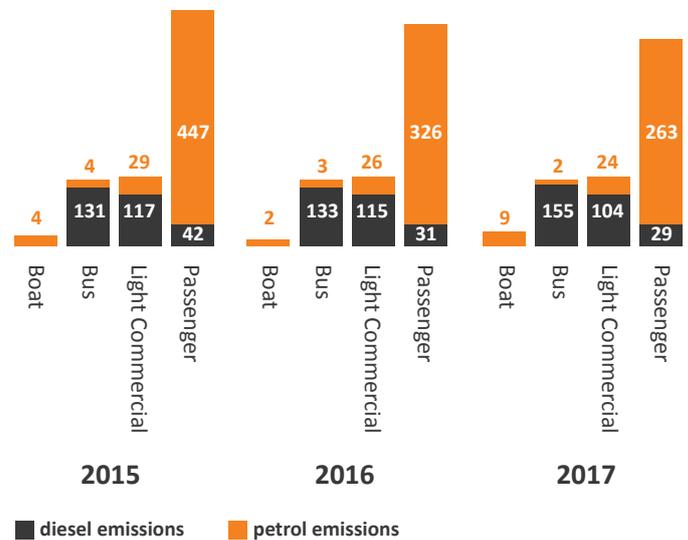
Travel and transport

Deakin's fleet comprises of passenger cars, light utility vehicles, intercampus buses and boats used for teaching and research. In 2017 1,511,066 kilometres (km) were travelled, and on average 388 kg of CO₂e were emitted per 1,000 km of travel.

The 2017 Sustainability and Transport survey revealed that 17 per cent of staff and students regularly walk or ride to the University, 30 per cent use public transport, six per cent carpool and 45 per cent travel by car as a single occupant. By 2020, Deakin plans to complete a transport strategy for each campus and increase the use of sustainable transport to and between campuses.



Fleet emissions (CO₂e)



From 2015, total emissions from the University vehicle fleet have reduced by 24 per cent, primarily due to a reduction in the passenger car fleet. Emissions from the operation of buses increased from 2016 to 2017 due to the implementation of an extra park and ride shuttle service in Geelong.

Procurement and supply chain

By 2020, the University aspires to increase its level of local procurement and increase jobs from local communities. In 2017 the University developed and implemented new schedules containing specific questions for suppliers about their environmental and social sustainability performance, systems and commitments. These have been utilised in various requests for tender throughout 2017, the most recent being for grounds maintenance and also travel management.

The University also continued to focus on reducing paper usage. In 2017 over 22 million sheets of A4 paper were used, equating to approximately one ream of paper (500 sheets) per student and a reduction of eight per cent from 2016. Over 99 per cent of all paper used is certified carbon neutral, 80 per cent is from 100 per cent recycled content and the vast majority is Australian made.

One hundred per cent of the University's Undergraduate and Postgraduate Publication Guides are available online, and other publications are produced in a combination of print and online formats.

Statutory Compliance

Building Act 1993

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

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

Education and Training Reform Act 2006

In 2017, Deakin levied a student services and amenities fee in accordance with the *Higher Education Legislation Amendment (Student Services and Amenities) Act 2011 (Cth)*, which complied with the requirements of Part 3.2 of the *Education and Training Reform Act 2006 (Vic)*. The fee per trimester was \$120 for full-time students, \$90 for part-time students and \$60 for students studying solely in the cloud payable in Trimesters 1 and 2 only. Approximately \$7.3 million in revenue was forecast to be collected from the fee. Of this, the Deakin University Student Association (DUSA) was contracted by the University to spend \$4.455 million for the following approved purposes: advocacy, sporting programs, social engagement, orientation, a multicultural program, student media, student welfare, Student Survival Centre, DUSA digital presence and student legal advisory and referral service.

The balance was allocated for spending by the University for sports, recreation management and development, employment programs, mental health services, cultural and social engagement programs, student communication, a Disability Liaison Officer and student amenity infrastructure.

National competition policy and competitive neutrality requirements

Deakin University adheres to competition laws and applies the principles of the Competitive Neutrality Policy Victoria to relevant business activities, in particular to its commercial arm DeakinCo. in relation to pricing of tenders and bids, and also to other services offered to the public at large by the University and its wholly owned subsidiaries.

Victorian Industry Participation Policy Disclosures (VIPP)

During 2017, one new Victorian State Government Grant was received for the ManuFuture project which requires compliance with VIPP policy.

During 2017, reporting was provided to the State Government for grants associated with the Australian Bureau of Statistics and the Geelong Student Accommodation Projects in relation to compliance with the VIPP.

Carers Recognition Act 2012 (Cth)

The *Carers Recognition Act 2012 (Cth)* does not apply to the University.

Protected Disclosure Act 2012 (Vic)

Under the *Protected Disclosure Act 2012*, the University must ensure that persons who have made protected disclosures under the Act are protected from detrimental action. The University has in place the Protection of Persons from Detrimental Action Procedure, which is accessible via <http://theguide.deakin.edu.au>.

Freedom of information

Deakin is subject to the *Freedom of Information Act 1982 (Vic)*.

In 2017 the University received 16 requests for access to documents under the Act. All of the requests were received from individuals. Ten of these requests were for documents relating to the requesting party. Of the decisions provided by the University, none were referred to the Freedom of Information Commissioner for review.

Making a request

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

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

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

Freedom of Information Officer
Geelong Waterfront Campus
Locked Bag 20001
Geelong, Victoria 3220

Further information

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

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

Enquiries may be addressed to:

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

Telephone: + 61 3 5227 8503
Facsimile: + 61 3 5227 8500

Email: vcoffice@deakin.edu.au
Web: www.deakin.edu.au

Deakin University Annual Reports can be accessed at:
<http://www.deakin.edu.au/about-deakin>



Financial Report

Statement of Comprehensive Income for the year ended 31 December 2017

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Income from continuing operations	2	1,118,874	1,002,792	1,096,717	984,104
Expenses from continuing operations					
Employee related expenses	2	(609,382)	(568,792)	(608,440)	(566,980)
Depreciation and amortisation expense	2	(89,060)	(76,187)	(80,318)	(69,394)
Other expenses from continuing operations	2	(319,033)	(310,344)	(308,818)	(303,749)
Total expenses from continuing operations		(1,017,475)	(955,323)	(997,576)	(940,123)
Net result		101,399	47,469	99,141	43,981
Other comprehensive income					
Items that may be reclassified to profit or loss					
(Decrease) / increase in deferred government superannuation contributions	13	(2,630)	(5,826)	(2,630)	(5,826)
Decrease / (increase) in deferred employee benefits for superannuation	13	2,630	5,826	2,630	5,826
Gain / (loss) on value of available for sale financial assets	10	(135)	9,339	(135)	9,339
		(135)	9,339	(135)	9,339
Items that will not be reclassified to profit or loss					
Gain / (loss) on revaluation of land	10	-	6,337	-	6,037
Gain / (loss) on revaluation of buildings	10	-	80,591	-	75,411
Gain / (loss) on revaluation of special library holdings	10	-	(738)	-	(738)
Gain / (loss) on revaluation of art collection	10	2,091	-	2,091	-
		2,091	86,190	2,091	80,710
Total other comprehensive income		1,956	95,529	1,956	90,049
Total comprehensive income		103,355	142,998	101,097	134,030
Total comprehensive income attributable to / (from)					
University		103,358	143,042	101,097	134,030
Non-controlling interest		(3)	(44)	-	-
		103,355	142,998	101,097	134,030

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

Statement of Financial Position as at 31 December 2017

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
CURRENT ASSETS					
Cash and cash equivalents	3	53,361	32,541	53,161	32,541
Receivables	4	70,140	60,042	68,786	59,049
Inventories		216	230	216	230
Other financial assets	5	184,000	179,000	184,000	179,000
TOTAL CURRENT ASSETS		307,717	271,813	306,163	270,820
NON-CURRENT ASSETS					
Receivables	4	143,804	146,064	143,804	146,064
Other financial assets	5	369,572	316,936	580,055	480,829
Property, plant and equipment	6	1,638,595	1,587,783	1,402,610	1,397,462
Intangible assets	7	10,242	6,020	10,242	6,020
TOTAL NON-CURRENT ASSETS		2,162,213	2,056,803	2,136,711	2,030,375
TOTAL ASSETS		2,469,930	2,328,616	2,442,874	2,301,195
CURRENT LIABILITIES					
Trade and other payables	8	265,169	230,419	268,811	231,505
Employee benefit provisions	9	96,715	92,641	96,107	92,011
TOTAL CURRENT LIABILITIES		361,884	323,060	364,918	323,516
NON-CURRENT LIABILITIES					
Trade and other payables	8	10	-	10	-
Employee benefit provisions	9	157,402	158,277	157,422	158,252
TOTAL NON-CURRENT LIABILITIES		157,412	158,277	157,432	158,252
TOTAL LIABILITIES		519,296	481,337	522,350	481,768
NET ASSETS		1,950,634	1,847,279	1,920,524	1,819,427
EQUITY					
Parent entity interest					
Reserves	10	550,218	547,247	537,539	534,568
Retained earnings	11	1,400,478	1,300,091	1,382,985	1,284,859
Parent entity interest		1,950,696	1,847,338	1,920,524	1,819,427
Non-controlling interest		(62)	(59)	-	-
TOTAL EQUITY		1,950,634	1,847,279	1,920,524	1,819,427

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 31 December 2017

		Reserves	Retained Earnings	Total Parent Entity	Non-controlling Interest	Total
	Note	\$000's	\$000's	\$000's	\$000's	\$000's
2017						
CONSOLIDATED						
Total equity at the beginning of the financial year		547,247	1,300,091	1,847,338	(59)	1,847,279
Net result for the year	11	-	101,402	101,402	(3)	101,399
Transfers	10,11	1,015	(1,015)	-	-	-
Increase / (decrease) in Reserves	10	1,956	-	1,956	-	1,956
Total equity at the end of the financial year		550,218	1,400,478	1,950,696	(62)	1,950,634
UNIVERSITY						
Total equity at the beginning of the financial year		534,568	1,284,859	1,819,427	-	1,819,427
Net result for the year	11	-	99,141	99,141	-	99,141
Transfers	10,11	1,015	(1,015)	-	-	-
Increase / (decrease) in Reserves	10	1,956	-	1,956	-	1,956
Total equity at the end of the financial year		537,539	1,382,985	1,920,524	-	1,920,524
2016						
CONSOLIDATED						
Total equity at the beginning of the financial year		450,986	1,253,310	1,704,296	(15)	1,704,281
Net result for the year		-	47,513	47,513	(44)	47,469
Transfers		732	(732)	-	-	-
Increase / (decrease) in Reserves		95,529	-	95,529	-	95,529
Total equity at the end of the financial year		547,247	1,300,091	1,847,338	(59)	1,847,279
UNIVERSITY						
Total equity at the beginning of the financial year		443,787	1,241,610	1,685,397	-	1,685,397
Net result for the year		-	43,981	43,981	-	43,981
Transfers		732	(732)	-	-	-
Increase / (decrease) in Reserves		90,049	-	90,049	-	90,049
Total equity at the end of the financial year		534,568	1,284,859	1,819,427	-	1,819,427

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows for the year ended 31 December 2017

Inflows / (outflows)	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
CASH FLOWS FROM OPERATING ACTIVITIES					
Australian government grants		644,558	627,817	641,131	624,354
State government grants		12,055	9,459	11,655	9,005
HECS-HELP- student payments		17,599	22,762	17,599	22,762
Other research grants and contracts		30,443	25,276	30,489	25,315
Fees and charges		362,424	283,475	338,290	264,800
Dividends received		2,511	1,658	2,511	1,658
Interest received		28,875	26,226	34,493	29,409
Other income		37,966	43,258	37,915	43,217
Payments to employees		(606,932)	(562,447)	(605,828)	(560,742)
Payments to suppliers (inclusive of Goods and Services Tax)		(353,409)	(338,411)	(338,593)	(352,663)
Goods and Services Tax recovered		25,985	26,553	25,985	26,553
Net cash provided by operating activities	12	202,075	165,626	195,647	133,668
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		818	1,074	818	1,074
Proceeds from sale of subsidiary	12	510	1,589	510	1,589
Payments for property, plant and equipment		(140,472)	(151,633)	(86,063)	(82,109)
Payments for intangible assets		(1,837)	(1,684)	(1,837)	(1,684)
Payments for other financial assets		(40,274)	(5,261)	(42,115)	(8,961)
Loans to subsidiary companies		-	-	(46,340)	(33,866)
Net cash outflow used in investing activities		(181,255)	(155,915)	(175,027)	(123,957)
Net increase / (decrease) in cash and cash equivalents		20,820	9,711	20,620	9,711
Cash and cash equivalents at the beginning of the financial year		32,541	22,830	32,541	22,830
Cash and cash equivalents at the end of the financial year	12	53,361	32,541	53,161	32,541

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

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated. The financial statements include separate statements for Deakin University as the parent entity and the consolidated entity consisting of Deakin University and its subsidiaries.

Basis of Preparation

The annual financial statements represent the audited general purpose financial statements of Deakin University and its subsidiaries. They have been prepared on an accrual basis and comply with the Australian Accounting Standards. Deakin University applies Tier 1 reporting requirements. Additionally the statements have been prepared in accordance with the following statutory requirements:

- *Higher Education Support Act 2003* (Financial Statement Guidelines)
- *Victorian Financial Management Act 1994* (Standing Direction 4.2(c) and applicable Financial Reporting Directions)
- *Australian Charities and Not-for-profits Commission Act 2012*.

