

Annual Report 2011

Northern Melbourne Institute of TAFE

NMIT STRATEGIC PLAN 2010-2015

- The Northern Journey

First published in 2008, NMIT revised its Strategic Plan, *The Northern Journey*, to reflect the challenges of Victorian Skills Reform and to articulate a vision for its Vocational Education and Training (VET) and Higher Education (HE) programs. The revision also responds to emerging expectations that TAFE institutes identify and report on key performance indicators in addition to those required by legislation, the TAFE Service Agreement and the Public Provider Funding Agreement, with the Victorian Skills Commission.

As well as articulating the Institute's Mission and Vision, *The Northern Journey* identifies clear Strategic Themes and corresponding high level key performance areas. Together these will provide the basis for planning and operations in the coming years.

The Strategic Plan aims to sustain our presence in Melbourne's north and our obligations to our stakeholders, whilst also maintaining the capacity to respond flexibly to new opportunities as government, industry and community expectations change. The Plan will be reviewed annually as part of the Institute's strategic and operational planning cycle and updated as necessary.

Mission

NMIT delivers vocational training and higher education for a global workforce.

Vision

NMIT graduates will be recognised as practical and solution oriented, making meaningful contributions to their chosen field of endeavour.

Strategic Themes

Learning

NMIT guides students in the acquisition of knowledge, vocational skills and lifelong learning capabilities to enable them to achieve their vocational goals.

Engagement

NMIT forges mutually beneficial partnerships with and between community, governments, industry, professions and other education providers.

Capacity

NMIT builds human resources, corporate practices and infrastructure to ensure the effective, sustainable and ethical conduct of the core activities of learning and engagement.

ANNUAL REPORT 2011 NORTHERN MELBOURNE INSTITUTE OF TAFE

Marketing and Corporate Communications

NMIT

77-91 St Georges Road

Preston Victoria 3072

Telephone: (03) 9269 1242

Email: info@nmit.vic.edu.au

Enquiries should be directed to the

Manager, Marketing and Corporate Communications at the above address.

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REPORT OF OPERATIONS

BOARD PRESIDENT'S REPORT

As the President of the NMIT Board I am pleased to present the 2011 Annual Report. The report provides an overview of the activities of the Institute, the significant events, financial results and achievements of its students and staff.

2011 was again an extremely challenging, but successful year for NMIT. With a new State Government in office, there was refinement of the previous government's Skills Reform agenda, which brought some welcome fee relief for our more disadvantaged students through the re-introduction of fee concessions. However, late in the year NMIT and the other large metropolitan TAFE institutes were faced with reduced funding for a number of courses and a significant reduction in payments to provide the full service provision that is expected of TAFE institutes. Students are still coming to terms with the increased tuition fees as a result of Skills Reform, and are also navigating the complexity of entitlement to government-supported training places.

NMIT has faced significant competition from private training providers who are now able to offer government subsidised programs – although there are some good private training providers, there are also some unscrupulous operators who do not deliver training of sufficient standard to make students job-ready. NMIT has always focused on quality training outcomes that provide students with the skills and qualifications that are required by employers.

The Institute generated a surplus of \$13.5 million from a total income of \$153.6 million. During the year NMIT generated over \$64 million in extraneous income mainly from fee for service activity. Recurrent surplus reflects an internal transfer of \$3 million from Fee for Service and extraneous income that supports the infrastructure cost of delivery. Fee-for-Service and extraneous activity also provide indirect support of the efficiency of recurrent activity through optimisation of class sizes; increasing viability of courses, and the provision of enhanced real world learning experiences.

In capital works, the planning stage for the Preston campus redevelopment was completed and construction began in the last quarter of 2011. The new Student Centre at the Epping campus was completed and will be opened in February 2012.

In 2011, NMIT employed 1,709 teaching and support staff to deliver around 550 nationally accredited Vocational Education and Training and Higher Education courses. NMIT's comprehensive portfolio of certificate to bachelor level qualifications attracted more than 67,500 course enrolments, comprising over 23,000 offshore course enrolments and 44,500 course enrolments within Australia.

The Higher Education program continued to grow with new Bachelor courses in Information Technology and Business. The Bachelor of Accounting course has now received CPA accreditation.

Over the course of the year, the NMIT Board members discharged their duties with diligence and care and I thank them for their valuable contributions.

Through the efforts of the executive and staff, NMIT continues to provide high quality education to its students and highly skilled, quality graduates to their future employers.

2012 will be NMIT's centenary year in which we will celebrate 100 years as an education provider and one million stories – we are proud of what has been achieved over the last 100 years and we look forward to a vibrant future.



Andrew Giddy

President of Board

DATE: 28/2/2012

NMIT HISTORY

NMIT began as Collingwood Technical School in 1912, and was formed with the current structure in 1989 through the amalgamation of Preston and Collingwood Colleges of TAFE. The new entity, called Northern Metropolitan College of TAFE, developed campuses at Heidelberg, Greensborough and Epping to add to those existing at Preston, Collingwood and Parkville.

In 1996, the Institute changed its name to Northern Melbourne Institute of TAFE and in 1999, the acronym NMIT was adopted. There are also training centres at Eden Park and Yan Yean, and during 2002, a new training centre was opened at Yarra Glen in the Yarra Valley, as well as a new campus in Ararat. In 2004, NMIT opened another new campus at Fairfield after the Parkville campus was closed.

In late 2011, NMIT launched its 100 Years 1 Million Stories Centenary website (www.nmit.edu.au/centenary) – a virtual window through which to explore the past 100 years of NMIT's history and view a wider program of NMIT Centenary celebrations in 2012.

CORPORATE GOVERNANCE

The NMIT Board is the governing body of NMIT. Twelve Directors of the Board are appointed by the Victorian Minister for Higher Education and Skills or co-opted because of their specialist knowledge, skills and experience. The Chief Executive Officer is appointed ex-officio and there is one elected staff representative, as well as one elected student representative.

The NMIT Board met six times during 2011 with meetings scheduled at the end of February, April, June, August, October and early December.

The Board's objectives are to:

- establish goals for the Institute, within the context of national and state policy and management frameworks
- provide quality vocational education and training and adult, community and further education programs and services which promote the competitiveness of industry, enhance the opportunities of individuals and serve the needs of the general community
- govern and control the Institute efficiently and effectively and optimise the efficient use of resources.

The Board's duties are to:

- take all reasonable steps for the advancement of its objectives
- operate in accordance with the economic and social objectives and public sector management policy established from time to time by the Government of Victoria
- provide all assistance and information that the Minister, the Secretary of the Department of Education and Early Childhood Development or the Deputy Secretary for Skills Victoria may reasonably require from the Board
- ensure the safe custody and proper use of the common seal of the Board.

The NMIT Board Governance Manual provides guidance for Board Directors in decision making.

Professional Development

Andrew Giddy and Josephine Acquaro attended the VTA Conference on 3 and 4 May 2011.

Anthony Monley and Heather Campbell were given a tour of NMIT's metropolitan campuses with expert commentary on a range of facilities as part of their induction.

2011 NMIT Board Membership

Board Director	Nature of Appointment	Key Areas of Knowledge, Skill and Experience	Current Employment /Position	Meetings Attended
President Dr Andrew Giddy <i>B VSc, Grad Dip Bioethics, MAICD</i>	Ministerial	Senior management and strategic consultancy	Chief Executive Officer, Nucleus Network Limited	4 of 4 (approved leave of absence for 2 meetings)
Vice President Josephine Acquaro <i>B Econ, LLB, MBA, Grad Cert Barrister / Solicitor of Supreme Court, Cert in Mediation</i>	Ministerial	Administration and the law	General Manager Advocacy and Practice, Law Institute of Victoria	6 of 6
Deputy Vice President Alison Ivey <i>Master of Public Policy, BA, Dip Tchg</i>	Ministerial	Experience in business development, education and academic governance	Registrar of the Architects Registration Board of Victoria	6 of 6
Director (Past President) Elaine Forde	Co-opted	Knowledge and skills in local retail and property management	Consultant	5 of 6
Director Norman Shearer <i>B Bus (Acctg), B Ed, TPTC, MBA</i>	Co-opted	Extensive experience in State and Institute TAFE administration at a senior level	Educational author/ Consultant	4 of 4 (to August 2011)
Director Peter Grist <i>B Eng (Mech) (Hons)</i>	Ministerial	Experience in agriculture, engineering and business management	Senior Partner, Grist Consulting	0 of 3 (to June 2011)
Director Alexandra McMullen <i>M.Ed, BMusic/Arts, Dip MusicBus, Dip Trng and Assessment Systems</i>	Ministerial	Experience in delivery of VET programs for disadvantaged communities and knowledge in areas of VET QA and audit processes, Government funded training programs and equity issues in education	Formerly VET consultant and RTO Quality Assurance/ Audit Co-ordinator for the Brotherhood of St Lawrence	5 of 5 (to October 2011)
Director Anthony Ray	Co-opted	Extensive small business operational knowledge and experience	Managing Director, Dura-Wear Industries	1 of 3 (to June 2011)
Director Christopher Watson <i>Dip Tchg</i>	Ministerial	State and national level senior management in racing industry and education	Consultant	6 of 6
Director Dr Jenny Wajsenberg <i>PhD, LLB, B Social Work, TESOL, Dip Ed(Hons), BA(Hons)</i>	Ministerial	Educational administration and leadership, education Kindergarten-Tertiary, international education, governance and compliance	Tribunal Member, Teacher Professional Practice and Conduct Panel, Victorian Institute of Teaching; Senior Project Manager, Curriculum Corporation	2 of 6
Director Prof David Finlay <i>BSc, MSc, PhD</i>	Ministerial	Extensive experience in higher education science, technology and engineering fields and academic governance	Chair of Human Ethics Committee and Director, La Trobe University Foundation	4 of 6

2011 NMIT Board Membership Table continued over the page.

2011 NMIT Board Membership (continued)

Board Director	Nature of Appointment	Key Areas of Knowledge, Skill and Experience	Current Employment /Position	Meetings Attended
Director Brian Motz <i>BBA, CA (Canada and Australia)</i>	Co-opted	Broad finance, commercial and corporate governance experience working for private and public companies in Australia and Canada	Chief Financial Officer/ Chief Administrative Officer, Nucleus Network Limited	4 of 4 (from June 2011)
Director Anthony Monley <i>F CPA, GAICD, MBA (Acctg)</i>	Ministerial	Extensive experience in financial control and corporate governance in major energy corporations in Australia and South East Asia, and board leadership roles, as well as involvement in not-for-profit organisations	Financial Controller (Internal Control), Origin Energy and Non-Executive Director, Dental Health Services Victoria	1 of 1 (from October 2011)
Director Heather Campbell <i>B.Eng (Agricultural) (Hons), Master Eng Sci – Environmental Eng, Grad Dip Occupational Hygiene, GAICD</i>	Ministerial	Extensive experience managing locally and internationally risk issues such as sustainability, environmental policy and safety in corporations and the not-for-profit sector	CEO LandCare Australia Limited	1 of 1 (from October 2011)
Student Director Antony Kuypers <i>Adv Dip Acctg</i>	Elected	Part-time teaching in design drafting/building fields	Currently studying at NMIT	6 of 6
Staff Director Anthony Budge <i>Dip Civil Eng, Grad Dip Ed</i>	Elected	Teaching/training experience in computing/various fields at NMIT	NMIT staff member – ICT Services	2 of 3 (to July 2011)
Staff Director Trent Losonn-Wilkins <i>Dip Qual Mgt, Cert IV T&A, Cert IV Bus Mgt</i>	Elected	Experience in the VET, public and private sectors, RTOs, knowledge in areas of QA and audit processes	NMIT staff member – Quality Assurance Unit	1 of 3 (from August 2011)
Director Brian MacDonald <i>B Econ, Dip Ed</i>	Ex Officio - CEO	Ex Officio/TAFE Institute Chief Executive Officer	NMIT Chief Executive Officer	6 of 6

COMMITTEES

Board Committees are established under Clause 15 of the NMIT Constitution. Each Committee makes recommendations to the Board and ensures compliance with appropriate statutory requirements.