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and certain classes of property, plant and equipment.

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

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may at times vary from estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting estimates and judgements

The areas involving a higher degree of judgement or complexity, or areas where assumed estimates are significant to the financial statements are disclosed below:

- (i) the Group's impairment policies are set out in Note 4 for receivables, Note 5 for investments and other financial assets and Note 6 for property, plant and equipment
- (ii) the Group's fair value measurement policies are set out in Note 5 for investments and other financial assets.

The Group 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.

The carrying amount of an item of property, plant and equipment is derecognised when no future benefits are expected from its use.

Land, buildings, special library holdings and art collection are valued by external valuers every three years or if there is a material movement in their values.

(a) INCOME TAX

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

(b) FOREIGN CURRENCY TRANSACTIONS

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

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

(c) GOODS AND SERVICES TAX (GST)

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

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

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

Commitments are presented on a gross basis.

(d) COMPARATIVE FIGURES

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

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

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

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on financial statements
AASB 9 Financial Instruments	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1-Jan-18	The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. While there will be no significant impact arising from AASB 9, there will be a change to the way financial instruments are disclosed.
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows: <ul style="list-style-type: none"> the change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and other fair value changes are presented in profit and loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. 	1-Jan-18	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through OCI and no longer recycled to the profit and loss. Changes in own credit risk in respect of liabilities designated at fair value through profit and loss will now be presented within OCI. Hedge accounting will be more closely aligned with common risk management practices making it easier to have an effective hedge. For entities with significant lending activities, an overhaul of related systems and processes may be needed.
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1-Jan-18	This amended standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9	Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.	1-Jan-18	The assessment has indicated that there will be no significant impact for the public sector.
AASB 15 Revenue from Contracts with Customers	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1-Jan-19	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard may also require additional disclosures on service revenue and contract modifications. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening retained earnings if there are no former performance obligations outstanding.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (continued)

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on financial statements
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	Amends the measurement of trade receivables and the recognition of dividends. Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition. Dividends are recognised in the profit and loss only when: <ul style="list-style-type: none"> the entity's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount can be measured reliably. 	1-Jan-2017, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1-Jan-2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15	This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1-Jan-18	This amending standard will defer the application period of AASB 15 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15	This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require: <ul style="list-style-type: none"> a promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation; for items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and for licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access). 	1-Jan-18	The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified for AASB 15 above.
AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities	This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.	1-Jan-19	This amending standard will defer the application period of AASB 15 for not-for-profit entities to the 2019-20 reporting period.
AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events. The amendments: <ul style="list-style-type: none"> require non-contractual receivables arising from statutory requirements (i.e. taxes, rates and fines) to be initially measured and recognised in accordance with AASB 9 as if those receivables are financial instruments; and clarifies circumstances when a contract with a customer is within the scope of AASB 15. 	1-Jan-19	The assessment has indicated that there will be no significant impact for the public sector, other than the impacts identified for AASB 9 and AASB 15 above.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (Continued)

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on financial statements
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1-Jan-19	The assessment has indicated that as most operating leases will come on balance sheet, recognition of the right-of-use assets and lease liabilities will cause net debt to increase. Rather than expensing the lease payments, depreciation of right-of-use assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus. No change for lessors.
AASB 1058 Income of Not-for-Profit Entities	This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable a not-for-profit entity to further its objectives.	1-Jan-19	The assessment has indicated that revenue from capital grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as performance obligations are satisfied. As a result, the timing recognition of revenue will change.

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

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

2. OPERATING RESULT

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2.1	378,228	370,392	374,801	366,929
HELP- Australian Government payments	2.1	254,289	241,925	254,289	241,925
State Government financial assistance	2.2	11,424	10,402	11,024	9,948
HECS-HELP- Student payments		17,575	18,072	17,575	18,072
Fees and charges	2.3	333,032	268,128	309,203	250,288
Investment revenue	2.4	31,118	25,125	36,736	28,308
Other investment income	2.4	19,058	580	19,058	580
Royalties		19,108	18,645	19,108	18,645
Consultancy and contract research	2.5	29,682	24,594	29,682	24,594
Other revenue	2.6	25,360	24,929	25,241	24,815
Income from continuing operations		1,118,874	1,002,792	1,096,717	984,104
Expenses from continuing operations					
Employee related expenses	2.7	609,382	568,792	608,440	566,980
Depreciation and amortisation	2.8	89,060	76,187	80,318	69,394
Other expenses from continuing operations					
Repairs and maintenance	2.9	47,372	48,102	43,726	45,340
Impairment of assets	2.10	2,874	4,008	4,452	7,695
Derecognition of construction in progress	6	-	13,731	-	13,731
Other expenses	2.11	268,787	244,503	260,640	236,983
		319,033	310,344	308,818	303,749
Expenses from continuing operations		1,017,475	955,323	997,576	940,123
Net result		101,399	47,469	99,141	43,981

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

The University recognises research / grant income on the basis of its contractual obligations. If the contract has outstanding performance obligations or the unspent funding is to be repaid at the conclusion of the contract, then the income is recognised in accordance with AASB 118 Revenue with reference to the percentage of completion method. The stage of completion is measured by reference to total expenditure incurred to date compared with the funding provided.

The University regards the receipt of such income as a reciprocal transfer as the University is required to provide the necessary services in return for research funding. A liability is recognised in the Statement of Financial Position in respect of research / grant income which is unearned at the balance date. AASB 118 Revenue requires revenue to be recognised in the reporting periods in which the services are provided.

Non-reciprocal research income, that is where approximate equal value is not directly returned to the provider of the income, is recognised when the University gains control of the income, or right to receive the income, in accordance with AASB 1004 Contributions. This applies to revenue items recognised in notes 2.1 to 2.6.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

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

	Note	Consolidated		University	
		2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Commonwealth Grants Scheme and Other Grants					
Commonwealth Grants Scheme		283,245	283,061	283,245	283,061
Higher Education Participation Program		4,974	5,764	4,974	5,764
Disability Performance Funding		385	432	385	432
Promotion of Excellence in Learning and Teaching		92	695	92	695
Indigenous Student Success Program		-	1,975	-	1,975
Support for Warrnambool Campus		7,000	-	7,000	-
Superannuation Program		12,309	13,056	12,309	13,056
	22.1	308,005	304,983	308,005	304,983
Higher Education Loan Programs					
HECS-HELP		204,129	195,407	204,129	195,407
FEE-HELP		45,084	42,513	45,084	42,513
SA-HELP		5,076	4,005	5,076	4,005
	22.2	254,289	241,925	254,289	241,925
Scholarships					
Research Training Scheme		19,016	18,046	19,016	18,046
	22.3	19,016	18,046	19,016	18,046
EDUCATION Research					
Research Support Program		11,287	11,049	11,287	11,049
	22.3	11,287	11,049	11,287	11,049
Other Capital Funding					
Better Universities Renewal Funding		144	921	144	921
Education Investment Fund		-	100	-	100
	22.4	144	1,021	144	1,021
Total funding from Department of Education and Training		592,741	577,024	592,741	577,024
Australian Research Council					
Discovery		7,601	7,561	7,601	7,561
Linkages		4,176	3,601	4,176	3,601
Capital- Linkage Infrastructure, Equipment and Facilities grant		-	368	-	368
	22.5	11,777	11,530	11,777	11,530
Other Australian Government financial assistance					
Non-Capital		27,999	23,763	24,572	20,300
Other Australian Government financial assistance		27,999	23,763	24,572	20,300
Total Australian Government financial assistance		632,517	612,317	629,090	608,854
Reconciliation					
Australian Government grants	2	378,228	370,392	374,801	366,929
HECS-HELP payments		204,129	195,407	204,129	195,407
FEE-HELP payments		45,084	42,513	45,084	42,513
SA-HELP payments		5,076	4,005	5,076	4,005
	2	254,289	241,925	254,289	241,925
Total Australian Government financial assistance		632,517	612,317	629,090	608,854

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

2.2 STATE GOVERNMENT FINANCIAL ASSISTANCE

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
State Government grants received during the reporting period:					
Capital		1,500	2,311	1,500	1,857
Non-Capital		9,924	8,091	9,524	8,091
Total State Government financial assistance	2	11,424	10,402	11,024	9,948

2.3 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 receipts are treated as income in advance in liabilities.

Course fees and charges					
Fee-paying onshore overseas students		254,626	194,822	254,626	194,822
Fee-paying offshore overseas students		621	509	621	509
Fee-paying domestic undergraduate students		117	140	117	140
Fee-paying domestic postgraduate students		15,573	14,633	15,573	14,633
Fee-paying domestic non-award students		12,715	12,086	12,715	12,086
		283,652	222,190	283,652	222,190
Other non-course fees and charges					
Student accommodation fees		24,136	18,033	308	193
Rental income		1,752	1,591	1,751	1,591
Student Services and Amenities Fees from students		1,714	1,959	1,714	1,959
Non-accredited learning and development of consultancy programs		8,818	7,827	8,818	7,827
Parking fees		5,826	5,406	5,826	5,406
Other fees		7,134	11,122	7,134	11,122
		49,380	45,938	25,551	28,098
Total fees and charges	2	333,032	268,128	309,203	250,288

2.4 INVESTMENT REVENUE AND OTHER INVESTMENT INCOME

Interest revenue is recognised on an accrual basis. Dividend revenue is recognised when received.

Interest and distributions from managed funds		28,607	23,467	28,606	23,467
Interest received from subsidiaries		-	-	5,619	3,183
Dividends and franking credits		2,511	1,658	2,511	1,658
Investment revenue	2	31,118	25,125	36,736	28,308
Cumulative gain reclassified from equity on disposal of available-for-sale financial assets		17,880	379	17,880	379
Profit on sale of available for sale financial assets		1,178	201	1,178	201
Other investment income	2	19,058	580	19,058	580
Total investment revenue		50,176	25,705	55,794	28,888

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

2.5 CONSULTANCY AND CONTRACT RESEARCH

Note	Consolidated		University	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's

The University recognises contract research on the basis of its contractual obligations. If the contract has outstanding performance obligations or the unspent funding is to be repaid at the conclusion of the contract, then the income is recognised in accordance with AASB118 Revenue with reference to the percentage of completion method. The stage of completion is measured by reference to total expenditure incurred to date compared with the funding provided.

Consultancy	720	984	720	984
Contract research	28,962	23,610	28,962	23,610
Total consultancy and contract research	29,682	24,594	29,682	24,594

2.6 OTHER REVENUE

Donations and bequests are recognised when received by the University. Revenue from the sale of goods is recognised upon the delivery of goods to customers. Revenue from the rendering of a service is recognised upon the delivery of the service to customers (stage of completion method) or in accordance with governing contracts.

Sales and commercial income	3,275	3,485	3,258	3,443
Donations and bequests	1,631	945	1,631	945
Scholarship and prizes	1,086	903	1,086	903
Training and conference income	1,936	2,395	1,936	2,395
Gain on disposal of property, plant and equipment	323	-	323	-
Other	17,109	17,201	17,007	17,129
Total other revenue	25,360	24,929	25,241	24,815

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

2.7 EMPLOYEE RELATED EXPENSES

Salaries

Expenditure for salaries is expensed as incurred. Annual leave expenses are part of the salary costs. Annual leave is calculated at the nominal value of expected payments to be made in respect of services provided by employees up to the reporting date. Where employees have significant annual leave balances, an estimate is made of the probability of leave to be taken within 12 months and beyond 12 months. Annual leave shown below is the movement of the leave balances as compared with last year.

Payroll tax

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

Long service leave

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

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Academic					
Salaries		235,517	223,982	235,517	223,982
Contributions to superannuation and pension schemes:					
Emerging cost		6,287	6,745	6,287	6,745
Funded contributions		35,465	33,375	35,465	33,375
Non-funded contributions		5	5	5	5
Payroll tax		11,815	12,350	11,815	12,350
Workers compensation		944	818	944	818
Long service leave		5,674	4,635	5,674	4,635
Annual leave		834	14	834	14
Other		12,176	9,279	12,176	9,279
		308,717	291,203	308,717	291,203
Non-academic					
Salaries		226,460	210,972	225,673	209,467
Contributions to superannuation and pension schemes:					
Emerging cost		6,024	6,307	6,024	6,307
Funded contributions		33,936	31,340	33,879	31,228
Non-funded contributions		4	4	4	4
Payroll tax		11,544	11,986	11,509	11,917
Workers compensation		971	749	765	729
Long service leave		5,610	4,597	5,610	4,597
Annual leave		837	105	859	15
Other		15,279	11,529	15,400	11,513
		300,665	277,589	299,723	275,777
Total employee related expenses	2	609,382	568,792	608,440	566,980

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

2.8 DEPRECIATION AND AMORTISATION

Land, art collection and library special collections 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:

Major depreciation periods are:

	2017	2016
Buildings	1 to 50 years	1 to 50 years
Leasehold improvements	3 to 5 years	3 to 5 years
Plant and equipment	2 to 20 years	2 to 20 years
Motor vehicles	6.5 to 10 years	6.5 to 10 years
Library holdings	2 to 10 years	2 to 10 years

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

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Depreciation					
Buildings		29,490	25,914	25,913	23,265
Plant and equipment		54,744	45,392	49,579	41,248
Motor vehicles		900	876	900	876
Library holdings		1,754	2,006	1,754	2,006
		86,888	74,188	78,146	67,395
Amortisation					
Leasehold improvements		404	1,191	404	1,191
Intangible assets		1,768	808	1,768	808
		2,172	1,999	2,172	1,999
Total depreciation and amortisation	2	89,060	76,187	80,318	69,394

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

2.9 REPAIRS AND MAINTENANCE

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

	Consolidated		University	
	2017	2016	2017	2016
Note	\$000's	\$000's	\$000's	\$000's
Buildings and grounds- refurbishment, maintenance and repairs	43,649	44,985	40,027	42,298
Equipment- maintenance and repairs	3,473	2,873	3,449	2,798
Motor vehicles- maintenance and repairs	250	244	250	244
Total repairs and maintenance	47,372	48,102	43,726	45,340

2.10 IMPAIRMENT OF ASSETS

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 of disposal 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).

Unlisted equity securities are carried at cost. If the market is not active for unlisted securities, the Group establishes fair value by providing for the temporary diminution in the value of the investment based on the underlying net asset base of the security from the latest available accounts. All changes in provisions for diminution in value are taken through the Statement of Comprehensive Income.

	Consolidated		University	
	2017	2016	2017	2016
Note	\$000's	\$000's	\$000's	\$000's
Movement in provision for impaired receivables	1,313	2,002	1,300	1,989
Impairment of available for sale financial assets- subsidiaries	-	-	1,591	3,700
Impairment of available for sale financial assets- unlisted equity securities	1,561	2,006	1,561	2,006
Total impairment of assets	2,874	4,008	4,452	7,695

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

2.11 OTHER EXPENSES

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

	Consolidated		University	
	2017	2016	2017	2016
Note	\$000's	\$000's	\$000's	\$000's
Advertising, marketing and promotional expenses	23,955	20,890	23,532	20,345
Communication costs	4,246	4,554	4,214	4,536
Consultants and contractors	14,721	12,508	14,247	12,253
Contributions to learning institutions	4,546	4,307	4,546	4,307
Copying, printing, stationery and consumables	10,341	10,526	10,303	10,495
Course materials	434	291	434	291
Equipment costs	20,961	18,078	20,654	16,920
Infrastructure payments	11	411	11	411
International agents commission	19,874	14,321	19,874	14,297
Library expenses	10,597	10,995	10,597	10,995
Loss on disposed property, plant and equipment	-	497	-	497
Non-capitalised equipment	6,288	6,975	6,185	6,933
Operating lease rentals	13,572	11,162	13,822	11,188
Rates and energy costs	8,974	8,321	7,721	7,424
Scholarships, grants and prizes	54,127	45,436	54,118	45,428
Staffing and related costs	26,187	23,442	25,934	23,253
Student expenses	27,984	30,580	27,489	30,267
Other	21,969	21,209	16,959	17,143
Total other expenses	268,787	244,503	260,640	236,983

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Cash at bank	12,930	4,008	12,730	4,008
Cash on hand	2	2	2	2
Bank deposits- on call	5,429	4,031	5,429	4,031
Bank term deposits	35,000	24,500	35,000	24,500
12,20,21	53,361	32,541	53,161	32,541

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

4. RECEIVABLES

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the University provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance date, which are classified as non-current assets. Receivables are recognised initially at fair value and subsequently measured at cost less provision for impairment.

Student fees are normally due for payment prior to the census date. Trade receivables and other debtors are due for settlement no more than 30 days from the date that invoice was issued.

Deferred government contribution for superannuation

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

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education and Training (Education), the effects of the unfunded superannuation liabilities of Deakin University were recorded in the Statement of Comprehensive Income and the Statement of Financial Position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements. Accordingly, the unfunded liabilities have been recognised in the Statement of Financial Position under provisions, with a corresponding asset recognised under receivables. The recognition of both the asset and the liability consequently does not affect the year-end net asset position of Deakin University.

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
CURRENT					
Student fees		11,516	11,452	11,516	11,452
Provision for impaired receivables		(1,000)	(1,000)	(1,000)	(1,000)
		10,516	10,452	10,516	10,452
Trade debtors and other debtors		20,179	14,091	20,104	14,038
Provision for impaired receivables		(1,951)	(1,704)	(1,928)	(1,690)
		18,228	12,387	18,176	12,348
	20,21	28,744	22,839	28,692	22,800
Deferred government contribution for superannuation	13	12,336	13,074	12,336	13,074
Accrued income		3,866	3,702	1,555	1,391
Prepayments		19,531	15,886	20,545	17,243
GST recoverable		5,663	4,541	5,658	4,541
		70,140	60,042	68,786	59,049
NON-CURRENT					
Deferred government contribution for superannuation	13	140,634	142,526	140,634	142,526
Other debtors		3,170	3,538	3,170	3,538
	20,21	143,804	146,064	143,804	146,064
		213,944	206,106	212,590	205,113

As at 31 December 2017, trade receivables of the Group \$3,635k (2016: \$1,732k) were past due but not impaired. These relate to a number of trade debtors for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

3 to 6 months	36	433	35	428
6 to 12 months	2	5	2	5
Over 12 months	2	1	2	1
	40	439	39	434

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

4. RECEIVABLES (Continued)

IMPAIRED RECEIVABLES

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

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

As at 31 December 2017, current receivables of the Group with a nominal value of \$2,951k (2016: \$2,704k) were impaired. The amount of the provision was \$2,951k (2016: \$2,704k). The impaired receivables relate to students and trade debtors. It was assessed that a portion of the receivables is expected to be recovered.

Consolidated		University	
2017	2016	2017	2016
\$000's	\$000's	\$000's	\$000's

The ageing of these receivables is as follows:

3 to 6 months	757	516	743	509
6 to 12 months	1,495	1,936	1,495	1,936
Over 12 months	699	244	690	245
	2,951	2,696	2,928	2,690

MOVEMENTS IN THE PROVISION FOR IMPAIRED RECEIVABLES

At 1 January	2,704	1,798	2,690	1,783
Provision for impairment recognised during the year	1,313	2,002	1,300	1,989
Receivables written off during the year as uncollectible	(1,031)	(1,096)	(1,029)	(1,082)
Unused amounts reversed	(35)	-	(33)	-
At 31 December	2,951	2,704	2,928	2,690

5. OTHER FINANCIAL ASSETS

The Group classifies its investments in the following categories: available-for-sale financial assets, loans and receivables, and held-to-maturity investments. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

(i) Available-for-sale financial assets

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

(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 arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except those with maturities greater than 12 months after

the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

(iii) Held-to-maturity investments

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

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

Subsequent measurement

Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

5. OTHER FINANCIAL ASSETS (Continued)

Fair value

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

Other valuation techniques used are the cost approach and the income approach based on the characteristics of the asset and the assumptions made by market participants.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such

evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in the Statement of Comprehensive Income. Impairment losses recognised in the Statement of Comprehensive Income on equity instruments are not reversed through the Statement of Comprehensive Income. Shares in subsidiaries are valued at their current net worth by providing for the impairment in the value of the investment. Unlisted equity securities are carried at cost. Where there has been a temporary diminution in the value of the investment, a provision for impairment is made based on the underlying net asset base of the security from the latest available accounts. All changes in impairment in value are taken through the Statement of Comprehensive Income (refer Note 2.10).

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

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
CURRENT					
Financial assets held-to-maturity					
Bank term deposit		184,000	179,000	184,000	179,000
	20,21	184,000	179,000	184,000	179,000
NON-CURRENT					
Financial assets available for sale					
Listed equity securities		2,800	3,333	2,800	3,333
Managed funds- fixed interest, Infrastructure, property, Australian and global equities		345,576	296,119	345,576	296,119
Unlisted equity securities- at cost		17,868	17,768	17,868	17,768
Impairment for unlisted equity securities		(12,872)	(11,311)	(12,872)	(11,311)
Unlisted equity securities- at revaluation		16,200	11,027	16,200	11,027
		21,196	17,484	21,196	17,484
Financial assets available for sale		369,572	316,936	369,572	316,936
Loan receivables					
Loans to subsidiaries		-	-	127,682	81,342
Loan receivables		-	-	127,682	81,342
Subsidiaries					
Shares in subsidiaries- at cost	19	-	-	92,877	91,036
Impairment for investments in subsidiaries		-	-	(10,076)	(8,485)
Subsidiaries		-	-	82,801	82,551
	20,21	369,572	316,936	580,055	480,829
		553,572	495,936	764,055	659,829

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

6. PROPERTY, PLANT AND EQUIPMENT

Land, buildings, art collection and special library collections are shown at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Individual items of plant and equipment with a cost less than \$5,000 (2016: \$5,000) are charged to the Statement of Comprehensive Income (refer Note 2.11). All other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably. All repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are credited to the asset revaluation reserve in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserve directly in equity to the extent of the remaining reserve attributable to the class of asset; all other decreases are charged to the Statement of Comprehensive Income.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised profits less recognised losses and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus profits less losses, the net amounts are presented under other liabilities. Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract and costs that are attributable.

- The land and buildings were valued by Cunningham Property Consultants (Property Consultants and Valuers) at 31 October 2016. In completing the valuation of property and assets estimated fair value was derived from the depreciated replacement cost approach.
- The special library holdings were valued by John Sainsbury and Michael Stone, members of the antiquarian book trade and accredited valuers, and were assessed as at 20 September 2015 based on the guidelines set out in the Department of Treasury and Finance document Victorian Government Policy: Revaluation of Non-Current Physical Assets. The special library holdings are classified as a cultural asset and have been assessed on the fair and informed market as reflected by market evidence. This can be determined based on the current market buying price. These valuations are in accordance with the University's policy of obtaining an independent valuation of non-current assets every three years or if there is a material movement in their values.
- The art collection was valued by Guy Abrahams, a member of the Art Consulting Association of Australia, at 1 November 2017. The valuation was carried out on the basis of market value.
- Land, buildings, special library holdings and art collection purchased since the date of the last valuation are shown at cost.

LAND

At independent valuation 2016
At cost

BUILDINGS

At independent valuation 2016
At cost
Accumulated depreciation

CONSTRUCTION IN PROGRESS

Construction in progress

LEASEHOLD IMPROVEMENTS

At cost
Accumulated amortisation

PLANT AND EQUIPMENT

At cost
Accumulated depreciation

MOTOR VEHICLES

At cost
Accumulated depreciation

	Consolidated		University	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
LAND				
At independent valuation 2016	173,420	173,420	171,920	171,920
At cost	4,120	-	4,120	-
	177,540	173,420	176,040	171,920
BUILDINGS				
At independent valuation 2016	982,634	982,634	877,703	877,703
At cost	80,937	7,248	33,887	7,248
Accumulated depreciation	(34,275)	(4,785)	(30,201)	(4,289)
	1,029,296	985,097	881,389	880,662
CONSTRUCTION IN PROGRESS				
Construction in progress	108,508	129,691	59,935	71,825
	108,508	129,691	59,935	71,825
LEASEHOLD IMPROVEMENTS				
At cost	8,913	5,876	8,913	5,876
Accumulated amortisation	(5,472)	(5,068)	(5,472)	(5,068)
	3,441	808	3,441	808
PLANT AND EQUIPMENT				
At cost	578,242	516,031	521,448	475,888
Accumulated depreciation	(284,382)	(242,164)	(265,593)	(228,541)
	293,860	273,867	255,855	247,347
MOTOR VEHICLES				
At cost	6,457	6,725	6,457	6,725
Accumulated depreciation	(3,293)	(3,280)	(3,293)	(3,280)
	3,164	3,445	3,164	3,445

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Consolidated		University	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
LIBRARY HOLDINGS				
At cost	38,636	41,524	38,636	41,524
Accumulated depreciation	(34,669)	(36,521)	(34,669)	(36,521)
	3,967	5,003	3,967	5,003
SPECIAL LIBRARY HOLDINGS				
At independent valuation 2015	6,735	6,735	6,735	6,735
	6,735	6,735	6,735	6,735
	10,702	11,738	10,702	11,738
ART COLLECTION				
At independent valuation 2017	11,909	-	11,909	-
At independent valuation 2014	-	8,783	-	8,783
At cost	175	934	175	934
	12,084	9,717	12,084	9,717
	1,638,595	1,587,783	1,402,610	1,397,462

MOVEMENTS IN CARRYING AMOUNTS

	Balance at beginning of year	Additions	Disposals	Depreciation / Amortisation expense	Transfers	Derecognition of construction in progress	Revaluation	Carrying amount at end of year
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
2017								
Consolidated								
Land	173,420	4,120	-	-	-	-	-	177,540
Buildings	985,097	797	-	(29,490)	72,892	-	-	1,029,296
Construction in progress	129,691	112,673	-	-	(133,856)	-	-	108,508
Leasehold improvements	808	30	(30)	(404)	3,037	-	-	3,441
Plant and Equipment	273,867	21,077	(149)	(54,744)	53,809	-	-	293,860
Motor vehicles	3,445	970	(316)	(900)	(35)	-	-	3,164
Library holdings	5,003	718	-	(1,754)	-	-	-	3,967
Special library holdings	6,735	-	-	-	-	-	-	6,735
Art collection	9,717	276	-	-	-	-	2,091	12,084
	1,587,783	140,661	(495)	(87,292)	(4,153)	-	2,091	1,638,595
University								
Land	171,920	4,120	-	-	-	-	-	176,040
Buildings	880,662	789	-	(25,913)	25,851	-	-	881,389
Construction in progress	71,825	58,293	-	-	(70,183)	-	-	59,935
Leasehold improvements	808	30	(30)	(404)	3,037	-	-	3,441
Plant and Equipment	247,347	21,058	(148)	(49,579)	37,177	-	-	255,855
Motor vehicles	3,445	970	(316)	(900)	(35)	-	-	3,164
Library holdings	5,003	718	-	(1,754)	-	-	-	3,967
Special library holdings	6,735	-	-	-	-	-	-	6,735
Art collection	9,717	276	-	-	-	-	2,091	12,084
	1,397,462	86,254	(494)	(78,550)	(4,153)	-	2,091	1,402,610