The Board committees met approximately six times during the year to review and monitor various aspects of NMIT's operations.

Board Executive Committee

Members were Andrew Giddy (Chair), Josephine Acquaro, Elaine Forde, Alison Ivey and Brian MacDonald (CEO). The Executive Committee exercises the powers, functions and duties of the Board between Board meetings and reports on the exercise of its delegation to the Board.

Audit and Risk Management Committee (A&RMC)

Board Directors on the A&RMC were Brian Motz (Chair), Andrew Giddy, Josephine Acquaro, Elaine Forde, Christopher Watson and Alexandra McMullen. Brian MacDonald (CEO), Peter Christie (Director Corporate Services) and Leigh Pike (Chief Finance Officer), were in attendance at these meetings.

The A&RMC is appointed to provide independent assurance to the Board and the Chief Executive Officer in fulfilling their oversight responsibilities for financial reporting, the system of internal control, risk management, audit processes and the Institute's process for monitoring compliance with laws, regulations and ethical conduct as prescribed in the Code of Conduct.

Resources Committee

Board Directors on the Resources Committee were Josephine Acquaro (Chair), Andrew Giddy, Brian Motz, Christopher Watson, Elaine Forde, Alexandra McMullen and Brian MacDonald (CEO). The Resources Committee provides advice to the Board on finances, facilities, human resources and student services.

Higher Education Academic Committee (HEAC)

Board Director Jenny Wajsenberg chaired meetings of the HEAC which is responsible for assisting the Board to ensure appropriate supervision of Higher Education programs and maintenance of high standards in teaching and academic performance. Other Board Directors on the HEAC were Norman Shearer, David Finlay, Alison Ivey and Brian MacDonald (CEO).

Vocational Education and Training (VET) Programs Committee

Board Directors on the VET Programs Committee were Norman Shearer (Chair), Elaine Forde, Jenny Wajsenberg, Alison Ivey and Brian MacDonald (CEO). The role of the VET Programs Committee is to assist the Board to ensure that appropriate content and academic standards of Vocational Education and Training courses are met.

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

I, Brian James MacDonald, certify that as at the 31st December 2011, the Northern Melbourne Institute of Technical and Further Education has risk management processes in place broadly consistent with the Australian / New Zealand Risk Management Standard (or equivalent standard) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures.

The Audit and Risk Management Committee verifies this assurance and also note that the risk profile of the Institute has not been formally reviewed within the last 12 months.



Brian MacDonald

Chief Executive Officer

Northern Melbourne Institute of TAFE

DATE: 27/2/2012

SENIOR MANAGEMENT

Chief Executive Officer

Mr Brian MacDonald

The Chief Executive Officer is responsible for the operational management of NMIT.

Deputy Chief Executive Officer and Director Programs

Mr David Draper

The Deputy Chief Executive Officer and Director Programs is responsible for the Faculties of Arts and Social Sciences, Building and Construction, Business, Earth Sciences, Engineering, Further Education, Hospitality, Tourism and Personal Services and Higher Education programs. He is also responsible for the International Office, Quality Assurance and Policy and Analysis.

Deputy Director Programs Higher Education

Dr Christine Spratt

The Deputy Director Programs Higher Education is responsible for the development of Higher Education policy and programs across the Institute.

Associate Directors

Faculty of Arts and Social Sciences

Mr Peter Lamburd

Faculty of Building and Construction

Mr Peter Jacobson

Mr Bruce Burns (Acting)

Mr David Delaney

Faculty of Business

Ms Melissa Giffard

Faculty of Earth Sciences

Mr Wayne Pappin

Faculty of Engineering

Mr Bruce Burns

Faculty of Further Education

Ms Frances Coppelillo

Faculty of Hospitality, Tourism and Personal Services

Mr Philip Javier

Managers

International Office

Mr Dino Bettiol

Quality Assurance

Ms Fay Bellis

Policy Development and Analysis

Ms Jennifer Nation (to 11 May 2011)

Director Corporate Services

Mr Peter Christie

The Director Corporate Services is responsible for the delivery of services through Buildings and Properties (including Capital Works Projects), Finance, Human Resources and ICT Services.

Managers

Buildings and Properties

Mr David Delaney

Mr Warrick Smith

Capital Works Projects

Mr Dom Valeri

Finance

Mr Leigh Pike

Human Resources

Mr Peter Christie

ICT Services

Mr Robert Hagan

Director Client Services

Ms Anne Bambrook

The Director Client Services is responsible for the delivery of services through Academic Registry, Information Services, Marketing and Corporate Communications and Student Services.

Managers

Academic Registry

Mr Marin Radobuljac

Information Services

Ms Anne Callahan

Marketing and Corporate Communications

Ms Jude Whelan

Student Services

Ms Cathy O'Connor

NMIT CAMPUSES AND TRAINING CENTRES

Campuses

Ararat

Grano Street
Ararat 3377
Telephone (03) 5355 3555

Collingwood

20 Otter Street
Collingwood 3066

Epping

Cnr Cooper Street and Dalton Road
Epping 3076

Fairfield

Yarra Bend Road
Fairfield 3078

Greensborough

Civic Drive
Greensborough 3088

Heidelberg

Cnr Waterdale Road and Bell Street
Heidelberg 3081

Preston

77-91 St Georges Road
Preston 3072

*Telephone (03) 9269 1200 for all
metropolitan campuses.*

Training Centres

Growling Frog Vineyard

1910 Donnybrook Road
Yan Yean 3755
Telephone (03) 9269 1086

NMIT Kyneton Park

Campaspe Place
Kyneton 3444
Telephone (03) 9269 8623

Northern AMEP Centre

Cnr Belfast and Blair Street
Broadmeadows 3047
Telephone (03) 9309 2833

Northern Lodge, Eden Park

Glen Robin Court
Eden Park 3757
Telephone (03) 9715 1130

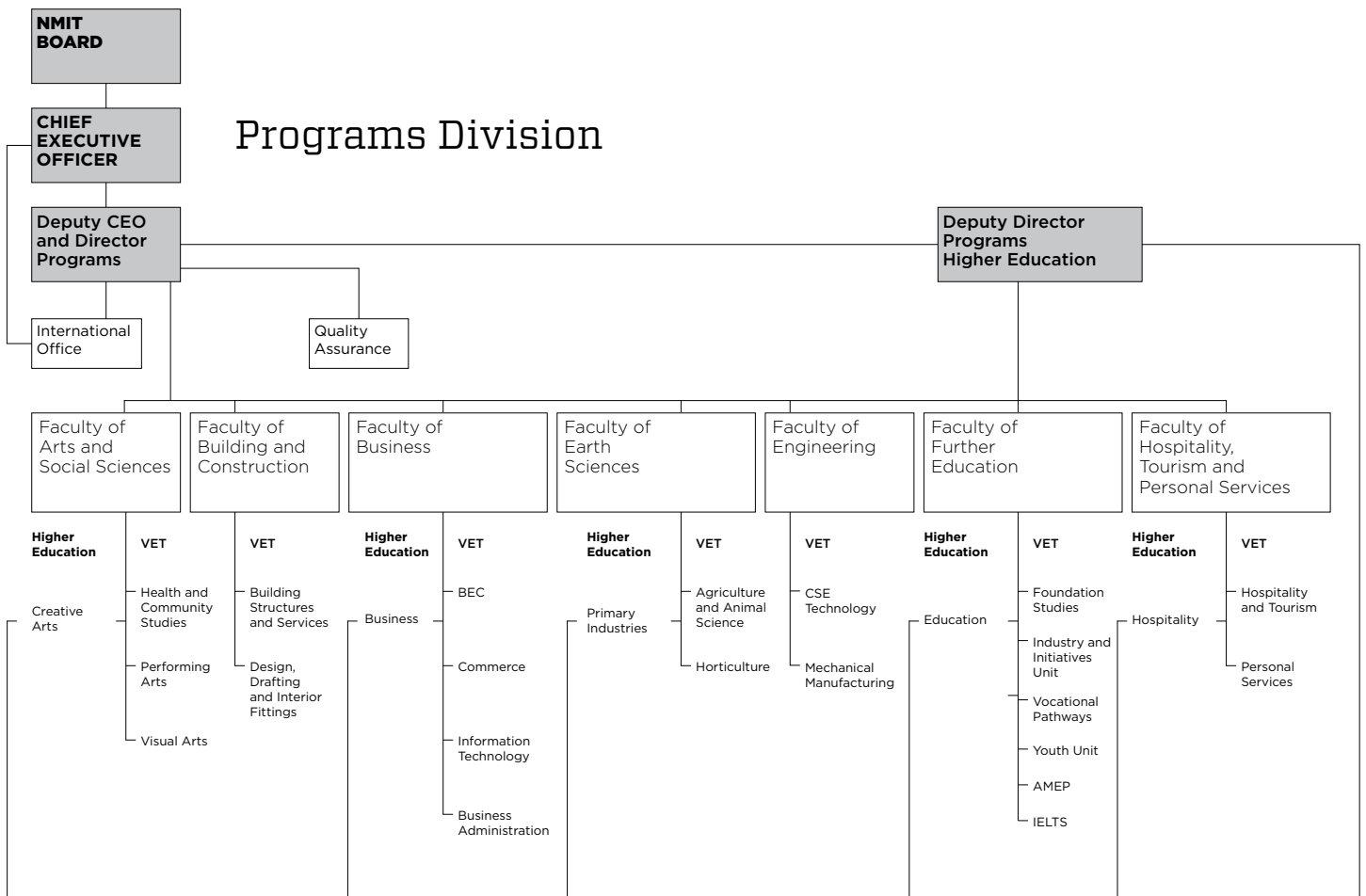
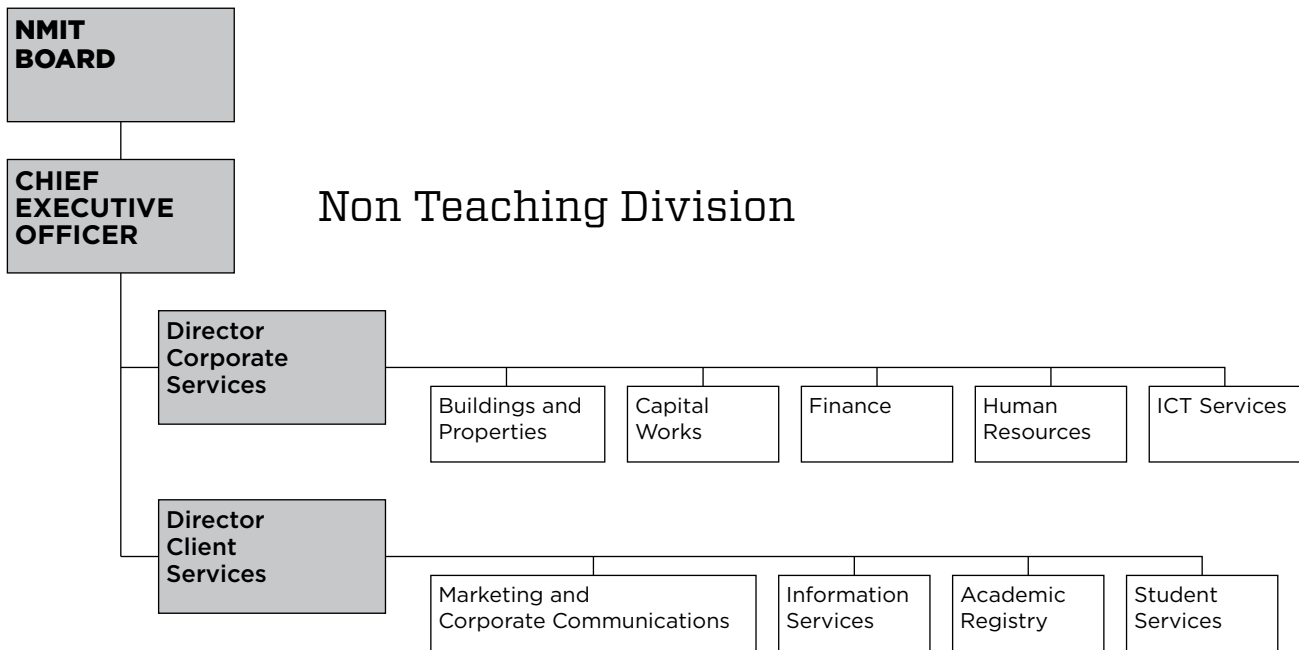
Northern Lodge, Yan Yean

2005 Plenty Road
Yan Yean 3755
Telephone (03) 9716 2354

Yarra Valley Racing Centre

Armstrong Grove
Yarra Glen 3775
Telephone (03) 9269 1086

NMIT ORGANISATIONAL STRUCTURE 2011



THE YEAR IN REVIEW 2011

In 2011 NMIT offered an extensive range of Vocational Education and Training and support programs to a diverse cohort of metropolitan, regional and international students.