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

MOVEMENTS IN CARRYING AMOUNTS	Balance at beginning of year	Additions	Disposals	Depreciation / Amortisation expense	Transfers	Derecognition of construction in progress	Revaluation	Carrying amount at end of year
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
2016								
Consolidated								
Land	167,523	-	(440)	-	-	-	6,337	173,420
Buildings	904,622	-	(369)	(25,914)	26,167	-	80,591	985,097
Construction in progress	76,258	136,961	-	-	(69,797)	(13,731)	-	129,691
Leasehold improvements	2,365	-	(366)	(1,191)	-	-	-	808
Plant and Equipment	262,853	12,900	(124)	(45,392)	43,630	-	-	273,867
Motor vehicles	3,936	637	(252)	(876)	-	-	-	3,445
Library holdings	6,078	931	-	(2,006)	-	-	-	5,003
Special library holdings	7,473	-	-	-	-	-	(738)	6,735
Art collection	9,181	536	-	-	-	-	-	9,717
	1,440,289	151,965	(1,551)	(75,379)	-	(13,731)	86,190	1,587,783
University								
Land	166,323	-	(440)	-	-	-	6,037	171,920
Buildings	810,680	-	(369)	(23,265)	18,205	-	75,411	880,662
Construction in progress	76,258	67,536	-	-	(58,238)	(13,731)	-	71,825
Leasehold improvements	2,365	-	(366)	(1,191)	-	-	-	808
Plant and Equipment	235,884	12,802	(124)	(41,248)	40,033	-	-	247,347
Motor vehicles	3,936	637	(252)	(876)	-	-	-	3,445
Library holdings	6,078	931	-	(2,006)	-	-	-	5,003
Special library holdings	7,473	-	-	-	-	-	(738)	6,735
Art collection	9,181	536	-	-	-	-	-	9,717
	1,318,178	82,442	(1,551)	(68,586)	-	(13,731)	80,710	1,397,462

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

7. INTANGIBLE ASSETS

Intangible assets comprise deferred implementation costs of the human resources system and electronic publications for library holdings. Deferred implementation costs are capitalised and are amortised over a life of ten years for systems used in the administration of the University. Electronic publications are split into perpetual access and annual subscription based access to database licences. Perpetual access based publications are capitalised and amortised on a straight line basis over a period of ten years. The publications are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Annual subscription based publications are expensed as incurred.

	Consolidated		University	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Human resources system	4,153	-	4,153	-
Accumulated amortisation	(784)	-	(784)	-
	3,369	-	3,369	-
Electronic publications	10,758	8,921	10,758	8,921
Accumulated amortisation	(3,885)	(2,901)	(3,885)	(2,901)
	6,873	6,020	6,873	6,020
	10,242	6,020	10,242	6,020

MOVEMENTS IN CARRYING AMOUNTS

	Balance at beginning of year	Additions	Amortisation expense	Carrying amount at end of year
	\$000's	\$000's	\$000's	\$000's
2017				
Consolidated				
Human resources system	-	4,153	784	3,369
Electronic publications	6,020	1,837	984	6,873
	6,020	5,990	1,768	10,242
University				
Human resources system	-	4,153	784	3,369
Electronic publications	6,020	1,837	984	6,873
	6,020	5,990	1,768	10,242
2016				
Consolidated				
Electronic publications	5,144	1,684	808	6,020
	5,144	1,684	808	6,020
University				
Electronic publications	5,144	1,684	808	6,020
	5,144	1,684	808	6,020

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

8. TRADE AND OTHER PAYABLES

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

	Consolidated		University		
	2017	2016	2017	2016	
	Note	\$000's	\$000's	\$000's	\$000's
CURRENT					
Creditors and accrued expenses		84,724	82,794	84,388	82,378
Australian Government unspent financial assistance		48,747	38,717	48,747	38,717
Amount owing to Australian Government		257	66	257	66
OS-HELP liability to Australian Government		2,199	2,038	2,199	2,038
Income received in advance		129,242	106,804	127,431	105,197
Owing to subsidiaries		-	-	5,789	3,109
	20,21	265,169	230,419	268,811	231,505
NON-CURRENT					
Creditors and accrued expenses		10	-	10	-
		10	-	10	-
	20,21	265,179	230,419	268,821	231,505

9. EMPLOYEE BENEFIT PROVISIONS

Provision is made for benefits accruing to employees in respect of annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably. Provisions made in respect of employee benefits are measured based on expected settlement. Provisions which are expected to be settled wholly within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions which are not expected to be settled wholly within 12 months are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The wage inflation rate and the discount rate used in the calculation of the present value are as advised by the Department of Treasury and Finance for the reporting period.

Regardless of the expected timing of settlement, provisions made in respect of employee benefits are classified as a current liability unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability. Provisions made for annual leave and unconditional long service leave would be classified as a current liability where the employee has a present entitlement to the benefit. A non-current liability would include long service leave entitlements accrued for employees with less than seven or less than 10 years of continuous service, in accordance with the respective employment arrangements.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

9. EMPLOYEE BENEFIT PROVISIONS (Continued)	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
CURRENT					
Current provisions expected to be settled wholly within 12 months at nominal value					
Annual leave		26,503	25,062	26,177	24,716
Long service leave		7,075	6,098	6,906	5,936
		33,578	31,160	33,083	30,652
Provisions for employee benefit on-costs expected to be settled wholly within 12 months at nominal value					
Annual leave		5,971	5,651	5,919	5,595
Long service leave		1,591	1,369	1,573	1,353
		7,562	7,020	7,492	6,948
Current provisions expected to be settled wholly after more than 12 months at present value					
Annual leave		1,020	1,079	1,014	1,075
Long service leave		34,214	32,630	34,183	32,592
		35,234	33,709	35,197	33,667
Provisions for employee benefit on-costs expected to be settled wholly after more than 12 months at present value					
Annual leave		214	245	213	244
Long service leave		7,791	7,433	7,786	7,426
		8,005	7,678	7,999	7,670
Current provision for employee benefits		84,379	79,567	83,771	78,937
Deferred employee benefits for superannuation - Victorian State Superannuation Fund	13	12,336	13,074	12,336	13,074
		96,715	92,641	96,107	92,011
NON-CURRENT					
Long service leave at present value		13,529	12,701	13,554	12,686
Provisions for employee benefit on-costs at present value		3,092	2,901	3,087	2,891
		16,621	15,602	16,641	15,577
Deferred employee benefits for superannuation - Victorian State Superannuation Fund	13	140,634	142,526	140,634	142,526
Unfunded superannuation liability- State Employees Retirement Benefit (SERB)		147	149	147	149
		157,402	158,277	157,422	158,252
		254,117	250,918	253,529	250,263
SUMMARY					
Annual leave		33,708	32,037	33,323	31,630
Long service leave		67,292	63,132	67,089	62,884
Deferred employee benefits for superannuation- Victorian State Superannuation Fund		152,970	155,600	152,970	155,600
Unfunded superannuation liability- State Employees Retirement Benefit (SERB)		147	149	147	149
		254,117	250,918	253,529	250,263

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

10. RESERVES

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

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

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

	Consolidated		University	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Balance at beginning of year	547,247	450,986	534,568	443,787
Asset revaluation surplus				
Increase / (decrease) in asset valuation of non-current assets are:				
Land (valuation date: 31 October 2016)	-	6,337	-	6,037
Buildings (valuation date: 31 October 2016)	-	80,591	-	75,411
Special library holdings (valuation date: 20 September 2015)#	-	(738)	-	(738)
Art collection (valuation date: 1 November 2017)	2,091	-	2,091	-
Investments- available for sale financial assets (valuation date: 31 December 2017)	(135)	9,339	(135)	9,339
	1,956	95,529	1,956	90,049
Endowment Fund Reserve	1,015	732	1,015	732
Balance at end of year	550,218	547,247	537,539	534,568

In 2016 the valuer advised a revision to the valuation as at 20 September 2015. This revision to the valuation was recorded in 2016.

MOVEMENTS IN CARRYING AMOUNTS

	Balance at beginning of year	Transfer to Comprehensive Income on date of sale	Increase/ (decrease) on revaluation	Carrying amount at end of year
	\$000's	\$000's	\$000's	\$000's
Consolidated				
Asset Revaluation Surplus				
Land	116,381	-	-	116,381
Buildings	369,347	-	-	369,347
Special library holdings	789	-	-	789
Art collection	1,502	-	2,091	3,593
Investments- available for sale financial assets	51,154	(17,880)	17,745	51,019
Endowment Fund Reserve	8,074	1,015	-	9,089
	547,247	(16,865)	19,836	550,218
University				
Asset Revaluation Surplus				
Land	116,031	-	-	116,031
Buildings	357,018	-	-	357,018
Special library holdings	789	-	-	789
Art collection	1,502	-	2,091	3,593
Investments- available for sale financial assets	51,154	(17,880)	17,745	51,019
Endowment Fund Reserve	8,074	1,015	-	9,089
	534,568	(16,865)	19,836	537,539

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

11. RETAINED EARNINGS

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Retained earnings at beginning of year		1,300,091	1,253,310	1,284,859	1,241,610
Net result		101,399	47,469	99,141	43,981
Transfer to Reserves		(1,015)	(732)	(1,015)	(732)
Attribution from non-controlling interest		3	44	-	-
Retained earnings at end of year		1,400,478	1,300,091	1,382,985	1,284,859

12. CASH FLOW STATEMENT

RECONCILIATION OF CASH

Cash at bank and on hand		12,932	4,010	12,732	4,010
Bank deposits- on call		5,429	4,031	5,429	4,031
Bank term deposits		35,000	24,500	35,000	24,500
Total Cash and Cash Equivalents	3	53,361	32,541	53,161	32,541
Balance as per Statement of Cash Flows		53,361	32,541	53,161	32,541

RECONCILIATION OF NET RESULT TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Net result		101,399	47,469	99,141	43,981
Add / (less) non-cash items					
Depreciation and amortisation		89,060	76,187	80,318	69,394
Donations for art works		(143)	(333)	(143)	(333)
Donations for property, plant and equipment		(47)	-	(47)	-
Derecognition of construction in progress		-	13,731	-	13,731
Loss/(profit) on disposal of property, plant and equipment		(323)	497	(323)	497
Impairment for other financial assets		1,561	2,006	1,561	2,006
Impairment for investments in subsidiaries		-	-	1,591	3,700
Loss/(profit) on sale of other financial assets		(19,058)	(580)	(19,058)	(580)
Decrease / (increase) in:					
Current assets					
Trade debtors		(6,415)	(7,901)	(6,402)	(8,013)
Government grants receivable		-	4,684	-	4,684
Accrued income		(164)	2,787	(164)	2,906
Prepayments		(3,645)	(985)	(3,302)	(948)
GST recoverable		(1,122)	316	(1,117)	316
Inventories		14	78	14	78
Deferred government contribution for superannuation		738	892	738	892
Non-current assets					
Receivables		368	(2,516)	368	(2,516)
Deferred government contribution for superannuation		1,892	4,934	1,892	4,934
Increase / (decrease) in:					
Current liabilities					
Creditors and accrued expenses		12,313	8,331	12,390	8,538
Income received in advance		22,438	19,744	22,234	19,014
Owing to subsidiaries		-	-	2,680	(24,763)
Employee benefits		4,812	2,243	4,834	2,043
Deferred employee benefits for superannuation		(738)	(892)	(738)	(892)

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

12. CASH FLOW STATEMENT (Continued)

Non-current liabilities

	Consolidated		University	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Creditors and accrued expenses	10	-	10	-
Employee benefits	1,019	(127)	1,064	(62)
Deferred employee benefits for superannuation	(1,892)	(4,934)	(1,892)	(4,934)
Unfunded superannuation liability- SERB	(2)	(5)	(2)	(5)
Net cash provided by operating activities	202,075	165,626	195,647	133,668

Entity disposed

In 2015 University lost control of one subsidiary due to disposal. Details of the disposal were as follows:-

Consideration

Received in cash during the current year	510	1,589	510	1,589
	510	1,589	510	1,589
Proceeds from sale of subsidiary	510	1,589	510	1,589

13. SUPERANNUATION

UniSuper Defined Benefit Plan

Deakin University has a number of present staff members who are members of the UniSuper Defined Benefit Division (DBD) and in respect of whom defined benefits are payable on termination of employment. The UniSuper Trust Deed was amended in December 2006 to classify the plan as a defined contribution plan under Australian Accounting Standard AASB 119 Employee Benefits. The plan receives fixed contributions from the University, whereby the University's legal or constructive obligation is limited to these contributions.

As at 30 June 2017, the assets of the DBD in aggregate were estimated to be \$2,797 million above vested benefits, after allowing for various reserves. The Vested Benefit Index based on funding assumptions was 114.5%. The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.