This included:

- nationally recognised advanced diplomas, diplomas and certificates, as well as pre-apprenticeships, apprenticeships, traineeships, VET in Schools and Victorian Certificate of Applied Learning (VCAL), delivered in accordance with the Australian Quality Training Framework (AQTF)
- institute accredited short courses responsive to industry needs
- offshore courses in English language, business services, information technology, hospitality, event management, horticulture and building studies
- a suite of commercial services such as customised training, flexible delivery, online training and the production of training resources.

In Higher Education, the implementation of the Higher Education Strategy 2010–2015 continued, with the Higher Education Office overseeing the educational design and development of several new undergraduate programs to accreditation. NMIT was successfully re-registered as a higher education provider until 2014, and a new e-learning strategy across all programs was implemented.

New degree programs in Information Technology, Business and Music Industry, with relevant associate degrees received accreditation and will commence delivery in 2012. The Bachelor of Early Years Studies and Bachelor of Education (Early Years) commenced delivery in 2011. Bachelor degree programs continued to be conducted in Agriculture and Land Management, Accounting, Aquaculture, Music, Equine Studies, Hospitality Management, Illustration, Viticulture and Winemaking, and Writing and Publishing.

NMIT spent or committed \$3.9 million for teaching and other equipment. NMIT also completed \$2.4 million worth of minor works.

Summary of Performance

All performance agreement targets are on track to being fully achieved as documented in the performance agreement with the Victorian Skills Commission. The Institute has over-delivered on its training targets by approximately 2 per cent.

Manage a financially sound organisation with a balanced budget

NMIT generated a significant recurrent budget surplus in 2011 of \$8.1 million. The Institute's income exceeded \$153.6 million and generated over \$64 million in extraneous income.

Achieve all Performance Agreement targets and advance NMIT's position as a leading provider of Vocational Education and Training

NMIT maintained its position as a leading provider of Vocational Education and Training in Victoria by:

- delivering all agreed program profile student contact hours
- complying with all audit requirements
- maintaining all quality assurance processes
- being below the threshold invalid module enrolment requirement
- providing statistical reports on enrolments by industry, sector, qualification level, student contact hours and staffing.

NMIT reported on:

- total student hours of training undertaken in the workplace
- usage of Victorian Crown Copyright curriculum, interstate or overseas, where it was used as the basis of commercial delivery
- capital works
- finances
- Indigenous programs
- regulated apprenticeship training agreements
- meeting obligations in relation to tagged items.

Expand the Institute's regional and international profile

NMIT expanded its regional and international profile by:

- achieving higher numbers of enrolments in higher education programs, increasing to 221 international student enrolments (from 150 in 2010 and 80 in 2009)
- delivering programs outside Australia with 25 partner institutions in countries such as China, Hong Kong, South Korea, Singapore and Malaysia
- enrolling over 23,000 offshore students in the last full academic year including diplomas and English language development courses
- recruiting from a broad base of countries including Vietnam, India, China, Colombia, Philippines, Pakistan and Sri Lanka
- pursuing cooperative partnerships with institutions in South and South East Asia, with a special focus on equine studies. Programs will commence in 2012, and further potential partnerships are currently in discussion phase
- promoting NMIT as an affordable provider, and raising a marketing strategy to focus on emerging and under-represented markets in Asia, South America and parts of Europe
- increasing the number of newly register CRICOS courses on offer.

Deliver high quality programs to students and assure the quality and relevance of these programs through the quality management system

NMIT delivered a comprehensive range of high quality programs to students using a variety of delivery methods. These programs met the Australian Quality Training Framework standards and were quality assured through the NMIT Quality Management System. NMIT's quality system covers the design, development and provision of training programs and services provided by all teaching and non-teaching departments within NMIT.

In 2011 NMIT completed the external quality re-certification audit with nil non-conformances. The Quality Assurance unit has undertaken a number of quality audits of NMIT partner programs overseas. NMIT has now achieved 16 years of ISO accreditation – the longest period of any Victorian TAFE institute. The Institute's Risk Management Framework has been fully implemented and is undergoing scheduled ongoing review and revision.

Provide access to high quality equipment and facilities

NMIT continued its program of equipment purchase, refurbishment of campuses and capital works.

This included:

- excavating the existing entrance and securing the cellars of the Ararat campus for future refurbishment
- refurbishing the restroom facilities and installing fall protection for personnel working on the lifts at the Collingwood campus
- refurbishing administration facilities for the newly created Adult Migrant English Programs department at the Epping campus
- installing a new substation, replacing the roof membrane of Building B, and completing a new Student Centre and gymnasium at the Epping campus
- upgrading mains power for a new foaling shed at the Eden Park training centre
- establishing a production suite for Performing Arts in Building R, and improving disability access in Buildings R and B at the Fairfield campus
- furnishing recreation and communal facilities in Building D to provide an additional student lounge on campus and an alternative location for after hours use by Yarra House students at the Fairfield campus
- creating new offices for higher education staff in Building B at the Fairfield campus
- constructing a new car park and replacing the old swing gates with a new automatic gate at the Fairfield campus
- providing additional landscaping and walkways to the car park at the Greensborough campus
- installing new shade sails between Buildings F and A at the Heidelberg campus
- constructing prayer rooms in Building R at the Preston campus
- upgrading the electrical substation, and demolishing existing redundant buildings to commence the construction of Building F at the Preston campus
- constructing a new student car park and refurbishing the lift in Building E at the Preston campus
- completing a sustainability strategy action plan for 2012-2013
- completing a review of water use for all campuses
- preparing a usage profile for natural gas at all campuses
- preparing an asset management plan.

Support professional development of staff through in house and externally funded development programs

During the year, 931 NMIT staff undertook 3,337 professional development activities. The aggregate amount of Institute funding of \$1,468,499 for staff time, registration fees, travel, accommodation and replacement costs represents the continual investment and priority placed on staff professional development. In addition, a \$500,000 fund for overseas study tours and attendance at major seminars was established. Most activities will occur in 2012.

Expand the range of innovative products and services offered by NMIT and undertake applied research

NMIT expanded its range of specialist programs and products and services offered by the Institute.

Developments included:

- expanding the development of the STRATA Student Management System, Course Information System, International Student Management System and implementing the Graduation and Awards module to ensure reporting guidelines are maintained to meet the requirements of the Victorian Training Guarantee and full contestability, and to ensure information remains aligned for both print and online media in 2012
- continuing to develop modules for online delivery or online supported learning using the Moodle platform
- continuing to develop MyPC, an institute-wide computer booking system for open access PCs and laptops in campus libraries
- expanding the development of the Institute's customer relationship management system, Connect, to capture prospective student contact details and report course and student demand.

Further examples of innovative products and applied research activities are provided in the individual faculty and department reports.

AWARDS

Faculty of Arts and Social Sciences

Epson AIPP (Australian Institute of Professional Photography)

Victorian Professional Photographer of the Year Awards 2011

Kobe Pallis	Winner, Ian Hawthorne Award
Cassie Sullivan	1 Silver Distinction 2 Silver Awards
Natalie Morawski	2 Silver Awards
Alice Laidlaw	1 Silver Distinction 1 Silver Award
Joel Rainford	1 Silver Distinction 1 Silver Award
Sophie Costello	1 Silver Award
Craig George	1 Silver Award

Canon AIPP (Australian Institute of Professional Photography)

Australian Professional Photography Awards 2011

NMIT	Runner-Up, Tertiary Institute of the Year
Anita Simonis	1 Gold Award
Alice Laidlaw	1 Silver Distinction 2 Silver Awards
Katy Filonenko	2 Silver Awards
Konstantine Eleftheria	2 Silver Awards
Rod Donald	2 Silver Awards
Spiros Spirou	2 Silver Awards
Stephanie Barlow	2 Silver Awards
David Morton	1 Silver Distinction 1 Silver Award
Anthony Mammone	1 Silver Distinction
Tisheng Tan	1 Silver Distinction
Arrayah Loynd	1 Silver Award
Brennen Barry	1 Silver Award
Chris White	1 Silver Award
Jean Roland Bergicourt	1 Silver Award
Jessie MacKinnon	1 Silver Award
Martin Bennet	1 Silver Award
Rudolf Karpati	1 Silver Award
Andrew Duncan	1 Silver Award

Southern Cross Packaging Design Awards 2011 – National Competition

Melinda Wright	Bronze, Environmental Design Award
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2011 Linden Postcard Show

Vicki Catchpole	Winner, Yarra Trams Award
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Koko Black Drawing Prize 2011

Tamas Schneeberger	Finalist
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NMIT Yarra Edge Music Festival 2011

Katie McNamara	Winner, 2011 Songwriting Competition Industry Award
Daniel Coco	Winner, 2011 Songwriting Competition People's Choice Award

NMIT 2011 Outstanding Student of the Year Awards

Andrew Keller	Winner, NMIT Outstanding Student of the Year (Arts and Social Sciences)
Luke Dawson	Winner, NMIT Outstanding Student of the Year (Higher Education)

Faculty of Building and Construction

Furnishing Industry of Australia Awards (FIAA) Victoria/Tasmania

Simone Portelli Winner, Pre-Apprentice of the Year – Furniture Making

Master Builders Association of Victoria (MBAV) Awards

Lukas Page Winner, 2010 Joinery Apprentice of the Year

Building Designers Association of Victoria (BDAV) Awards

Justinian Khoo Winner, Best Presentation by a Student

Cabinet Makers Association of Victoria Awards

Jake Russell Winner, Best Free Standing Furniture Piece

Australian Tile Council Awards

Michael Millar Winner, Top Tiling Apprentice

NMIT Roof Tiling Awards

Ali Sobh Winner, CSR Most Outstanding Apprentice of the Year

Reece McPherson 1st Runner-Up, CSR Most Outstanding Apprentice of the Year

Shaun Harrison 2nd Runner-Up, CSR Most Outstanding Apprentice of the Year

NMIT 2011 Outstanding Student of the Year Award

Dale Ebbage Winner, NMIT Outstanding Student of the Year (Building and Construction)

Winner, NMIT Outstanding Student of the Year

Lukas Page Winner, NMIT Outstanding Apprentice/Trainee of the Year

Shaun Cole Winner, NMIT Outstanding Indigenous Student of the Year

Faculty of Business

Oska Bright Film Festival

NMIT Work Education Centre Most Original Film Award for *Café Chat*

NMIT 2011 Outstanding Student of the Year Award

Trinity Ripper Winner, NMIT Outstanding Student of the Year (Business)

Faculty of Earth Sciences

Australian Institute of Landscape Designers & Managers (AILDM) National Student Design Competition 2010

Corey Blake Winner, 1st Place

Paula Scott Winner, 3rd Place

Melbourne International Flower & Garden Show (MIFGS)

Leanne Burns Winner, Lysaght Blue Steel Award – Avenue of Achievable Gardens

Corey Blake Winner, Don Fleming Award

Marjorie Cornelius Gold Medal, Advanced Student Floral Design Competition

Tess Chapman Silver Medal, Intermediate Student Floral Design Competition

Kiri Bates Bronze Medal, Intermediate Student Floral Design Competition

Thom Ekkaphol Yaemprayun Certificate of Merit, Intermediate Student Floral Design Competition

Australian Golf Course Superintendents' Association Annual Conference

Rebecca Dynon Winner, 2011 National Sports Turf Award

Royal Melbourne Show Beef Carcase Competition

Kirsten Stead 1st Place, Export Steer School Class – Led Event

3rd Place, On the Hoof Export Steer Class – Open Led Event

Peter Bekiaris 1st Place, Cattle Handlers Class (Over 21 Years)

Madeleine Logan 2nd Place, Cattle Handlers Class (Over 21 Years)

Stephen Sierakowski 3rd Place, Cattle Handlers Class (Over 21 Years)

Peta Blackburn 2nd Place, Cattle Handlers Class (Over 18 Years)

3rd Place, Preparation of Steer - On the Hook: Export Carcase Class

Ty Gilmore 3rd Place, Preparation of Steer - On the Hook: Export Carcase Class

Prue Phillips	3rd Place, Cattle Handlers Class (Over 18 Years)
<i>Australian Olive Association National Extra Virgin Olive Oil Show</i>	
NMIT Northern Estates	Silver Medal, Class 1 Single Estates Grown
<i>NMIT 2011 Outstanding Student of the Year Awards</i>	
Ryan Sargeant	Winner, NMIT Outstanding Student of the Year (Earth Sciences)

Faculty of Engineering

<i>BUDA: Contemporary Australian Silver and Metalwork Exhibition 2011</i>	
Annie Broadway	Winner, Gold and Silversmiths Guild of Australia Award
<i>Master Locksmiths Association of Australasia Awards 2011</i>	
Wayne Schilg	Bronze Medal, John Andrew Apprentice of the Year Award
<i>NMIT 2011 Outstanding Student of the Year Awards</i>	
George Ellis	Winner, NMIT Outstanding Student of the Year (Engineering)

Faculty of Further Education

<i>NMIT 2011 Outstanding Student of the Year Awards</i>	
Wesleineilane Silva	Winner, NMIT Outstanding Student of the Year (Further Education)

Faculty of Hospitality, Tourism and Personal Services

<i>Association of Massage Therapists (AMT) Conference 2011</i>	
Constantina Tsiounis	Winner, Student Therapist of the Year
<i>Melbourne Airport Developing Tourism Leaders Awards</i>	
Jessica Soultani	Winner, Judges' Award for Tourism Innovation
<i>William Angliss Mystery Bag Competition 2011</i>	
Adam Khazaal	Silver Medal, Nestle Golden Chef's Hat Competition
Brittany McKeon	Silver Medal, Nestle Golden Chef's Hat Competition
<i>VicTAFE Cookery Challenge 2011</i>	
Team consisting of:	Gold Medal (Team)
Keelan Gallogly	
Tom Carew-Ried	
Beth Candy	
David Januszkiewicz	
<i>AusTAFE Individual Cookery Competition - State Final</i>	
Gao Liu	Gold Medal & Section Runner-Up, 3rd Year Apprentice
Larina Smith	Gold Medal & Section Runner-Up, 2nd Year Apprentice
Jacqueline Mitchell	Bronze Medal, 2nd Year Apprentice
Adam Racina	Silver Medal, 1st Year Apprentice
Annemarie Grams	Silver Medal, 1st Year Apprentice
<i>World Skills Cookery Competition 2011</i>	
Gao Liu	Gold Medal (will represent Victoria at the National Finals)
Jacqueline Francese	Bronze Medal
<i>TAFE Barista Competition</i>	
Jessica Lawton	3rd Place
<i>NMIT 2011 Outstanding Student of the Year Awards</i>	
Megan Statham	Winner, NMIT Outstanding Student of the Year (Hospitality, Tourism & Personal Services)

2011 HIGHLIGHTS

PROGRAMS DIVISION

Faculty of Arts and Social Sciences

The faculty comprises the departments of Health and Community Studies, Performing Arts, and Visual Arts, and a suite of Higher Education programs.

Health and Community Studies

The department delivered programs in Aged Care, Health, Childcare, Disability Studies, Alcohol and Other Drugs Work, Welfare and Mental Health.

Highlights included:

- providing in conjunction with the Koorie Services Unit, a Certificate III in Health Services Assistance course to a group of 10 indigenous students.
- delivering seven induction programs to the Department of Human Services North West Metropolitan Region Disability Accommodation Services and a further two induction programs to the Department of Human Services Barwon Region
- partnering with Indigenous pre-school Bubup Wilaw in Lalor to train staff and offer pathways through Certificate III and Diploma studies in Children's Services to Deakin University's Koorie Bachelor of Early Childhood Education
- developing and trialling recognition of prior learning (RPL) assessment tools to expedite student pathways into Health and Community Studies courses. The RPL models include group-based workshops and on-site assessments.

Performing Arts

The department delivered programs in Music Performance, Music Business, Sound Production, Screen and Media and Live Production for Theatre and Events.

Highlights included:

- presenting the Yarra Edge Music Festival 2011 over five days, offering a range of musical performances
- the nomination of Advanced Diploma of Music Business student Jamie Lea for the Young Australian of the Year Award 2012 in his role as the creator and director of The 3630 Festival in Shepparton
- inviting Advanced Diploma of Screen and Media students to participate in the Channel 31 program, Melbourne 22 in 2012, after a successful trial run of the show in 2011
- Advanced Diploma of Music students presenting the show Banjo at the Melbourne Fringe Festival 2011.

Visual Arts

The department delivered programs in Fine Art, Illustration, Applied Photography, Graphic Arts and Photomedia.

Highlights included:

- NMIT being recognised as the 2011 Runner-Up in the Canon AIPP Tertiary Photography Institution of the Year Award. Eighteen students received a total of 26 medals, including a number of specialist awards.
- notable achievements for students and graduates in various local and interstate creative arts competitions, grants and festivals, such as the Melbourne International Animation Festival, Sydney Road Short Film Competition, Hugo Create Design Awards, and the Australia Council for the Arts ArtStart Grant.

Higher Education

The faculty's Higher Education - Creative Arts department offered bachelor degree courses in Music, Writing and Publishing, and Illustration.

Highlights included:

- organising the Japan Earthquake Benefit Concert and the East Africa Benefit Concert to raise money and awareness for supporting charities
- notable staff performances and participation in local and international projects and collaborations
- successfully presenting the Bachelor of Music Industry for accreditation and preparation for delivery in 2012
- presenting a public song writing forum, Your Song Matters, to promote the new Bachelor of Music Industry
- students releasing an album titled, We Went Down to the River Volume 3
- publishing Bachelor of Writing and Publishing students' work in Inscribe Edition 5, and distributing throughout the City of Darebin.

Faculty of Building and Construction

The faculty comprises two departments: Building Structures and Services, and Design, Drafting and Interior Fittings.

Building Structures and Services

The department delivered programs in Carpentry, Bricklaying, Plumbing, Painting, Plastering, Roof Tiling, and Wall and Floor Tiling.

Highlights included:

- launching online training and assessment for Certificate IV plumbing students and began developing Certificate III common units for 2011 delivery
- developing a Certificate IV building course for delivery in 2011 to international students who have completed certificate III training in bricklaying and plastering. The course will also be available to apprentices who require builders registration
- relocating staff, as well as developing marketing materials and strategies targeting students eligible to receive credits through Recognition of Prior Learning, in order to facilitate growth and competition
- continuing to forge greater ties with employers and apprentices through onsite visits and assessments.

Design, Drafting and Interior Fittings

The department delivered courses in Civil Engineering, Building Design, Building, Interior Decoration and Design, Furniture Design, Cabinet Making, Joinery, Shop Fitting and Stair Building.

Highlights included:

- increasing delivery at Greensborough in diploma and advanced diploma level courses, with enrolments exceeding 2010 delivery
- purchasing new equipment via additional equipment grants to support the Civil Engineering, Building Design, Building and Construction and Building Surveying areas of field surveying and soil testing
- using an integrated approach to deliver classes successfully to local students, as well as delivering high quality programs to international students in China
- successfully applying for TAFE Development Centre grants to support industry release for teachers, flexible delivery development and a scholarship for non-teaching staff, including a Flexible Learning Australia grant to further support the development of online delivery resources.

Faculty of Business

The faculty comprises the departments of Business Administration, the Business Enterprise Centre, Commerce, Information Technology and the Work Education Centre, as well as a suite of Higher Education programs.

Business Administration

The department offered courses in Business Administration, Legal, Human Resources, Project Management, Medical, Community Pharmacy and Retail.

Highlights included:

- delivering a new Justice course, providing vocational education and training pathways for careers within community justice, police, customs services, sheriff's department, local government authorities, correctional services, courts and juvenile justice
- delivering the Fitted for Work Program, which offers a transition to work (TTW) program for women incorporating non-vocational life skills, work experience and mentoring. The 14-hour mentoring program was delivered to Certificate II in Retail students at the Epping campus
- developing strong partnerships to enhance student experience and opportunities with firms including Ogilvy Advertising, Mallesons Stephen Jacques, Bovis, Lend Lease, Department of Justice Victoria, Australian Customs and Victoria Police. Some students have gained employment as a result of these work experience and industry arrangements.

Business Enterprise Centre

The centre provides customised consulting and training solutions to meet individual, organisational, industry and government requirements. Traineeships are provided over a range of qualifications. The New Enterprise Incentive Scheme (NEIS) program supports new small businesses and the Short Courses program services a number of skill development areas.

Highlights included:

- around 400 students successfully enrolling and completing the Diploma of Vocational Education and Training (VET) Practice across Victoria, New South Wales and South Australia
- increasing the number of qualifications delivered through online modules or supported by online material using Moodle to enhance the centre's competitiveness in the training market
- delivering the Small Business Program in conjunction with Darebin Enterprise Centre Limited and the City of Darebin. More than 175 participants completed the program, with topics addressed including e-marketing, open source technology, e-commerce, web design, lead generation, tax, legal and intellectual property
- providing intensive training in conjunction with the Agriculture and Animal Studies department for an apprenticeship farriery training program rollout at the Singapore Racing Club
- delivering the Certificate III in Customer Contact to staff from the Australian Taxation Office undertaking the Debt Community Program, providing employees with training in quality customer service.

Commerce

The department offered courses in Financial Services, Accounting, Bookkeeping, Marketing, International Business, Small Business Management, Business Sales and Sports Development.

Highlights included:

- hosting the Graduate Student Conference, which was designed for graduating students in the accounting, bookkeeping, international business and marketing courses. The conference featured industry experts as guest speakers, information sessions on preparation for work and attendance from leading industry associations including the Institute of Public Accountants, Association of Accounting Technicians, Australian Institute of Export, Emerging Marketers Victoria and the Slade Group
- working closely to form relationships with international business and industry groups to provide students with opportunities to enhance experiences whilst completing their qualifications, and to build industry relevance and currency in our international business courses. Groups included Future Force, International Trade Management, Australian Customs Service, Travelex, Cargowise, Hays Recruiting and the Australian Chamber of International Trade. Practical placements with freight forwarding agents were introduced in the Certificate III in International Trade qualification
- Marketing students engaging in an industry project with the Kew Traders Association, conducting market research in the local shopping area, and developing a marketing strategy to increase the number of shoppers accessing the precinct
- former AFL coach and player David Parkin speaking to Sports Development students about coach welfare
- Sports Development students attending a three-day camp, participating in activities designed to demonstrate leadership, team work and communication skills
- continuing to provide substantial support to the Institute's offshore delivery programs, with a record number of subjects delivered to students in 16 locations throughout China.