As at 30 June 2017, the assets of the DBD in aggregate were estimated to be \$4,258 million above accrued benefits, after allowing for various reserves. The Accrued Benefit Index based on best estimate assumptions was 123.9%. The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuaries, Ms Kate Maartensz and Mr Andrew West, using the actuarial demographic assumptions outlined in their report on the actuarial investigation of the DBD as at 1 July 2017. The financial assumptions used were:

	Vested benefits	Accrued benefits
Gross of tax investment return - DBD pensions	5.3% p.a.	6.6% p.a.
Gross of tax investment return - commercial rate indexed pensions	2.9% p.a.	2.9% p.a.
Net of tax investment return - non pensioner members	4.7% p.a.	5.8% p.a.
Consumer Price Index	2.0% p.a.	2.0% p.a.
Inflationary salary increases long-term	3.0% p.a.	3.0% p.a.

Assets have been included at their net market value; that is, after allowing for realisation costs.

A Clause 34 monitoring period was initiated following the 30 June 2013 actuarial investigations. Following the end of the monitoring period commencing on 30 June 2017, the Fund's actuary advised that the Trustee is not required to take any further action, and that the monitoring period is now ceased.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

13. SUPERANNUATION (Continued)

Victorian State Superannuation Fund

In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Education and Training (Education), the effects of the unfunded superannuation liabilities of Deakin University were recorded in the Statement of Comprehensive Income and the Statement of Financial Position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements. Accordingly, the unfunded liabilities have been recognised in the Statement of Financial Position under provisions, with a corresponding asset recognised under receivables. The recognition of both the asset and the liability consequently does not affect the year-end net asset position of Deakin University.

AASB 119 Employee Benefits requires that the estimated present value of superannuation obligations recognised in the financial statements should be determined as at balance date. These financial statements recognise estimated superannuation obligations in respect of the State Superannuation Fund using an actuarial estimate as at 31 December 2017.

The unfunded liabilities recorded in the Statement of Financial Position under provisions have been determined by Ms Catherine Nance, FIAA and relate to the estimates of net liabilities at 31 December 2017. The methodology for measurement of the net liabilities uses the discount rate of 2.92% based on the government bond rate and assumed salary increases of 4% and pension indexation of 2.5%. The net liability has reduced by \$2.630 million (2016: reduced by \$5.826 million), or 1.7% (2016: 3.6%) over the year to 31 December 2017.

The main reasons for the change in the net liability are:

- 3.2% decrease in membership (2016: 4.4%), which decrease the liability, partly offset by,
- the discount rate decreased from 3.25% as at 31 December 2016 to 2.92% as at 31 December 2017, which has increased the accrued benefit liabilities by \$4.879 million (2016: \$3.967 million).

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

Deakin University has a number of present and former staff who are members of the Victorian State Superannuation Fund and in respect of whom defined benefits are payable on termination of employment. As at 31 December 2017, the Victorian State Superannuation Fund was carrying total liabilities for member benefits in excess of the value of the fund's assets. Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the fund. The notional share of this public sector employee superannuation fund's unfunded liabilities attributable to Deakin University, as assessed by the fund as at 31 December 2017, amounted to \$152.970 million (2016: \$155.600 million). Unfunded liabilities are met by the Australian Government.

	Note	Consolidated		University	
		2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's
Amounts receivable from Australian Government					
Receivable within 12 months	4	12,336	13,074	12,336	13,074
Receivable later than 12 months	4	140,634	142,526	140,634	142,526
Total deferred government contribution for superannuation		152,970	155,600	152,970	155,600
Movements in deferred government contribution for superannuation		(2,630)	(5,826)	(2,630)	(5,826)
Unfunded superannuation liability					
Payable within 12 months	9	12,336	13,074	12,336	13,074
Payable later than 12 months	9	140,634	142,526	140,634	142,526
Total deferred employee benefits for superannuation		152,970	155,600	152,970	155,600
Movements in deferred employee benefits for superannuation		(2,630)	(5,826)	(2,630)	(5,826)

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

14. COMMITMENTS

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value and inclusive of GST payable.

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

	Consolidated		University	
	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's
Capital commitments				
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:				
Property, plant and equipment				
Within one year	53,285	35,801	53,285	35,801
Between one and five years	4,931	937	4,931	937
	58,216	36,738	58,216	36,738
Operating leases				
Commitments for minimum lease payments in relation to operating leases are payable as follows				
Within one year	12,758	10,735	12,612	10,574
Between one and five years	29,168	22,036	29,168	22,036
Later than five years	21,823	18,738	21,823	18,738
	63,749	51,509	63,603	51,348

15. CONTINGENCIES

There are no material contingent liabilities and no material contingent assets at balance date (2016: nil).

Bank guarantees totalling \$563,250 (2016: \$563,250) have been issued to third parties primarily in relation to properties.

16. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There are no events occurring after the end of the reporting period that would materially affect the financial position of the Group (2016: nil).

17. KEY MANAGEMENT PERSONNEL DISCLOSURES

Name of Responsible Persons

University

For the purposes of the *Financial Management Act 1994 (Vic)*, the Victorian Minister for Training and Skills and members of the University Council are the responsible persons of the University. The Victorian Minister for Training and Skills from 1 January 2017 to 31 December 2017 was the Hon. Gayle Tierney.

The remuneration of the Minister is included in the financial statements of the Victorian Department of Parliamentary Services.

Members of the University Council received remuneration for services rendered.

The following persons held office as the members of the University Council during the financial year:

Mr J Stanhope AM (Chancellor)
 Professor J den Hollander AO (Vice-Chancellor and President)
 Mr P Meehan (Deputy Chancellor)
 Ms K Grigg (Deputy Chancellor)
 Dr D Ashbridge (ceased 17 February 2017)
 Ms H Bender OAM
 Ms C Boyer-Spooner
 Mrs A Di Pasquale
 Ms M Douglas-Crane
 Dr S Eassom
 Mr S Hamilton AO
 Ms D Harding
 Professor C Hickey
 Ms P Kelly
 Mr P Niblett
 Dr L Roberts AO (appointed 1 April 2017).

Professor J den Hollander AO is the Accountable Officer.

Remuneration received or receivable by the Accountable Officer in connection with the management of the University during the reporting period was in the range \$1,000,000 to \$1,009,999 (2016: \$990,000 to \$999,999).

Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of Deakin University during the year:

Professor B Cherednichenko
 Professor M Ewing
 Mr K Selway
 Mr W Confalonieri
 Mr R Fairchild
 Professor G Smith
 Professor B Crotty
 Professor P Hodgson
 Professor J Graffam (11 December 2017- 31 December 2017)
 Professor T Day
 Ms K Parker
 Professor B Oliver

Subsidiaries

The following persons held office as the directors of the subsidiary companies, but not as executive officers of the University, during the financial year:

Mr A Jenkins
 Mr S Hann
 Mr G Pullen (appointed 30 August 2017)
 Mr S Hamilton AO (ceased 24 May 2017)
 Mr S Weiss (ceased 24 May 2017).

The following persons held office as the directors of the subsidiary companies and as executive officers of the University during the financial year:

Professor J den Hollander AO
 Mr K Selway
 Ms K Parker.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

17. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

RESPONSIBLE PERSONS REMUNERATION

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

Short-term employee benefits

Termination payments

Total compensation

Consolidated		University	
2017	2016	2017	2016
\$000's	\$000's	\$000's	\$000's
2,621	2,363	1,971	1,842
-	42	-	42
2,621	2,405	1,971	1,884

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

Nil to \$9,999

\$10,000 to \$19,999

\$20,000 to \$29,999

\$30,000 to \$39,999

\$40,000 to \$49,999

\$50,000 to \$59,999

\$60,000 to \$69,999

\$110,000 to \$119,999

\$150,000 to \$159,999

\$160,000 to \$169,999

\$170,000 to \$179,999

\$210,000 to \$219,999

\$290,000 to \$299,999

\$330,000 to \$339,999

\$420,000 to \$429,999

\$990,000 to \$999,999

\$1,000,000 to \$1,009,999

Consolidated		University	
2017	2016	2017	2016
1	-	1	-
2	2	1	2
4	7	4	6
6	3	6	3
-	1	-	1
-	1	-	1
2	1	1	1
-	1	-	1
1	1	-	1
-	1	-	-
-	1	-	1
1	-	1	-
1	-	1	-
-	1	-	1
-	1	-	-
1	-	-	-
-	1	-	1
1	-	1	-
20	21	16	18
17.6	17.5	14.9	14.5

Annualised employee equivalent

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

\$10,000 to \$19,999

\$200,000 to \$209,999

\$210,000 to \$219,999

\$220,000 to \$229,999

\$240,000 to \$249,999

\$280,000 to \$289,999

\$380,000 to \$389,999

\$410,000 to \$419,999

\$420,000 to \$429,999

\$430,000 to \$439,999

\$440,000 to \$449,999

\$450,000 to \$459,999

\$470,000 to \$479,999

\$480,000 to \$489,999

\$490,000 to \$499,999

\$520,000 to \$529,999

\$530,000 to \$539,999

\$540,000 to \$549,999

\$560,000 to \$569,999

Consolidated		University	
2017	2016	2017	2016
1	-	1	-
1	1	-	-
1	-	-	-
-	1	-	1
-	1	-	-
-	1	-	-
-	1	-	1
-	4	-	4
1	-	1	-
1	2	1	2
1	2	1	2
2	-	2	-
-	1	-	1
2	-	2	-
1	1	1	1
1	-	1	-
-	1	-	1
1	-	1	-
1	-	1	-
14	16	12	13
12.5	13.9	11.1	11.9

Annualised employee equivalent

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

17. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

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

Short-term employee benefits

Termination payments

Total compensation

Consolidated		University	
2017	2016	2017	2016
\$000's	\$000's	\$000's	\$000's
5,761	5,981	5,336	5,410
-	274	-	119
5,761	6,255	5,336	5,529

Other transactions with key management personnel

The Vice-Chancellor, Professor J den Hollander AO is Deputy Chair of the Geelong Performing Arts Centre Trust. Deakin University sponsored the Geelong Performing Arts Centre Theatre in 2017.

The Vice-Chancellor, Professor J den Hollander AO is a member of the Kardinia Park Stadium Trust. Deakin University sponsored the Geelong Football Club in 2017, whose home ground is Kardinia Park Stadium.

A member of Council, Dr S Eassom holds a management position with IBM. Deakin conducted business with IBM on normal commercial terms and conditions, including on the Deakin IBM Watson project.

The Chancellor, Mr J Stanhope AM is Chairman of Australia Post. Deakin conducted business with Australia Post on normal commercial terms and conditions.

The Chancellor, Mr J Stanhope AM is also a non-executive director of AGL Energy Limited AM. Deakin conducted business with AGL on normal commercial terms and conditions.

A member of Council, Ms D Harding was President of the Deakin University Student Association (DUSA) in 2017. Deakin University has a funding and service agreement with DUSA.

The Executive Dean, Faculty of Arts and Education, Professor B Cherednichenko is a non-executive director of the Origin Foundation Board. Deakin University received funding from the Origin Foundation on its normal terms and conditions.

The Executive Dean, Faculty of Health, Professor B Crotty is a member of the Board of Barwon Health. Deakin University and Barwon Health conducted collaborative research and health projects and Deakin University students received clinical supervision by Barwon Health on the normal terms and conditions attached to clinical placements.

The Deputy Vice-Chancellor Education, Professor B Oliver, is the Deputy Chair of the Board of EduGrowth. Deakin University conducted business with EduGrowth on normal terms and conditions.

Ex-gratia payments

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

18. REMUNERATION OF AUDITORS

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

Deakin University

Subsidiaries

Consolidated	
2017	2016
\$000's	\$000's
222	217
40	29

19. SUBSIDIARIES

Section 48 of the *Deakin University Act 2009 (Vic)* permits the University to form limited liability companies. At the reporting date the University controlled the entities listed in the table below.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Deakin University as at 31 December 2017 and the results of all subsidiaries for the year then ended. Deakin University and its subsidiaries are referred to in this financial report as the Group or the Consolidated Entity.