Information Technology

The department offered courses in Software Development, Multimedia and Network Security.

Highlights included:

- introducing Microsoft technology certification into Information Technology courses. Certification exams are completed online and are fully integrated into course studies
- developing a new interactive digital media course for delivery in 2012. The course will include industry certification in Adobe products including Photoshop, Dreamweaver and Flash
- holding a one-day student exit program conference featuring keynote speakers, past students and workshops, which focused on taking the next step to a career in the Information Communication Technology industry
- six graduating students gaining full-time employment with various firms including Resolve Software and Dimension Data. Both companies have been great supporters of the department's job placement program
- involving Interactive Digital Media students in a student project on Smith Street and Gertrude Street, Collingwood using photos, videos and website animations to present their project.

Work Education Centre

The centre offered courses in Transition, Work Education, Hospitality and Performing Arts to students with specialised individual learning needs and styles.

Highlights included:

- students developing a short claymation film, *Café Chat*. The film was submitted to the Oska Bright International Film Festival in the United Kingdom, winning the Most Original Film award
- developing and implementing the Parents as Careers and Transition Support training program for families of enrolled students, with more than 40 people participating with the aim to increase family skills, knowledge and confidence to assist with transition planning. The program included industry partners such as Centrelink, Disability Employment Services, National Disability Recruitment Coordinator Program and the Banyule Nillumbik Local Learning and Employment Network (LLEN)
- developing agreements with the Northland Youth Centre and employment agencies to provide practical work placement opportunities for students. More than 22 positions were created
- conducting the Employment, Community and Life Skills expo for around 140 participants, which included participation from up to 40 organisations. Students were provided with advice and information regarding services to meet the needs of people with disabilities
- Carers Link North selecting the Work Education Centre to deliver two highly relevant training programs to young carers who have parents with disabilities
- Partnering with the City of Whittlesea parks and gardens maintenance provider Citywide to create employment opportunities and work experience for people with intellectual and learning disabilities. Up to 12 students assisted Citywide staff to plant 18,000 new trees, plants and shrubs throughout the Whittlesea municipality.

Higher Education

The Faculty of Business Higher Education programs have experienced further growth in 2011. Student numbers increased by 30 per cent and are expected to grow in 2012. Accreditation for the new degrees in Information Technology and Business were finalised and will be delivered in 2012. The faculty now has degrees in Accounting, Information Technology and Business.

Highlights included:

- integrating pathways from VET programs into the Higher Education courses. With the accreditation of our degrees and associate degrees, seamless pathways have been developed for students wishing to move from our vocational programs into our higher education courses
- receiving Certified Practising Accountant (CPA) accreditation for the Bachelor of Accounting course, greatly enhancing the standing of the program
- achieving considerable developments in online resources for the delivery of degrees and associate degrees. Online delivery of modules will provide greater flexibility for our students
- organising guest lecturers from AusTrade, the Department of Justice and the Ministry of Finance, United Republic of Tanzania
- academic staff member Shirley Wong presented her paper Sustainability in Education in *Australian Universities and Colleges in 2000s* at the International Academy of Business and Economics conference held in Barcelona, Spain.

Faculty of Earth Sciences

The faculty comprises the departments of Agriculture and Animal Science, and Horticulture, as well as a suite of Higher Education programs.

Agriculture and Animal Science

The department offered courses in Animal Studies, Natural Resource Management, Agriculture and Land Management, Wool Handling and Classing, Beef Cattle Production, Meat and Fish Processing, Farriery, Farm Management and Operations, Viticulture and Winemaking, Aquaculture, Equine Studies, Thoroughbred Breeding, Horse Racing, Civil Construction and Earthmoving, Transport and Distribution, Warehousing and Forklift, Olive Production and Veterinary Nursing.

Highlights included:

- hosting the Mustad Asian Pacific Farrier Conference at the Epping campus, which included two days of competition to decide Australia's leading farrier. It also brought together international specialists in the area of corrective farriery who delivered presentations outlining the latest international methods and techniques
- success at the Royal Melbourne Show with cattle prepared and paraded by Diploma of Agriculture students, who won awards in the led steer and beef carcass competitions
- a large presence at the Seymour Alternative Farming Expo with three activities zones encompassing both Faculty of Earth Sciences and Faculty of Hospitality, Tourism and Personal Services
- participating in the Cellar Door and Farm Gate event at Southbank Wharf Precinct to introduce the Northern Estates wine label to the public, as well as providing information about the Institute's VET and Higher Education Viticulture and Winemaking courses
- receiving an award at the Australian Olive Association's annual National Extra Virgin Olive Oil Show for Northern Estates olive oil, produced at the Ararat campus.

Horticulture

The department offered courses in Arboriculture, Amenity Horticulture, Landscaping, Nursery, Parks and Gardens, Turf Management, Floristry and Pest Management.

Highlights included:

- students featuring prominently in some of the most prestigious awards presented at the 2011 Melbourne International Flower and Garden Show. As a result, several students were selected to undertake prominent appointments -
 - Diploma of Horticulture student Angela Carstairs invited to China to reproduce a scaled-up version of her native Australian garden design entry
 - Certificate III in Floristry student Diane Coote invited to reproduce a competition floral design for a table centrepiece at the Lady Mayoress's High Tea at the Windsor Hotel in celebration of the Royal Wedding, on behalf of the Lord Mayor's Charitable Foundation
 - Certificate II in Floristry student Thom Yaemprayun offered a position as chef/florist at the new Pearl Restaurant Group establishment, Chin Chin.

Higher Education

The faculty's Higher Education Primary Industries Department offered degrees in Agriculture and Land Management, Aquaculture, Equine Studies, as well as Viticulture and Winemaking. The department also offered associate degrees in Agriculture and Land Management and Equine Studies.

Highlights included:

- Bachelor of Equine Studies graduate Heather Newnham securing an internship with Colorado State University for a 12 month program at the university's equine breeding farm
- Bachelor of Aquaculture graduate Ben Hokin securing employment at Fuji Fuels in Melbourne to work on developing algae towards the production of biofuels
- VRQA approving to offer an Associate Degree of Viticulture and Winemaking, and an Associate Degree of Aquaculture and Environmental Management in 2012
- consolidating the Primary Industries program to introduce common subjects and electives across the faculty's four degree courses, following a major change application and VRQA approval.

Faculty of Engineering

The faculty comprises the departments of Computer Systems and Electrotechnology, and Mechanical Manufacturing.

Computer Systems and Electrotechnology

The department offered programs in Computer Systems, Electrical Technology, Data and Communications, Electronic Engineering, Power Industry and Renewable Energy.

Highlights included:

- commencing training for the Renewable Energy programs at the Green Skills Centre at the Epping campus
- attaining TAFE Development Centre funding to enable four staff members to undertake three weeks of industry release within the Power Industry sector
- recognising outstanding achievements at the Faculty of Engineering Awards evening, which acknowledged two recipients
- developing and introducing new programs in areas such as Optical Fibre, Open Cabling Registration, Structured Coaxial Cabling (Cat 5/6) to meet employment opportunities as part of the National Broadband Network rollout
- two Renewable Energy program graduates Elin Bernehjalt and Luke Smith participating in the Australian Clean Energy Technology tour to China as part of the NMIT Study Grant Awards. The tour included attending several major renewable energy expositions and visiting large companies involved in the design and manufacture of renewable energy equipment and products, as well as attendance at an Australian Embassy function in Beijing.

Mechanical Manufacturing

The department offered programs in basic Engineering, Engineering Technology, Jewellery, Manufacturing Engineering, Metal Fabrication and Welding, Security Technology and Locksmithing.

Highlights included:

- conducting an annual graduate exhibition for Advanced Diploma of Jewellery students at the Northcote Town Hall, which was strongly supported by local industry, employer and community groups with over 1,000 people in attendance across the 10-day exhibition
- student and staff participation in Engineering training expositions, career advisory events and taster programs initiated by NMIT, local government and industry
- developing online computer-based training resources to meet industry partners who require staff with specialist skills and training within the Fluid Power discipline
- working with NORTHLink to attain a significant funding grant from Skills Victoria to enable the development and implementation of the I-STEP program, which is designed to link employers with NMIT graduates
- staff and students continuing to receive awards and recognition from community, government and industry
- hosting a tour of the Engineering facilities across the Epping, Heidelberg and Fairfield campuses for Dr Ludger Deitmer from the University of Bremen, Germany, an industry expert with extensive experience in national and European VET projects and research in vocational education and training within the European Education Research Association.

Faculty of Further Education

The faculty comprises the Adult Migrant English Programs, Foundation Studies and Vocational Pathways departments, the Further Education Industry and Initiatives Unit, the Youth Unit and the International English Language Testing System (IELTS) Test Centre as well as a Higher Education program.

Adult Migrant English Programs (AMEP)

On the strength of the performance and growth of the AMEP delivery at NMIT, a new department was created in September 2011. The department oversees AMEP delivery across the Preston and Epping campuses, and the Broadmeadows training centre.

Highlights included:

- implementing the new AMEP contract from 1 July 2011, offering English language and specialist courses at Preston and Epping campuses and the Broadmeadows training centre
- delivering specialist courses such as the Special Humanitarian Program, Settlement Course and Settlement Language Pathways for Education and Training course
- faculty staff and student participation in a range of community activities to assist refugees and recent arrivals with settlement in Australia
- developing relationships with a range of community groups in Melbourne's northern region.

Foundation Studies

The department offered courses in English as a Second Language (ESL), Adult Literacy and Basic Education (ALBE), the Language, Literacy and Numeracy Program (LLNP) and literacy and numeracy support to apprentices and trainees. These programs provided students with opportunities to develop their literacy and numeracy skills and employability skills for work, further education and/or training. The department also manages the Centre of Excellence for students who are deaf and hard of hearing.

Highlights included:

- moving into the second year of the Language, Literacy and Numeracy Program (LLNP) contract 2010–2013 in the Northern Business Service Area at Epping and Preston campuses and the Northwest Business Service Area at the Broadmeadows Training Centre. The program is achieving record numbers at NMIT's Preston and Epping campuses, and the Broadmeadows training centre
- delivering 141 per cent of the department's profile student contact hours targets
- collaborating with other departments to facilitate pathways for students into mainstream courses or employment through dual delivery models, as well as increasing work and study placements
- developing a business plan for the Centre of Excellence 2012–2013
- receiving funding for the Central Auslan Booking Service for a sixth year to book interpreters for the deaf and hard of hearing in TAFE institutes across the state, and fulfilling 85 per cent of requests.

Vocational Pathways

The department offered courses in Liberal Arts, Bridging Science, English as a Second Language (ESL) for vocational and further study, English Language Intensive Courses for Overseas Students (ELICOS) and the Overseas Qualified Professionals program. It was responsible for organising practical placements in the faculty for student teachers from five universities. The department provided study skills support to students in other faculties and implemented the Certificate in Applied Vocational Study Skills (CVASS) as a trial project across five programs within the Institute. The department managed the staffing of offshore delivery of the Certificate in Business and Global Communication.

Highlights included:

- delivering a support program for international Higher Education students
- providing a range of dual ESL and vocational programs in the areas of bilingual health and community work, child care and hospitality
- thirty-six teachers delivered offshore programs to 1,816 students in China in 11 partner locations
- delivering ELICOS to approximately 400 students from 30 countries
- delivering the CVASS in programs across the Institute such as Electroplating, Painting, Landscaping, Cabinet Making and Aged Care
- securing a formal agreement with Melbourne Health to offer annual work placements to accounting professionals in the Overseas Qualified Professionals program.