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

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

19. SUBSIDIARIES (Continued)

Name of entity	Principal place of business	Principal Activity	Ownership interest	
			2017	2016
Unilink Limited	Australia	Provision of human resource services to Deakin University	100%	100%
Deakin Residential Services Pty Ltd	Australia	Provision of residential services	100%	100%
Deakin Digital Pty Ltd	Australia	Provision of educational services	100%	100%
iHosp Pty Ltd	Australia	Development of software for hospital administration	35%	35%
Deakin Cyber Security Accelerator Pty Ltd	Australia	Development of a program to support developers of innovative solutions to cyber security challengers	100%	100%
FLAIM Systems Pty Ltd	Australia	Development of a reality system for simulating training scenarios for emergency services personnel	100%	n/a

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

Statement of Comprehensive Income

Entity	Note	Total Revenue		Total Expenditure		Net Profit/(Loss) After Tax Expense	
		2017	2016	2017	2016	2017	2016
		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Unilink Limited		8,398	6,976	8,398	6,976	-	-
Deakin Residential Services Pty Ltd		28,016	22,387	25,722	18,730	2,294	3,657
Deakin Digital Pty Ltd		16	42	1,620	4,181	(1,604)	(4,139)
iHosp Pty Ltd		-	-	5	68	(5)	(68)
Deakin Cyber Security Accelerator Pty Ltd		400	-	386	-	14	-
FLAIM Systems Pty Ltd		-	-	34	-	(34)	-
		36,830	29,405	36,165	29,955	665	(550)

Statement of Financial Position

(a) Assets	Entity	Note	Current assets		Non-current assets		Total assets	
			2017	2016	2017	2016	2017	2016
			\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	Unilink Limited	(a)	609	550	-	-	609	550
	Deakin Residential Services Pty Ltd	(b)	7,542	4,666	235,985	190,321	243,527	194,987
	Deakin Digital Pty Ltd	(c)	-	281	-	-	-	281
	iHosp Pty Ltd	(d)	3	12	-	-	3	12
	Deakin Cyber Security Accelerator Pty Ltd	(e)	44	-	-	-	44	-
	FLAIM Systems Pty Ltd		227	-	-	-	227	-
			8,425	5,509	235,985	190,321	244,410	195,830

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

19. SUBSIDIARIES (Continued)

(b) Liabilities	Current liabilities		Non-current liabilities		Total liabilities	
	2017	2016	2017	2016	2017	2016
Entity	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Unilink Limited	575	502	34	48	609	550
Deakin Residential Services Pty Ltd	3,188	3,282	127,682	81,342	130,870	84,624
Deakin Digital Pty Ltd	-	238	-	31	-	269
iHosp Pty Ltd	-	4	-	-	-	4
Deakin Cyber Security Accelerator Pty Ltd	30	-	-	-	30	-
FLAIM Systems Pty Ltd	11	-	-	-	11	-
	3,804	4,026	127,716	81,421	131,520	85,447
(c) Equity and Borrowings	Equity		Internal borrowings		External borrowings	
	2017	2016	2017	2016	2017	2016
Entity	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Unilink Limited	-	-	-	-	-	-
Deakin Residential Services Pty Ltd	112,657	110,363	127,682	81,342	-	-
Deakin Digital Pty Ltd	-	12	-	-	-	-
iHosp Pty Ltd	3	8	-	-	-	-
Deakin Cyber Security Accelerator Pty Ltd	14	-	-	-	-	-
FLAIM Systems Pty Ltd	216	-	-	-	-	-
	112,890	110,383	127,682	81,342	-	-

(a) Current assets includes an amount owing by Deakin University of \$608,666 (2016: \$550,116).

(b) Current assets includes an amount owing by Deakin University of \$5,133,383 (2016: \$2,306,744).

(c) Current assets includes an amount owing by Deakin University of \$0 (2016: \$239,790).

(d) Current assets includes an amount owing by Deakin University of \$3,455 (2016: \$12,155).

(e) Current assets includes an amount owing by Deakin University of \$44,138 (2016: \$0).

20. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. Financial risk management is overseen by the Audit and Risk Committee under policies approved by the Council. The Audit and Risk Committee provides advice to Council on the Group's accounting, control and reporting practices and risks. The Finance and Business Affairs Committee provide advice to Council on the management of corporate assets. The Group uses derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and ageing analysis for credit risk.

(a) Market risk

(i) Foreign exchange risk

The Group's foreign exchange exposure is limited. Sources of potential foreign exchange risk may include occasional transactions such as contracts for the supply of goods and services expressed in foreign currency e.g. library books and journals. The Group's practice is to hedge significant foreign currency commitments by using appropriate hedging instruments. The Group also has limited foreign exchange exposure within its non-current financial assets available for sale- global equities investment. This exposure, as part of a broader diversified investment portfolio, is monitored by the Investment Committee.

(ii) Price risk

Financial assets at available for sale, in particular Australian and offshore equities, are subject to price risk, with frequent changes in share market valuations. Changes in fair value are recorded through the Other Comprehensive Income as they occur. These investments are also monitored by the Investment Committee.

The Committee regularly reviews investment performance against established objectives, advises on proposed policy changes and monitors the asset allocation mix of the investment portfolio. The investment portfolio is constructed to diversify price risk across the various asset classes.

(iii) Interest rate risk

Investment of funds is monitored by the Investment Committee. The Committee regularly reviews investment performance against established objectives, advises on proposed policy changes and monitors the asset allocation mix of the investment portfolio. The investment portfolio is constructed to diversify interest rate risk through the use of highly rated 'fund of funds' short-term investment products

The Group's practice is to eliminate the potential loss resulting from adverse movements in floating market rates by using appropriate hedging instruments.

20. FINANCIAL RISK MANAGEMENT (Continued)

(iv) Summarised sensitivity analysis

The sensitivity analysis below has been determined based on management's assessment of possible changes in price movements, in particular Australia and offshore equity markets, and interest rates.

Management considers an interest rate rise of one per cent and fall or rise in equities markets of five per cent as reasonably possible, as at the reporting date.

Consolidated	Financial instruments	Note	Carrying amount		1%		-5%		5%				
			2017	2016	Result	Equity	Result	Equity	Result	Equity			
			\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's		
Interest rate risk													
Price risk													
(i) Financial assets													
Cash on hand	3	2	2	129	40	129	40	-	-	-	-		
Cash at bank	3	12,930	4,008	40	129	40	-	-	-	-	-		
Bank deposits	3	40,429	28,531	404	285	404	285	-	-	-	-		
Receivables - trade debtors	4	28,744	22,839	-	-	-	-	-	-	-	-		
Receivables - other current	4	16,202	16,776	-	-	-	-	-	-	-	-		
Receivables - other non-current	4	143,804	146,064	-	-	-	-	-	-	-	-		
Financial assets held-to-maturity	5	184,000	179,000	1,840	1,790	1,840	1,790	-	-	-	-		
Other financial assets- non-current	5	369,572	316,936	-	-	-	-	(17,279)	(14,806)	-	17,279		
Total financial assets		795,683	714,156	2,373	2,115	2,373	2,115	-	(17,279)	(14,806)	-	17,279	14,806
(ii) Financial liabilities													
Payables	8	84,991	82,860	-	-	-	-	-	-	-	-	-	
Total financial liabilities		84,991	82,860	-	-	-	-	-	-	-	-	-	
Total increase / (decrease)				2,373	2,115	2,373	2,115	-	(17,279)	(14,806)	-	17,279	14,806

20. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

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

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

(c) Liquidity risk

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

Consolidated	Note	Floating interest rate		Fixed interest rate maturing in:					Non-interest bearing		Total carrying amount as per the Statement of Financial Position				Weighted average effective interest rate or earnings rate		
		2017	2016	Less than 1 year	1 to 5 Years	Over 5 Years	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	
Financial instruments		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	%	%
(i) Financial assets																	
Cash at bank and on hand	3	12,930	4,008							2	2	12,932	4,010		1.31%	1.30%	
Bank deposits - at call	3	5,429	4,031									5,429	4,031		1.50%	1.50%	
Bank term deposits	3			35,000	24,500							35,000	24,500		2.37%	2.57%	
Receivables - trade debtors	4											28,744	22,839		-	-	
Receivables - other current	4											16,202	16,776		-	-	
Receivables - other non-current	4											143,804	143,804		-	-	
Financial assets held-to-maturity	5			184,000	179,000							184,000	179,000		2.48%	2.66%	
Other financial assets - non-current	5	345,576	296,119									23,996	20,817		369,572	316,936	
Total financial assets		363,935	304,158	219,000	203,500							212,748	206,498	795,683	714,156		
(ii) Financial liabilities																	
Payables	8											84,991	82,860	84,991	82,860		
Total financial liabilities		-	-	-	-	-	-	-	-	-	-	84,991	82,860	84,991	82,860		

(d) Unrecognised financial instruments

Forward exchange contracts:

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

	Gains or losses unrecognised from forward exchange contracts:	
	2017	2016
Unrecognised gains / (losses)	\$000's (86)	\$000's 69

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

21. FAIR VALUE MEASUREMENTS

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

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

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

The fair value of assets or liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting

period. Quoted market prices or dealer quotes for similar instruments (level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (level 3) such as estimated discounted cash flows, are used to determine fair value for the remaining assets and liabilities. The fair value of forward exchange contracts is determined using forward exchange market rates at the end of the reporting period. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase price of the asset, to use it in a manner that would be highest and best use. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(a) Fair value measurements

The carrying amounts and aggregate fair value of financial assets and financial liabilities at the reporting date are as follows:

Consolidated	Note	Total carrying amount as per the Statement of Financial Position		Aggregate fair value	
		2017 \$000's	2016 \$000's	2017 \$000's	2016 \$000's
Financial assets					
Cash at bank and on hand	3	12,932	4,010	12,932	4,010
Bank deposits - at call	3	5,429	4,031	5,429	4,031
Bank term deposits	3	35,000	24,500	35,000	24,500
Receivables - trade debtors	4	28,744	22,839	28,744	22,839
Receivables - other current	4	16,202	16,776	16,202	16,776
Receivables - other non-current	4	143,804	146,064	143,482	145,652
Other financial assets - current	5	184,000	179,000	184,000	179,000
Other financial assets - non-current	5	369,572	316,936	369,572	316,936
Total financial assets		795,683	714,156	795,361	713,744
Financial liabilities					
Payables	8	84,991	82,860	84,991	82,860
Total financial liabilities		84,991	82,860	84,991	82,860

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

Cash and cash equivalents

The carrying amount approximates fair value because of their short term to maturity.

Trade receivables and payables

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair value due to their short-term nature.

Non-current receivables

The fair value of non-current receivable, Deferred Government Contribution for Superannuation, is measured at nominal value which is offset by a liability to the Victorian Government of equal value (refer to Note 13).

The fair value of other non-current receivables are estimated by discounting future payments to net present value, using the discount rates as advised by the Department of Treasury and Finance.

Other financial assets - current at fair value

For financial instruments traded in organised financial markets, fair value is the current quoted market bid price for an asset.

Other financial assets - non-current

For unlisted securities where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of another instrument which is substantially the same, or is calculated based on the expected cash flows, or the underlying net asset base of the investment/security.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

21. FAIR VALUE MEASUREMENTS (Continued)

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

- Financial assets available-for-sale
- Land and buildings
- Special library holdings
- Art collection.

(b) Fair value hierarchy

The University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement.

Level 1- quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- inputs other than quoted prices within level 1 that are observable for the asset or liability either directly or indirectly

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

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2017.

Fair value measurements at 31 December 2017

Recurring fair value measurements

Consolidated	Note	Total	Level 1	Level 2	Level 3
		\$000's	\$000's	\$000's	\$000's
Financial assets					
Financial assets available for sale	5	361,776	345,576	-	16,200
Total financial assets		361,776	345,576	-	16,200
Non-financial assets					
Land	6	177,540	-	-	177,540
Buildings	6	1,029,296	-	9,095	1,020,201
Special library holdings	6	6,735	-	6,735	-
Art collection	6	12,084	-	12,084	-
Total non-financial assets		1,225,655	-	27,914	1,197,741

Fair value measurements at 31 December 2016

Recurring fair value measurements

Consolidated	Note	Total	Level 1	Level 2	Level 3
		\$000's	\$000's	\$000's	\$000's
Financial assets					
Financial assets available for sale	5	307,146	296,119	-	11,027
Total financial assets		307,146	296,119	-	11,027
Non-financial assets					
Land	6	173,420	-	-	173,420
Buildings	6	985,097	-	7,248	977,849
Special library holdings	6	6,735	-	6,735	-
Art collection	6	9,717	-	9,717	-
Total non-financial assets		1,174,969	-	23,700	1,151,269

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements see (d) below.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Disclosed fair values

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

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the end of the

reporting period (level 1). This is the most representative of fair value in the circumstances.

The fair values of held-to-maturity investments that are disclosed in Note 5 were determined by reference to published price quotations in an active market (level 1).

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

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

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

21. FAIR VALUE MEASUREMENTS (Continued)

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

Recurring fair value measurements

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

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Specific valuation techniques used to value financial instruments include:

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

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities.

Land, buildings, special library holdings and art collection (classified as property, plant and equipment) are valued independently every three years. At the end of each reporting period, the Group updates their assessment of the fair value of each property, taking into account the most recent independent valuations. The Group determines the property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the Group considers information from a variety of sources, including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

All resulting fair value estimates for properties are included in level 3.

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

The following table is a reconciliation of level 3 items for the years ended 31 December 2017 and 2016.

	Unlisted equity securities at valuation	Land	Buildings	Total
Level 3 Fair value measurements 2017	\$000's	\$000's	\$000's	\$000's
Opening balance	11,027	173,420	977,849	1,162,296
Acquisitions	-	4,120	76,267	80,387
Recognised in other comprehensive income	5,173	-	-	5,173
Recognised in profit or loss	-	-	(33,915)	(33,915)
Closing balance	16,200	177,540	1,020,201	1,213,941
Level 3 Fair value measurements 2016	\$000's	\$000's	\$000's	\$000's
Opening balance	9,198	167,523	741,259	917,980
Acquisitions	-	-	161,153	161,153
Sales	-	(440)	(369)	(809)
Recognised in other comprehensive income	1,829	6,337	80,591	88,757
Recognised in profit or loss	-	-	(4,785)	(4,785)
Closing balance	11,027	173,420	977,849	1,162,296

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

21. FAIR VALUE MEASUREMENTS (Continued)

(i) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Description	Fair Value at 31/12/17	Valuation technique	Significant unobservable inputs	Range of inputs (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
	\$'000				
Unlisted equity securities at valuation	16,200	Adjusted net assets	A reasonable estimate of the fair value is determined by reference to the underlying net asset base of the investment, add the market capitalisation of the investment, then discounting the value to reflect the existing restrictive agreement in place.	n/a	A significant increase or decrease in the net asset of the investment / security would result in a significantly higher or lower fair value
	16,200				

Description	Fair Value at 31/12/17	Valuation technique	Significant unobservable inputs
	\$'000		
Land	177,540	Market approach	Community Service Obligation (CSO) adjustment
Buildings	1,020,201	Depreciated replacement cost	Direct cost per square metre and useful life of specialised buildings
	1,197,741		

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

(ii) Valuation process

The group engages external, independent and qualified valuers to determine the fair value of the group's land and buildings at least every three years. The art collection was valued by Mr Guy Abrahams, a member of the Art Consulting Association of Australia, at 1 November 2017.

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

22. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE**22.1 Education - CGS and Other Education Grants**

Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)
Net accrual adjustments
Revenue for the period
Surplus / (deficit) from the previous year
Total revenue including accrual revenue
Less expenses including accrual expenses
Surplus / (deficit) for reporting period

	University only									
	Commonwealth Grants Scheme #1		Indigenous Student Success Program #2		Higher Education Participation Program		Disability Performance Funding #3			
Note	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	286,061	284,501	-	1,975	4,974	5,764	385	432		
	(2,816)	(1,440)	-	-	-	-	-	-		
	283,245	283,061	-	1,975	4,974	5,764	385	432		
	-	-	-	-	-	-	-	-		
	283,245	283,061	-	1,975	4,974	5,764	385	432		
	(283,245)	(283,061)	-	(1,975)	(4,974)	(5,764)	(385)	(432)		
	-	-	-	-	-	-	-	-		

#1 Includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading,

CGS – Medical student Loading, Allocated Places, Non Designated Courses and

CGS – Special Advances from Future Years.

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

#3 Disability Performance Funding includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education and Training.

22.1 Education - CGS and Other Education Grants (Continued)

Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)
Net accrual adjustments
Revenue for the period
Surplus / (deficit) from the previous year
Total revenue including accrual revenue
Less expenses including accrual expenses
Surplus / (deficit) for reporting period

	University only									
	Promotion of Excellence in Learning & Teaching		Support for Warrnambool Campus		Superannuation Programme				Total	
Note	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
	92	695	7,000	-	11,161	15,548	309,673	308,915		
	-	-	-	-	1,148	(2,492)	(1,668)	(3,932)		
	92	695	7,000	-	12,309	13,056	308,005	304,983		
	-	75	-	-	-	-	-	75		
	92	770	7,000	-	12,309	13,056	308,005	305,058		
	-	(770)	(9,047)	-	(12,309)	(13,056)	(309,960)	(305,058)		
	92	-	(2,047)	-	-	-	(1,955)	-		

22. ACCUTTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (Continued)

	<i>University only</i>									
	HECS - HELP (Australian Government payments only)		FEE - HELP #4		SA-HELP		Total			
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
22.2 Higher Education Loan Programmes										
Cash payable / (receivable) at beginning of year	1,225	827	(3,114)	(4,329)	-	-	(1,889)	(3,502)		
Financial assistance received in cash during the reporting period	204,247	196,487	47,158	44,959	5,076	4,005	254,481	245,451		
Cash available for the year	205,472	197,314	44,044	40,630	5,076	4,005	254,592	241,949		
Net accrual adjustments	(1,520)	(682)	(4,188)	(1,231)	-	-	(5,708)	(1,913)		
Revenue earned	2.1 (204,129)	(195,407)	(45,084)	(42,513)	(5,076)	(4,005)	(254,289)	(241,925)		
Cash payable / (receivable) at end of year	(177)	1,225	(5,228)	(3,114)	-	-	(5,405)	(1,889)		

#4 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

	Scholarship - Research Training Program #6		Research - Research Support Program #7		Total	
	2017	2016	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
22.3 Education Scholarship and Research						
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	19,016	18,046	11,287	11,049	30,303	29,095
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	2.1 19,016	18,046	11,287	11,049	30,303	29,095
Surplus / (deficit) from the previous year	4,667	1,978	-	-	4,667	1,978
Total revenue including accrual revenue	23,683	20,024	11,287	11,049	34,970	31,073
Less expenses including accrual expenses	(20,099)	(15,357)	(11,287)	(11,049)	(31,386)	(26,406)
Surplus / (deficit) for reporting period (#5)	3,584	4,667	-	-	3,584	4,667

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2017

**22. ACCOUNTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE
(Continued)****22.3 Education Scholarship and Research (Continued)**

	Total domestic students	Total overseas students
Total Research Training Program expenditure	\$000's	\$000's
Research Training Program Fees offsets	16,741	-
Research Training Program Stipends	2,979	380
Research Training Program Allowances	-	-
Total for all types of support	19,720	380

#5 The reported surplus for Research Training Program of \$3.584 million for 2017 is expected to be rolled over for future use by the University.

#6 Research Training Program has replaced Australian Postgraduate Awards, International Postgraduate Research Scholarships and Research Training Scheme in 2017. 2016 data for the programs that have been replaced are reported in the Research Training Program comparatives.

#7 Research Support Program has replaced Joint Research Engagement, JRE Engineering Cadetships, Research Block Grants and Sustainable Research Excellence in Universities in 2017. 2016 data for the programs that have been replaced are reported in the Research Support Program comparatives.

University only

	Better Universities Renewal Fund		Education Investment Fund		Total	
	2017	2016	2017	2016	2017	2016
22.4 Other Capital Funding	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	-	100	-	100
Net accrual adjustments	1	13	-	-	1	13
Liability for the period	1	13	-	100	1	113
Balance b/f from the previous year	143	1,051	-	(100)	143	951
Total liabilities	144	1,064	-	-	144	1,064
Less expenses including accrual expenses (the same amounts are recognised as revenue)	(144)	(921)	-	-	(144)	(921)
Unspent (overspent) balance at the end of reporting period	-	143	-	-	-	143

2.1 Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)

Net accrual adjustments

Liability for the period

Balance b/f from the previous year

Total liabilities

Less expenses including accrual expenses (the same amounts are recognised as revenue)

Unspent (overspent) balance at the end of reporting period

22. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE
(Continued)

22.5 AUSTRALIAN RESEARCH COUNCIL GRANTS

	University only									
	Discovery		Linkages		Capital - Infrastructure		Total			
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the Programmes)	7,601	7,561	4,176	3,601	-	368	11,777	11,530		
Net accrual adjustments	-	-	-	-	-	-	-	-		
Revenue for the period	7,601	7,561	4,176	3,601	-	368	11,777	11,530		
Surplus / (deficit) from the previous year	5,365	5,928	4,405	3,451	318	-	10,088	9,379		
Total revenue including accrual revenue	12,966	13,489	8,581	7,052	318	368	21,865	20,909		
Less expenses including accrual expenses	(7,030)	(8,124)	(3,527)	(2,647)	(169)	(50)	(10,726)	(10,821)		
Surplus / (deficit) for reporting period	5,936	5,365	5,054	4,405	149	318	11,139	10,088		

22.6 OS-HELP

	University only	
	2017	2016
	\$000's	\$000's
Cash received during the reporting period	8,075	6,488
Cash spent during the reporting period	(7,914)	(7,640)
Net cash received	161	(1,152)
Cash surplus / (deficit) from the previous period	2,038	3,190
Cash surplus / (deficit) for the reporting period	2,199	2,038

22.7 Student Services And Amenities Fee

	Note	\$000's	\$000's
Unspent / (overspent) revenue from previous period		1,417	987
SA-HELP revenue earned		5,076	4,005
Student services fees direct from students		1,714	1,959
Total revenue expendable in period		8,207	6,951
Student services expenses during period		(6,709)	(5,534)
Unspent / (overspent) student services revenue		1,498	1,417



Financial statements for the year ended 31 December 2017

Declaration by Chancellor, Vice-Chancellor and Chief Financial Officer

In our opinion:

The accompanying financial statements and notes present fairly the financial position of the University and the consolidated group as at 31 December 2017, the financial performance for the year ended 31 December 2017, and comply with the *Financial Management Act 1994*, the applicable Financial Reporting Directions, *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards and other mandatory professional reporting requirements.

At the date of this declaration there are reasonable grounds to believe that the University and the consolidated group will be able to pay its debts as and when they fall due.

The amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended and Deakin University has complied with applicable legislation, contracts, agreements and programme guidelines in making this expenditure.

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

Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

We are not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of Deakin University Council on 15 March 2018.

Mr John Stanhope AM

Chancellor
15 March 2018
Geelong

Professor Jane den Hollander AO

Vice-Chancellor and President
15 March 2018
Geelong

Ms Kerrie Parker

Chief Financial Officer
15 March 2018
Geelong

Certification

Prior to the adoption of the 2017 financial statements Council considered a declaration from the Vice-Chancellor and Chief Financial Officer that in their opinion:

- the financial records of the University have been properly maintained;
- the financial statements comply with the accounting standards, the *Financial Management Act 1994*, applicable Financial Reporting Directions and present fairly the University's financial position and performance; and
- the integrity of the financial statements is founded on a sound system of risk management and internal control which is operating effectively.

Mr John Stanhope AM

Chancellor
15 March 2018
Geelong

Independent Auditor's Report

VAGO

Victorian Auditor-General's Office

Level 31, 35 Collins Street
Melbourne VIC 3000

Telephone 61 3 8601 7000

Facsimile 61 3 8601 7010

Email enquiries@audit.vic.gov.au

Website www.audit.vic.gov.au

To the Council of Deakin University

Qualified opinion

I have audited the consolidated financial report of Deakin University (the University) and its controlled entities (together the consolidated entity) which comprises the:

- consolidated entity and university statement of financial position as at 31 December 2017
- consolidated entity and university statement of comprehensive income for the year then ended
- consolidated entity and university statement of changes in equity for the year then ended
- consolidated entity and university statement of cash flows for the year then ended
- notes to the financial statements, including a summary of significant accounting policies
- Chancellor, Vice Chancellor and President and Chief Financial Officer's certification.

In my opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of my report, the financial report is in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- presenting fairly, in all material respects, the financial position of the University and the consolidated entity as at 31 December 2017 and their financial performance and cash flows for the year then ended
- complying with Australian Accounting Standards

Basis for qualified opinion

Deakin University has recognised a liability of \$39,979,000 in the statement of financial position (2016: \$31,778,000) that represents Australian Government financial assistance grants received but not spent during the year ended 31 December 2017.

As stated in Note 2.1 to the financial report, the University regards the receipt of such income as a reciprocal transfer and defers the income until the services required by the grant are provided. In my opinion, these grants are non-reciprocal in nature and, as required by Australian Accounting Standard AASB 1004 Contributions, the income should be recognised in the reporting period in which the associated cash is received. The University's accounting policy represents a departure from the requirements of AASB 1004. The University first adopted this accounting policy in the year ended 31 December 2007 and has caused me to qualify my audit opinion on the financial report since that time.

The following adjustments to the financial report are required to recognise income for both Deakin University and the consolidated group in accordance with AASB 1004: *Trade and other payables* be reduced by \$39.979 million (2016: \$31.778 million) and the *Net Result* and *Total Comprehensive income* be increased by \$8.201 million in 2017 (2016: \$3.867 million).

Independent Auditor's Report (continued)

Basis for qualified opinion (continued)

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the University and the consolidated entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Council's responsibilities for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University and the consolidated entity's internal control

Independent Auditor's Report (continued)

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council
- conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the university and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the university and the consolidated entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the University and the consolidated entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the University and the consolidated entity. I remain solely responsible for my audit opinion.

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

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

MELBOURNE
19 March 2018



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

Auditor-General's Independence Declaration

VAGO

Victorian Auditor-General's Office

Level 31, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email enquiries@audit.vic.gov.au
Website www.audit.vic.gov.au

To the Council, Deakin University

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for Deakin University for the year ended 31 December 2017, I declare that, to the best of my knowledge and belief, there have been:

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



MELBOURNE
19 March 2018

Charlotte Jeffries
as delegate for the Auditor-General of Victoria

Principal Activities

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

During the 2017 reporting period no significant changes occurred in the nature of the principal activities of Deakin University.

Review of Operations

A review of operations for the year 2017, of which this report forms a part, is set out on pages 25-54.

Significant Changes in the State of Affairs

No major changes or factors occurred during 2017, which have affected the University's operational objectives for the year. No events occurred subsequent to balance date, which may have a significant effect on Deakin's operations in subsequent years.

Environmental Regulation

Deakin University is subject to the following environmental legislation:

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

The University has a number of measures in place to ensure compliance with this legislation.

Insurance of Officers

The University maintains a comprehensive insurance program, which is renewed annually. The insurance program includes a suite of directors' and officers' liability insurances for members of Council and directors and officers of the University including all controlled entities of the University. The premium for the current insurance period was \$49,950 (excluding GST).

Significant changes in financial position for the year ended 31 December 2017

Statement of Comprehensive Income

The University's reported consolidated net result for the year was \$101.4m in 2017, compared to \$47.5m in 2016.

Total income from continuing operations for 2017 was \$1,118.9m, \$116.1m above 2016, attributable to:

- an increase of \$25.2m in Commonwealth Supported Places Commonwealth Grant Scheme (CGS) and Higher Education Loan Programme Scheme (HELP)
- an increase of \$61.9m in course fees and charges across international fee paying onshore, international fee paying offshore and domestic fee paying students
- an increase of \$24.5m in investment income
- an increase of \$5.1m in consultancy and contract research income.

Total expenses from continuing operations for 2017 were \$1,017.5m, \$62.2m above 2016, attributable to:

- an increase of \$40.6m in employee related expenses
- an increase of \$3.1m in advertising, marketing and promotional expenses
- an increase of \$12.9m in depreciation and amortisation
- an increase of \$8.7m in scholarships, grants and prizes
- an increase of \$5.6m in international agents' commissions
- a decrease in student expenses of \$2.6m.