Industry and Initiatives Unit

The unit coordinated the faculty's business activities and provided project management services. A significant part of this work included provision of customised training programs and innovative approaches for enterprises and communities with employees with low levels of literacy, numeracy and English language skills, as well as the preparation of major government contracts and tenders. As part of the AMEP contract, the unit provided distance learning courses in ESL and the AMEP Home Tutor Scheme volunteer training.

Highlights included:

- being awarded a new AMEP contract for 2011–2014 across the northern Melbourne region
- establishing a counselling service to provide educational and vocational counselling to all AMEP clients
- implementing seven new 2011–2012 Department of Employment, Education and Workplace Relations' (DEEWR) Workplace Language and Literacy Program contracts, in partnership with four aged care and child care businesses
- being awarded a Skills Victoria Access and Equity grant to provide community services training in partnership with the Asylum Seekers Resource Centre
- being awarded a contract with the City of Hume and the Scanlon Foundation to deliver a Mother and Child English Language program under the Supporting Parents, Developing Children project
- training 39 volunteer tutors to be placed with newly arrived migrants to assist with learning English for settlement in Australia.

Youth Unit

The unit offered the Young Adult Migrant Education Course (YAMEC) at Preston, Collingwood and Heidelberg campuses and the Victorian Certificate of Applied Learning (VCAL) at Epping, Preston, Collingwood, Greensborough, Heidelberg, Fairfield and in partnership with the Salvation Army at Brunswick. Other programs in the unit include Youth Connections, Student Pathways and the Managed Individual Pathways (MIPs) service.

Highlights included:

- winning three contracts from DEEWR to extend the existing Youth Connections services to 2012–2013. These contracts cover three LLEN areas across the north of Melbourne
- funding from the Bendigo and Adelaide Bank to support the Breakfast Club at the Heidelberg campus in 2011
- the VCAL Carpentry group participating in building a cubby house and donating it to the Strathewen Primary School, which was rebuilt after the Black Saturday bushfires
- partnering with community groups to support YAMEC students and programs, such as the YAMEC Work Readiness program run by the Inner Northern LLEN, the VicRoads safe driving and buying a car programs, Brotherhood of St Laurence volunteer program, Neighbourhood Justice Centre, Red Cross Leadership Program, Yarra City Council Money Talks program
- VCAL students meeting with City of Banyule Mayor Peter McKenna for a roundtable discussion.

IELTS Test Centre

The centre offered and administered the internationally recognised International English Language Testing Systems (IELTS), which is jointly owned and managed by British Council, IDP:IELTS Australia (IDP:IA) and University of Cambridge ESOL Examinations (Cambridge ESOL).

Highlights included:

- conducting 54 tests in 2011, compared with 52 tests in 2010
- increasing candidate totals to 14,120 students in 2011, from 12,413 in 2010
- implementing the Identity Authentication Management (biometric security) system, to protect the integrity of the IELTS test
- conducting staff training and implementing the IELTS Web Administration System, which replaced the previous ESOLCOMMS system.

Higher Education

In its first year of operation, the Bachelor of Education (Early Years) attracted strong interest, particularly from across the north of Melbourne. As well as fee for service places, the program offered 30 Commonwealth Supported places. Adding to this strong performance was the successful placement of all students into industry placements. As a new entrant into a highly competitive market, the placement of all students was a significant achievement.

Highlights included:

- a Bachelor of Education (Early Years) student receiving the Milly Sydney Martindale Conference Award, which sponsored their attendance at the Equity and Childhood program of the Youth Research Centre at the University of Melbourne's Honouring the Child, Honouring Equity conference
- Head of Program Dr Karina Davis presenting papers at the University of Melbourne's Honouring the Child, Honouring Equity conference, and the 21 Annual European Early Childhood Education Research Association conference in Geneva, Switzerland. Her conference paper was titled, *Education from Birth: Research, Practices and Educational Policy*.

Faculty of Hospitality, Tourism and Personal Services

The faculty comprises the departments of Hospitality and Tourism, Personal Services and a Higher Education program.

Hospitality and Tourism

The department offered courses in Hospitality, Cookery, as well as Tourism and Events. Courses offered included Food and Beverage, Accommodation, cookery, Patisserie, Bakery, Venue Management and Front of House, Holiday Parks and Resorts, Tourism, Retail Travel Sales and Event Management. Training programs incorporated partnerships with industry, local councils and community groups, schools and the general community. The department delivered cookery apprenticeships and traineeships, hospitality traineeships, school-based apprenticeships and a VET in Schools program. Institute-based students utilised external events and NMIT facilities for hospitality industry experiences. The successful ongoing mentor program for Tourism and Events courses continued to provide benefits for mentors, students and related industries.

Highlights included:

- partnering with Spotless Services to deliver the Certificate IV in Commercial Cookery across Victoria via a traineeship program
- setting up a pilot program with Australian Leisure Hotels to deliver a pre-apprenticeship program, with students offered work experience with apprenticeships offered if successful
- student success and participation in many local food and wine festivals and events, including the Melbourne Food and Wine Festival, Darebin City Council Homemade Beer and Wine Festival
- Event Management students organising and coordinating the Victorian TAFE Administrators Conference held at NMIT
- working with the Business Enterprise Centre to develop and deliver retail and hospitality traineeships for IKEA in 2012 and also to develop and deliver a Diploma of Management course designed specifically for the hospitality industry
- Event Management students arranging the Tourism Employment seminar, which attracts a number of industry professionals as guest speakers and provides student employment opportunities
- students and volunteer chef trainers organising the Pink Breakfast fundraising event at the Queen Victoria Market, which raised over \$10,000 for the McGrath Foundation
- students organising and running themed events at the St Georges training restaurant throughout the year
- Master Chefs and Food and Wine Dinners held throughout the year, featuring top industry experts from respected local and regional eateries and wineries
- hosting the Hospitality TAFE Team Challenge, in which students from across eight TAFE institutes competed in both front-of-house and back-of-house activities
- student success and participation across various competitions including the VicTAFE Challenge, Nestle Golden Chef, Melbourne Fine Foods and the Student Barista Competition
- partnering with the Work Education Department to develop and run a regular produce shop at the St Georges Restaurant.

Personal Services

The department offered courses in Relaxation Massage, Remedial Massage, Myotherapy, Aromatherapy, Hairdressing, Beauty Therapy, Salon Management and a suite of Institute Accredited Courses in First Aid, Massage, Hairdressing, Hospitality, Tourism, Cookery and Medical Administration.

Highlights included:

- developing a part-time Remedial Massage course, as well as an evening remedial massage clinic, which continues to highlight the growing demand for programs with flexible delivery and allows members of the public greater access to treatment after hours
- the placement of Beauty trainees in beauty spas affiliated with five-star hotels in Melbourne, with further work placement opportunities to be explored in 2012
- Hairdressing and Beauty students collaborating with NMIT Events students to showcase their skills by organising the annual NMIT Hairdressing and Beauty competition, featuring local industry expert judges
- Hairdressing staff and students attending the International Hairstylists Society Australia Battle of Colleges held at Crown Casino, with a view to entering the competition in 2012
- Massage students volunteering at the Round the Bay cycling event to gain experience treating clients
- Remedial Massage students volunteering to treat residents at local aged care facilities on a weekly basis as part of their assessment requirements
- developing a part-time Certificate III in Beauty Therapy Services course to cater for growing demand in the sector
- re-structuring the Certificate III in Pathology course for delivery in an industry-demanded format, which offers students comprehensive opportunities for industry participation
- re-designing the Certificate III and IV in Fitness courses to meet industry demand, as well as allowing students to experience a more structured and enhanced program.

Higher Education

The faculty's Higher Education program is continuing to grow with more than 60 students enrolling in the Bachelor of Hospitality Management in 2011.

Highlights included:

- the Bachelor of Hospitality Management gaining re-accreditation from the VRQA, as well as the accreditation of an Associate Degree program
- an increase to the number of enrolled students to more than 60 for the first time. Ten students completed the course in Semester 2 and will graduate in 2012
- the first graduate of the Bachelor program completing a Master of Business (Hospitality Management) at Victoria University, and finding employment as a hotel manager. Other students who have completed the course are working in Australia and overseas as hotel managers.
- students attending field trips to various hotels and tourist sites, participating in guest lectures from industry experts
- students raising more than \$400 for charity in an event they planned and managed
- Head of Program Jeffrey Kidd publishing a paper in the *ASEAN Journal on Hospitality and Tourism*.
- Higher Education lecturer and PhD candidate Charles Eller presenting a paper at the National Centre for Vocational Education Research conference in Coffs Harbour, as well as co-authoring and presenting a paper with Jeffrey Kidd at the Asia Pacific Council on Hotel, Restaurant and Institutional Education conference in Hong Kong. Mr Eller also joined the International Council on Hotel, Restaurant and Institutional Education on behalf of NMIT
- creating and uploading to YouTube two videos for the Bachelor of Hospitality Management program
- making contact with a number of overseas institutions about staff and student exchanges, and other activities, as well as MoUs currently under discussion with institutions in Ireland, Finland and the Netherlands.

Higher Education Office

In 2011, the Higher Education Office continued to implement the NMIT Higher Education Strategy 2010–2015. Principal activities included overseeing the educational design and development of new undergraduate programs to satisfactory accreditation, the successful re-registration of NMIT as a higher education provider until 2014, and the implementation of an e-learning strategy across the Higher Education portfolio.

Highlights included:

- implementing a new strategic planning framework for the development of the Higher Education portfolio at NMIT, and the commencement of four new degree programs which will include relevant associate degrees, to be accredited by 2013/14
- implementing a new Flexible Learning Framework and an e-learning project in collaboration with ICT Services and the e-Learning Unit. The successful pilot involved over 40 subjects and 30 academic staff, with some extensions to the pilot in 2012 for broader implementation
- conducting a major review and benchmarking for all higher education academic policies
- finalising the first call for academic promotions within the Institute
- establishing formally signed Memoranda of Understanding (MoU) with Box Hill Institute, Holmes Institute and Holmesglen Institute in Australia, as well as a number of international education institutions including Haaga-Helia University of Applied Sciences, Finland, and the Institute of Technology Tallaght Dublin, Ireland
- hosting in conjunction with the Faculty of Hospitality, Tourism and Personal Services a delegation from the Institute of Technology Tallaght Dublin, prior to the signing of a formal MoU
- hosting in conjunction with the International Office a delegation of academics from Mexican universities interested in pursuing cooperative relationships such as staff and student exchanges
- completing the first successful benchmarking project in conjunction with Holmesglen Institute, investigating the state of academic skills support in Higher Education
- managing the accreditation and reaccreditation submissions, and VRQA site visits of eight degree and associate degree programs, in conjunction with faculties and the Quality Assurance department
- collaborating with the Quality Assurance department and the Office of the CEO to secure NMIT's re-registration as a higher education provider to June 2014
- facilitating two major projects with partners University of Ballarat, Queensland University of Technology and Monash University to progress NMIT's Work-integrated Learning, and Research and Scholarship agendas in keeping with sector benchmarks
- participating in the Australasian Survey of Student Engagement, a cross-university sector survey of student engagement
- supporting a Scholarship@NMIT seminar series showcasing the scholarly work and research of NMIT academic staff as a major academic professional development approach
- supporting more than half of NMIT's full-time academic staff in presenting refereed conference papers at national and international conferences, and the publication of articles and book chapters in peer-reviewed journals and academic texts
- the Deputy Director Programs Higher Education being invited as a guest speaker at the University of Ballarat's School of Nursing graduation ceremony.

International Office

The International Office manages the international activities of the Institute through the identification and evaluation of international opportunities, professional advice and planning.