Underlying Surplus Reconciliation

When adjusted for major one-off items, the underlying surplus is \$83.6m, compared to \$46.2m in 2016:

	2017	2016
Underlying Surplus Reconciliation	\$m's	\$m's
Operating net result for the year	101.4	47.5
<i>Major one-off item</i>		
Realisation gain on sale of investments	(17.8)	-
<i>Other</i>	-	(1.3)
Underlying operating net result for the year	83.6	46.2

Statement of Financial Position

Total assets have increased by \$141.3m from 2016.

Cash and other financial assets were \$78.5m higher than in 2016.

A combination of \$140.7m in capital expenditure, less depreciation and disposals totalling \$91.9m, plus the revaluation of \$2.1m contributed to an increase of \$50.8m in property, plant and equipment.

Total liabilities increased by \$38.0m from 2016 including an increase of \$10.0m in the liability to the Australian Government for unspent financial assistance and an increase in income received in advance of \$22.4m.

The Annual Report was approved by the Deakin University Council at its meeting on 15 March 2018.

Auditor-General's Qualification

The Victorian Auditor-General has again qualified the University's financial report on the grounds that unspent grants provided by the Federal and State Governments received in advance as at 31 December 2017 have been recognised as income in advance and recognised as a liability in the Statement of Financial Position.

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

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

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

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

"Deakin University has recognised a liability of \$39,979,000 in the statement of financial position (2016: \$31,778,000) that represents Australian Government financial assistance grants received but not spent during the year ended 31 December 2017.

As stated in Note 2.1 to the financial report, the University regards the receipt of such income as a reciprocal transfer and defers the income until the services required by the grant are provided. In my opinion, these grants are non-reciprocal in nature and, as required by Australian Accounting Standard AASB 1004 *Contributions*, the income should be recognised in the reporting period in which the associated cash is received. The University's accounting policy represents a departure from the requirements of AASB 1004. The University first adopted this accounting policy in the year ended 31 December 2007 and has caused me to qualify my audit opinion on the financial report since that time."

The Australian Accounting Standards Board (AASB) has recently completed a review of grant accounting for not-for-profit organisations. However, for 2017 the current accounting standards apply.

	2017	2016	2015	2014	2013
FIVE-YEAR FINANCIAL SUMMARY (Consolidated)	\$000's	\$000's	\$000's	\$000's	\$000's
Operating income					
Commonwealth Government grants	378,228	370,392	362,896	353,595	320,371
HECS-HELP	271,864	213,479	210,510	197,445	174,830
State government grants	11,424	10,402	14,667	6,707	15,414
Other	457,358	408,519	360,701	340,806	325,906
Total operating income	1,118,874	1,002,792	948,774	898,553	836,521
Operating expenses					
Operating result before income tax	101,399	47,469	67,922	68,172	79,091
Income tax benefit / (expense)	-	-	-	-	(843)
Operating result after income tax	101,399	47,469	67,922	68,172	78,248

BALANCE SHEET INFORMATION

Current assets					
Cash assets	53,361	32,541	22,830	23,572	56,951
Receivables	57,804	46,968	47,458	56,415	62,586
Other financial assets	184,000	179,000	255,000	221,000	149,400
Deferred government contribution for superannuation	12,336	13,074	13,966	13,290	13,233
Other	216	230	308	321	243
	307,717	271,813	339,562	314,598	282,413
Non-current assets					
Other financial assets	369,572	316,936	227,762	198,468	149,554
Property, plant and equipment	1,638,595	1,587,783	1,440,289	1,324,485	1,327,495
Deferred government contribution for superannuation	140,634	142,526	147,460	152,397	156,644
Other	13,412	9,558	6,166	4,194	3,176
	2,162,213	2,056,803	1,821,677	1,679,544	1,636,869
Liabilities					
Payables	265,179	230,419	202,325	189,097	193,101
Borrowings	-	-	-	9	19
Provision for employee entitlements	101,147	95,318	93,207	96,137	87,361
Deferred employee benefits for superannuation	152,970	155,600	161,426	165,687	169,877
	519,296	481,337	456,958	450,930	450,358
Net assets	1,950,634	1,847,279	1,704,281	1,543,212	1,468,924
Total equity	1,950,634	1,847,279	1,704,281	1,543,212	1,468,924

Payments to Consultants 2017

During the year the University engaged the following consultants:

\$1,847,860	ERNST & YOUNG	Procurement planning for new finance system
\$887,496	BEVINGTON CONSULTING PTY LTD	Optimising student services and support
\$153,435	VENTURETEC GROUP PTY LTD	Development of technology commercialisation strategy
\$126,305	NOUS GROUP PTY LTD	Online international postgraduate education at scale
\$109,455	BASTION REPUTATION MANAGEMENT	Corporate communication strategies
\$107,555	GLOBAL EDUCATION SOLUTIONS PTY LTD	Digital transformation project
\$106,200	ARCBLUE CONSULTING (AUST) PTY LTD	Fleet and procurement process reviews
\$105,909	STRATEGIC PROJECT PARTNERS PTY LTD	Establishment of DeakinCo.
\$3,444,215	Total combined cost of eight consulting firms costing more than \$100,000	
\$1,079,198	Total combined cost of 23 consulting firms costing between \$10,000 to \$100,000	

University Disclosure Index

Item No.	Source	Summary Of Reporting Requirements	Page No./s
Standing Directions/Financial Management Act 1994 (Fma)			
1	FRD 22H	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.	1-54
2	SD 5.2.1(a)	Accountable Officer must implement and maintain a process to ensure the Annual Report is prepared in accordance with Financial Reporting Directions and Australian Accounting Standards	67, 107
3	SD 5.2.3	Report of Operations is signed and dated by the Chancellor or equivalent and includes the date of the Council Meeting at which Annual Report was approved.	4
4	SD 5.2.2	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> • Australian Accounting Standards (AAS and Australian Accounting Standards Board standards) and other mandatory professional reporting requirements; • Financial Reporting Directions; and • Financial Management Act 1994. 	67, 107
5	SD 5.2.2(a) and FMA s 49	The financial statements must contain such information as required by the Minister and be prepared in a manner and form approved by the Minister. They must be signed and dated by the Accountable Officer, CFO (subject to 5.2.2) and a member of the Responsible Body, in a manner approved by the Minister, stating whether, in their opinion the financial statements: <ul style="list-style-type: none"> • Present fairly the financial transactions during reporting period and the financial position at end of the period; • Have been prepared in accordance with applicable requirements in the FMA, the Directions, the Financial Reporting Directions and Australian Accounting Standards; • Were prepared in accordance with Standing Direction 4.2(c) and applicable Financial Reporting Directions; and • Comply with applicable Australian Accounting Standards (AAS and Australian Accounting Standards Board standards) and other mandatory professional reporting requirements. 	107
6	FRD 30D	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. 	67
7	SD 3.2.1.1(c)	The financial statements were reviewed and recommended by the Audit Committee established by the Responsible Body, or Responsible Body prior to finalisation and submission.	20
8	SD 3.7.1	Attestation on compliance with the Victorian Risk Management Framework.	56

Item No.	Source	Summary Of Reporting Requirements	Page No./s
Standing Directions/Financial Management Act 1994 (Fma)			
9	FRD 03A	Accounting for Dividends	NA
10	FRD 07B	Early Adoption of Authoritative Accounting Pronouncements	68
11	FRD 10A	Disclosure Index	116
12	FRD 11A	<ul style="list-style-type: none"> • Disclosure of Ex-gratia Payments 	94
13	FRD 17B	<ul style="list-style-type: none"> • Long Service leave and annual leave for employees 	75, 86-87
14	FRD 21C	<ul style="list-style-type: none"> • Disclosures of Responsible Persons, Executive Officer and Other Personnel (contractors with significant management responsibilities) in the Financial Report 	92,94
15	FRD 22H	<p>Consultants: Report of Operations must include a statement disclosing each of the following</p> <ol style="list-style-type: none"> 1. Total number of consultancies of \$10,000 or more (excluding GST) 2. Location (eg website) of where details of these consultancies over \$10,000 have been made publicly available 3. Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period <p>AND for each consultancy more than \$10,000, a schedule is to be published on the University website listing:</p> <ul style="list-style-type: none"> • Consultant engaged • Brief summary of project • Total project fees approved (excluding GST) • Expenditure for reporting period (excluding GST) • Any future expenditure committed to the consultant for the project 	115
16	FRD 22H	Manner of establishment and the relevant Minister	19
17	FRD 22H	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements	1-54
18	FRD 22H	Nature and range of services provided including communities served	26-54
19	FRD 22H	Organisational structure and chart, including responsibilities	13
20	FRD 22H	Names of Council members	20-23
21	FRD 22H	Operational and budgetary objectives, performance against objectives and achievements	26-54
22	FRD 22H	Occupational health and safety statement including performance indicators, and performance against those indicators. Reporting must be on the items listed at 6.10 (a) to (e) in the FRD	56-57
23	FRD 22H	Workforce data for current and previous reporting period, including a statement on employment and conduct principles, and that employees have been correctly classified in the workforce data collections	44-45
24	FRD 22H	Summary of the financial results for the year including previous 4 year comparisons	115
25	FRD 22H	Significant changes in financial position during the year	113

Item No.	Source	Summary Of Reporting Requirements	Page No./s
Standing Directions/Financial Management Act 1994 (Fma)			
26	FRD 22H	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future	1-54
27	FRD 22H	Major changes or factors affecting performance	112
28	FRD 22H	Discussion and analysis of operating results and financial results	113
29	FRD 22H	<ul style="list-style-type: none"> Post-balance sheet date events likely to significantly affect subsequent reporting periods 	92
30	FRD 22H	<ul style="list-style-type: none"> Where a university has a workforce inclusion policy, a measurable target and report on the progress towards the target should be included 	51
31	FRD 22H	<ul style="list-style-type: none"> Schedule of any government advertising campaign in excess of \$100,000 or greater (exclusive of GST) include list from (a) – (d) in the FRD 	NA
32	FRD 22H	<ul style="list-style-type: none"> Summary of application and operation of the Freedom of Information Act 1982 	60
33	FRD 22H	Statement of compliance with building and maintenance provisions of the Building Act 1993	60
34	FRD 22H	Statement where applicable on the implementation and compliance with the National Competition Policy	60
35	FRD 22H	Summary of application and operation of the Protected Disclosure Act 2012	60
36	FRD 22H	Statement, to the extent applicable, on the application and operation of the Carers Recognition Act 2012 (Carers Act), and the actions that were taken during the year to comply with the Carers Act	60
37	FRD 22H and 24C	Summary of Environmental Performance including a report on office based environmental impacts	59-60
38	FRD 22H	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer (refer to list at 6.19 (a) – (l) in the FRD)	60
39	FRD 25C	Victorian Industry Participation Policy in the Report of Operations	60
40	FRD 26B	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	NA
41	FRD 102A	Inventories	64
42	FRD 103F	Non-financial physical assets	64, 82-84, 100-102
43	FRD 105B	Borrowing Costs	NA
44	FRD 106A	Impairment of assets	67, 71, 77, 79-81, 85
45	FRD 107B	Investment properties	81
46	FRD 109A	Intangible assets	64,85
47	FRD 110A	Cash flow statements	66, 89-90

Item No.	Source	Summary Of Reporting Requirements	Page No./s
Standing Directions/Financial Management Act 1994 (Fma)			
48	FRD 112D	Defined benefit superannuation obligations	90,91
49	FRD 113A	Investments in Subsidiaries, Jointly Controlled Associates and Entities	81, 94-96
50	FRD 119A	Transfers through contributed capital	NA
51	FRD 120K	Accounting and reporting pronouncements applicable to the reporting period	67, 68-70
52	ETRA, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in 2017	60; 106
53	PAEC	Financial and other information relating to the university's international operations	28-30, 39-41, 73
54	University Commercial Activity Guidelines	<ul style="list-style-type: none"> • Summary of the university commercial activities • If the university has a controlled entity, include the accounts of that entity in the university's Annual Report 	56, 95-96

Glossary

AACSB	Association to Advance Collegiate Schools of Business
AAGE	Australian Association of Graduate Employers
AIME	Australian Indigenous Mentoring Experience
AQF	Australian Qualifications Framework
AI	Artificial Intelligence
AR	Augmented Reality
ARC	Australian Research Council
ARWU	Academic Ranking of World Universities
AWEI	Australian Workplace Equality Index
CADET	Centre for Advanced Design in Engineering Training
DEAP	Deakin Engagement and Access Program
DECRA	Discovery Early Career Researcher Awards
DPO	Deakin Portfolio Office
DRS	Deakin Residential Services
DUELI	Deakin University English Language Institute
DUSA	Deakin University Student Association
EA	Enterprise Agreement
EFTSL	Equivalent Full Time Student Load
GOS	Graduate Outcomes Survey
GRI	Global Reporting Initiative
HDR	Higher Degree by Research
IFM	Institute for Frontier Materials
IKE	Institute of Koorie Education
LEIF	Linkage Infrastructure, Equipment and Facilities Scheme
NCP	New Colombo Plan
NHMRC	National Health and Medical Research Council
QILT	Quality Indicators for Learning and Teaching
SAGE	Science in Australia Gender Equity
SES	Student Experience Survey
SRC	Strategic Research Centre
VAGO	Victorian Auditor-General's Office
WGEA	Workplace Gender Equality Agency
WCAG	Web Content Accessibility Guidelines
WIL	Work Integrated Learning