Highlights included:

- activities generating in excess of AU\$17.5 million for the Institute
- strengthening NMIT's brand in the overseas market in the Higher Education sector with a significant increase in the number of international student enrolments in degree programs from 150 students in 2010, to 221 students in 2011
- conducting diploma programs in China and Korea at 25 partner institutions and maintaining our position as the leading provider of vocational training in China by an Australian institution. Enrolments in the last full academic year (2010) totalled just over 23,000 course enrolments, including diplomas and English language development courses

- negotiating a number of new agreements with potential Chinese and Korean partner institutions, with Chinese authorities approving four new future programs for recruitment
- hosting numerous delegations from partner institutions and other organisations from around the world, as well as conducting study tours for students from Hong Kong, Korea and customising training for client groups from China
- signing agreements and gaining approval for Equine Studies programs to be run in China, Singapore and Malaysia. Staff training and resource development is well underway in preparation for 2012 program recruitment
- conducting training for English and diploma-level teaching in Melbourne, Shanghai and Fuzhou for more than 50 Chinese staff from partner institutions.

Quality Assurance

NMIT has been certified to international standard ISO 9001 since 1994. The quality system covers the design, development and provision of training programs, including Higher Education, and services provided by all teaching and non-teaching departments within the Institute. NMIT has now achieved 16 years of ISO certification, which is longer than any other Victorian TAFE institute.

The Quality Assurance unit was directly involved in a number of external audits:

- ISO 9001:2008:
 - external quality audit undertaken in March and August by SAI-Global Assurance Services
 - Certification to standard ISO 9001:2008 authorised to continue
 - Nil non-conformances achieved
- 2011 Performance Agreement audit
- 2011 Public Provider Funding Agreement audit
- Victorian Regulation and Qualifications Authority:
 - External audit of NMIT's applications for qualifications:
 - Accreditation:
 - Bachelor of Business
 - Bachelor of Information Technology
 - Associate Degree of Information Technology
 - Associate Degree of Hospitality Management
 - Re-accreditation:
 - Bachelor of Hospitality Management
 - Associate Degree of Business
- Cattlecare – Meat & Livestock Australia accreditation:
 - External audit undertaken in September by AusMeat
 - Continued accreditation achieved for activities on Yan Yean farm
 - Nil non-conformances achieved
- Meat Processing Facility:
 - External HACCP audits in February, May, August and November by SGS Pty Ltd
 - Nil non-conformances achieved
- Aquaculture Training and Research Centre:
 - External audit undertaken in November by PrimeSafe Victoria
 - Licence renewed.

CORPORATE SERVICES DIVISION

Buildings and Properties

The department provided a range of services including maintenance of buildings and grounds, cleaning, security and capital works.

Capital works completed in 2011:

Ararat Campus

- excavated the existing entrance and the site was made safe. The mines inspector visited the site to determine if the cellar could be worked on safely.

Collingwood Campus

- refurbished the toilets on Level 3
- installed fall protection for personnel working on lifts (as per WorkSafe instructions).

Epping Campus

- refurbished the office of the AMEP Programs Head of Department and administration in Building A
- installed a sub-station to cater for an increase in energy demand due to new buildings at the campus
- completed the new Student Centre including a new fitness centre
- erected new pylon signs to improve identification and promotion of the campus
- replaced the roof membrane of Building B.

Fairfield Campus

- established a production suite for the Performing Arts Department in Room 101, Building R
- installed automatic doors in Building R and B to improve access for students with a disability
- established a new gallery in Room 209, Building B for Bachelor of Illustration students
- installed new casual furniture in a large corridor area in Building D, providing Yarra House students with an alternative for after-hours use
- six new staff offices in Room 109, Building B
- replaced swinging gates with new automatic gates at the main campus entry
- completed Building S and surrounding landscaping
- constructed a new car park entrance to Building Q.

Greensborough Campus

- provided additional landscaping and walkways to the car park to improve access to amenities.

Heidelberg Campus

- refurbished general purpose classroom Room 212, Building K as a computer lab
- installed new shade sails between Buildings F and A
- upgraded window furnishings in Building B.

Preston Campus

- removed poplar trees and re-planted ornamental pear trees, in order to reduce airborne pollen across the campus and neighbouring properties
- converted general purpose classrooms Room 121 and 122, Building W into electrical practice rooms
- constructed two prayer rooms in Building R
- improved male change rooms in Building K
- replaced the roof on Building V to prevent leaks
- upgraded electrical sub-station in anticipation for the increase in energy demand from the construction of the new Building F
- demolished existing redundant buildings and commenced construction of Building F
- established an onsite archive storage facility
- completed new student car park, IT works and surrounding landscaping
- negotiated Building B heritage planning overlay to the main building only
- refurbished the lift in Building E to improve disabled access.

Eden Park Training Centre

- upgraded mains power in preparation for proposed new foaling shed.

General

- appointed a new security contractor via a tender process
- completed departmental audit of all outstanding sessional and casual staff members
- submitted a room utilisation and backlog maintenance report to Skills Victoria
- completed a sustainability strategy action plan for 2012 - 2013
- completed a water use review for all campuses
- examined the electrical consumption profile for all campuses
- prepared a natural gas usage profile for all campuses
- commenced the installation of electrical sub-metering at the Preston Campus
- prepared an asset management plan.

Finance

The department was responsible for the financial functions of NMIT including accounts payable and receivable, assets, banking and investments, budgets, courier, insurance, management reporting, payroll, printing and risk management. The department had responsibility for implementing legislation through the Financial Management Compliance Framework and Ministerial Directions.

Highlights included:

- preparing and submitting the 2010 annual financial reports, 2010 whole of government financial reports and 2010 commercial activities financial reports
- preparing the 2012 budgets
- certifying financial management compliance, tax compliance, credit card compliance and irregularities and losses compliance
- incorporating the ANZ transactive banking program to enhance the security and flexibility of NMIT's financial systems
- upgrading the payroll operating system
- reviewing and implementing policies and procedures to improve department efficiency and delivery.

Human Resources

The department provided all faculties, departments and staff at NMIT with human resource services encompassing anti-discrimination, recruitment, induction, leave, industrial relations, employee welfare and occupational health and safety, which includes the provision of first aid supplies and arranging first aid training for interested staff. The department also has responsibility for the Freedom of Information, Information Privacy and Whistleblower Protection Acts.

Highlights included:

- the approval of the Storage Services Agreement 2010 by Fair Work Australia
- preparing management logs for the PACCT Staff and Miscellaneous Workers Agreements
- providing information sessions on retirement and superannuation for staff involved in the Emergency Services and State Superannuation, VicSuper and National Seniors Australia
- reducing the WorkCover premium from \$1,052,241.39 in 2010-2011 to \$773,534.56 for 2011-2012.

ICT Services

The department is responsible for the development and delivery of all Information and Communication Technology (ICT) services used by NMIT.

ICT Services responded to more than 9,850 end user requests for assistance during 2011.

Highlights included:

- management and delivery of e-Learning Grant projects that concentrate on the enhancement of course material and delivery on the student portal, and on staff professional development in the use of staff and student portals
- implementing the Identity Authentication Management (IAM) test day photo system for International English Language Testing System (IELTS) assessment compliance
- introducing the student instalment payment system into the STRATA Student Management System (SMS) database
- further strengthening the methodologies and capabilities of the ICT Project Office
- implementing the ITIL problem management discipline and further refinement of the implementation of the ITIL change management discipline
- consulting on and providing ICT equipment for four new buildings
- extending the service management system to provide service management support to the Marketing and Corporate Communications Department, including introducing a user-friendly service catalogue
- finalising the implementation of the International Student Management System (ISMS) through migration of all existing data into the new module within STRATA
- implementing standard operating environments for Microsoft Windows 7 operating systems, to replace those for the obsolete Microsoft Windows XP operating system across all NMIT personal computers
- reducing the number of standard operating environments down from 100 to five in use in 2010
- selecting a replacement for the previous system that produces student and staff identity cards
- implementing a performance planning and review framework for all ICT Services staff
- resolving the technical incompatibility between NMIT and supplier equipment, resulting in a reduction in the cost of landline to mobile phone calls by 24 per cent.

CLIENT SERVICES DIVISION

Academic Registry

The Academic Registry provides a range of administrative services, policy and delivery framework to support teaching and learning for students and staff. These services include VTAC selection, awards management, curriculum templates, maintenance of academic records and statements of results, curriculum and recording of the delivery of offshore education programs and the reporting of student enrolment data internally and externally.

Skills Reform and the Victorian Training Guarantee have impacted greatly on Institute processes with respect to systems administration, enrolment processes, internal and external reporting and fee scheduling. Through continual development of the STRATA Student Management System (SMS) and the redevelopment of QA procedures, the Academic Registry is successfully meeting these challenges and is well positioned to respond to future changes and growth.

Highlights included:

- the successful accommodation of the STRATA SMS to changed recording and reporting requirements in response to the implementation of the Victorian Training Guarantee and the commencement of contestability arrangements in 2011
- successfully implementing the Victorian Student Number into the STRATA SMS to meet government policy requirements

- working with Information Services, Finance and ICT Services to develop and implement BPay facilities into the STRATA SMS, providing prospective students with an additional payment option at the point of enrolment
- appointing a new Coordinator Offshore, ensuring continual support for offshore education programs
- relocating the Awards Officer from Marketing and Corporate Communications to Academic Registry to coincide with the implementation of the new Graduation and Awards Module in the STRATA SMS
- completing the 2010 Invalid Enrolment audit registering the lowest invalid enrolment rate of 0.43 per cent since this auditing format commenced.

Information Services

The department is responsible for Library Services and Information Operations. The NMIT Library Service comprises six campus libraries, a technology unit and a centralised resources unit. It provides a range of services to students and staff including reference and effective research advice; acquisition of relevant resources and subsequent usage and loans; information literacy; bookshops; information and training relating to the Institute's copyright obligations and ongoing support for teaching and learning across VET and Higher Education.

The Information Operations area manages the institute switchboard; enrolment payments and refunds; student records; Instalment Payment Plans and Recognition of Prior Learning applications. It assists in the organisation of the information and enrolment evenings at all campuses, provides specialised assistance to the Academic Registry and the annual NMIT graduation ceremony in association with the Marketing and Corporate Communications department.

Highlights included:

- providing an extended hours service in the Fairfield campus Student Centre for Higher Education and Advanced Diploma students to access computer facilities, e-resources and study space
- refurbishing and fitting out a room at the Preston campus library as a designated Higher Education study room, suitable for research and collaborative work
- upgrading the Library Management System to include new features, such as adding RSS feeds under personal accounts and operational features to streamline processes. This included implementing Twitter, Delicious and a blog on the library homepage
- being the first Australian TAFE to register on Google Scholar, a reputable web-based database for searching peer-reviewed, academic literature. In adding our open URL to Google Scholar, student searches will link with full-text articles highlight those available on NMIT library databases
- participating in an external national library client satisfaction benchmarking survey (InSync), complemented by conducting focus groups at all campuses
- establishing an Archive Centre at the Fairfield campus with a view to beginning a repository of NMIT's historical documents and artefacts
- working with designers and builders to create a new Student Centre at the Epping campus, incorporating library, information and enrolment, counselling and study skills services
- relocating information operations and library services within the refurbished Student Centre at the Fairfield campus to allow greater opportunities for coordinating student information, enrolment, counselling and study skills services
- expanding e-resources and related Web 2.0 search facilities to support student research and learning outcomes, particularly for Higher Education programs
- library staff taking on leadership roles in professional groups and associations
- operational management of NMIT information and enrolment evenings at all campuses
- implementing MyPC, an institute-wide booking system for open access PCs in campus libraries, providing students with the ability to book a PC via the library webpage on-campus, or remotely.

Marketing and Corporate Communications

The department promotes NMIT as a major tertiary institution that services the educational needs of a diverse group of stakeholders and communities. The department also provides a range of services designed to attract, engage and interact with potential students, as well as aiming to retain existing students. The department is responsible for developing a consistent and memorable Institute brand, and ensures the website evolves to meet the needs and expectations of potential students. The department also prepares and publishes major publications such as the Course and Career Guide and the International Course Guide.

Highlights included:

- launching the Centenary website as a virtual window through which the public can explore the past 100 years of NMIT's history
- moving the graduation RSVP process from paper to online form, resulting in efficiencies as well as an audit trail for acceptances
- posting regular email updates with an average open rate of 27 per cent to the 2,354 students who have joined the NMIT Alumni in the past two years
- implementing continuous changes to the NMIT website with notable developments, including mobile friendly access, producing and publishing 48 student and staff videos promoting a range of courses, improving the NMIT website search functions, and developing dedicated landing pages to target specific audiences
- capturing 10,145 prospective student enquiries in the Connect database since mid-2010. This enabled a comprehensive online social media approach, designed to focus on engagement with prospective students as a core recruitment strategy.

Student Services

The department provides a comprehensive range of services designed to support the educational achievements of students and enhance their participation in Institute life. The department comprises the Student Support unit, Student Facilities and Services unit, the Koorie Services centre and an administrative team. The department provides services including counselling and disability support, recreational and sporting activities, orientation and transition services, housing assistance, student support services and opportunities for student engagement.

Highlights included:

- launching the NMIT Board approved Statement of Commitment for the Education and Training of Aboriginal students at NMIT
- connecting with students through the provision of on-campus activities and using online social media to enhance their participation and engagement in the campus community
- upgrading on-campus recreational spaces and facilities for students as part of a campus betterment program
- providing a range of free support services to students to maximise academic opportunities and social success
- providing professional development opportunities to teaching staff to enhance their capacity to work effectively with students who have disabilities.

STATUTORY AND FINANCIAL INFORMATION

ENVIRONMENTAL PERFORMANCE

NMIT has focused on effective energy management since 1990 and has a successful record in environmental performance. All new and refurbished buildings will have, as part of the planning and construction processes, environmentally sustainable outcomes. Where possible, such outcomes will also be applied to existing building stock.

In 2011 NMIT:

- submitted a sustainability strategy to Sustainability Victoria
- extended the analysis of energy consumption at various campuses via the installation of sub-metering
- expanded the use of ionised water at the Epping Campus to reduce the use of cleaning chemicals
- used passive ventilation heat coverings and economy cycle for the mechanical services in Building M at the Epping Campus
- continued to convert campus irrigation systems to an automated drip irrigation system.

WORKFORCE AND COMPLIANCE

Workforce

The following statistics apply as at the last pay in November of 2011.

They reflect staff numbers and not equivalent full-time positions.

2010 - 2011 Staffing Gender Analysis

Year	Male	Female	TOTAL
2011	775	934	1709
2010	804	920	1724

2010 - 2011 Workforce Profile

Executives

		Full-time	Part-time	TOTAL
2011	Female	6	-	6
2011	Male	13	1	14
			Total	20

		Full-time	Part-time	TOTAL
2010	Female	6	-	6
2010	Male	14	-	14
			Total	20

2010 - 2011 Workforce Profile continued over the page.

2010 - 2011 Workforce Profile (continued)

2010 - 2011 Teaching Staff - Ongoing

		Full-time	Part-time	TOTAL
2011	Female	101	70	171
2011	Male	219	28	247

Total 418

		Full-time	Part-time	TOTAL
2010	Female	110	69	179
2010	Male	223	34	257

Total 436

2010 - 2011 Teaching Staff - Contract

		Full-time	Part-time	TOTAL
2011	Female	30	30	60
2011	Male	17	5	22

Total 82

		Full-time	Part-time	TOTAL
2010	Female	35	38	73
2010	Male	32	14	46

Total 119

2010 - 2011 Teaching Staff - Casual

		TOTAL
2011	Female	192
2011	Male	195

Total 387

		TOTAL
2010	Female	218
2010	Male	197

Total 415

2010 - 2011 Higher Education Lecturers - Ongoing

		Full-time	Part-time	TOTAL
2011	Female	11	3	14
2011	Male	19	2	21

Total 35

		Full-time	Part-time	TOTAL
2010	Female	8	2	10
2010	Male	14	2	16

Total 26

2010 - 2011 Higher Education Lecturers - Contract

		Full-time	Part-time	TOTAL
2011	Female	-	1	1
2011	Male	-	-	-
Total				1

		Full-time	Part-time	TOTAL
2010	Female	-	1	1
2010	Male	-	-	-
Total				1

2010 - 2011 Higher Education Lecturers - Casual

		TOTAL
2011	Female	46
2011	Male	54
Total		100

		TOTAL
2010	Female	30
2010	Male	56
Total		86

2010 - 2011 Non-teaching Staff - Ongoing

		Full-time	Part-time	TOTAL
2011	Female	155	56	211
2011	Male	105	7	112
Total				323

		Full-time	Part-time	TOTAL
2010	Female	146	55	201
2010	Male	112	6	118
Total				319

2010 - 2011 Non-teaching Staff - Contract

		Full-time	Part-time	TOTAL
2011	Female	12	23	35
2011	Male	14	2	16
Total				51

		Full-time	Part-time	TOTAL
2010	Female	14	22	36
2010	Male	10	2	12
Total				48

2010 - 2011 Workforce Profile (continued)

2010 - 2011 Non-teaching Staff - Casual

		TOTAL
2011	Female	187
2011	Male	89

Total 276

		TOTAL
2010	Female	151
2010	Male	79

Total 230

2010 - 2011 Higher Education Non-teaching Staff - Ongoing

		Full-time	Part-time	TOTAL
2011	Female	7	1	8
2011	Male	3	1	4

Total 12

		Full-time	Part-time	TOTAL
2010	Female	3	3	6
2010	Male	1	1	2

Total 8

2010 - 2011 Higher Education Non-teaching Staff - Casual

		TOTAL
2011	Female	3
2011	Male	1

Total 4

		TOTAL
2010	Female	9
2010	Male	6

Total 15

Termination of Employment

87 employees ceased employment with NMIT during 2011, for the reasons shown.

Reason for Ceasing Employment	Male	Female	TOTAL
Retirement	2	2	4
Resignation	32	46	78
Performance/Misconduct	2	2	4
Ill health	-	-	-
Death	-	1	1

Total 87

Compliance

Professional Development

During 2011, 931 staff undertook 3,337 professional development activities at a total cost of \$1,468,499.

Employment and Conduct Principles

NMIT's Human Resources policies and practices are underpinned by the public sector employment principles set out in Section 8 of the *Public Administration Act 2004*. Selection decisions are based on key selection criteria in position descriptions available to all applicants. NMIT has a range of policies that promote fairness and equality in the workplace and are designed to discourage discrimination and harassment against staff, students and visitors.

These policies are:

- Institute Code of Practice
- Anti-discrimination Policy
- Employment Procedures
- Prevention of Bullying, Harassment and Sexual Harassment Policy and associated procedures
- Policy and Procedures for Employee Grievances
- Selection Policy
- Whistleblowers Policy and Procedures.

Industrial Relations

Excellent relationships were maintained with all unions with coverage at NMIT. There was no industrial action during 2011.

Application of the *Freedom of Information Act 1982*

It is NMIT policy to facilitate, subject to privacy and confidentiality provisions, access to information without recourse to the provisions of the FOI Act.

FOI Access Arrangements

Requests for access to records must be in writing and directed to:

Freedom of Information Officer
Human Resources Department
NMIT
77-91 St Georges Road
Preston VIC 3072

FOI Access Charges

Charges for access to documents were in accordance with the Freedom of Information (Access Charges) Regulations 2004. Charges covered costs incurred in conducting routine searches for documents, supervising document inspections and supplying document copies. The application fee for FOI requests was \$23.90 until 30 June 2011 and \$24.40 from 1 July 2011 onwards.

FOI Access Claims 2011

There were two requests for access to records pursuant to the Act during 2011.

Occupational Health and Safety (OH&S)

The Occupational Health and Safety Committee met four times during the year. The Committee considered staff and student incident reports at each meeting.

Two staff members were trained as Occupational Health and Safety Representatives, and four OH&S representatives requested and were provided with OH&S refresher training. Nineteen staff trained as wardens. Eighty-five staff undertook first aid training.

The Emergency Procedures Manual was rewritten to comply with the revised emergency planning standards.

Statistics for reported accidents and incidents are tabulated below.

Staff

Total number employed as at the last pay in November 2011	1,709
Number of incidents reported	62
Number of Compensable Claims	4
Time lost (hours)	3,228

Students

Total number of enrolments effective November 2011	61,441
Number of incidents reported	118

Compliance with the *Whistleblowers Protection Act 2001*

No disclosures were made to NMIT. No disclosures were referred to the Ombudsman and there were no requests made to the Ombudsman to investigate matters.

Compliance with the *Building Act 1993*

NMIT ensured that all works requiring building approval had plans certified; works in progress were inspected and occupancy permits were issued by independent building surveyors engaged on a job-by-job basis. All works were overseen by a registered building practitioner.

A register of building surveyors and the jobs they certified is maintained. NMIT required all building practitioners engaged on its works to show evidence of current registration upon their engagement.

A condition of contracts between NMIT and building contractors requires the maintenance of registration for the duration of the contract. All practitioners engaged by NMIT maintained their registered status throughout the year.

During 2011, the following works and maintenance were undertaken to ensure conformity with the relevant standards:

Building works	Number
Work under construction and the subject of mandatory inspections	4
Certificate of final inspection / occupancy issued	3

Compliance with National Competition Policy

NMIT has developed a costing model to ensure compliance with competitive neutrality principles. Costings are checked to ensure compliance with:

- competitive neutrality principles
- the Victorian Government Timetable for the Review of Legislative Restrictions on Competition
- any subsequent reforms.

INTERNATIONAL EDUCATION

Growth and Achievements

International student activities have been steady over the last year despite a shrinking market, mainly due to increases in Higher Education sector enrolments. These increases compensated for the loss of enrolments in some VET areas, which were severely affected by changes to Australian Government education and immigration policy.

- Offshore enrolments have decreased – from 26,000 to 23,000. This is partly due to changes in enrolment practices, but also reflects the passing of a peak in the China market
- Higher numbers of enrolments were achieved in Higher Education programs, with an increase to 221 international student enrolments (from 150 in 2010, and 80 in 2009)

International students studying in Australia

During 2011, NMIT has continued recruiting from a broad base of countries, with significant numbers of inbound students for our courses. Vietnam and India were countries providing the most overseas students (around 14 per cent), while strong growth had China, Colombia, Pakistan and Sri Lanka all contributing significant numbers. This was in line with the strategy of the International Office to broaden its base across a number of key source countries.

In 2011 student numbers increased across Higher Education programs, and the range of newly-registered CRICOS courses on offer also grew. NMIT was able to successfully recruit and retain international students who were seeking a high quality, affordable Higher Education program in Australia.

**See Figure 1 Risk Issues and Strategies:
Onshore International Student Programs Page 44**

International students studying outside Australia

NMIT delivered programs outside Australia with 25 partner institutions, involving over 23,000 student enrolments. The majority of these students were studying through partner institutions in China and preceded their main study with English language training provided through NMIT or other providers.

Programs in Korea and Hong Kong served several hundred students, and niche programs were developed for early commencement in Singapore and Malaysia. A number of new agreements were signed with partners seeking to have these programs approved by their national authorities, with a view to recruitment in the next academic year.

The International Office has maintained and logged all agreements with foreign institutions to ensure that all AQTF and IS 9001 requirements have been covered.

NMIT has delivered further staff development programs to selected academic staff at partner institutions in China and in Australia to enhance our capacity, as well as to ensure compliance.

The Institute continues to pursue cooperative partnerships with institutions in South and South East Asia, with a special focus on niche programs such as equine studies. Some commencements will take place in 2012, and further partnerships are currently in discussion phase.

**See Figure 2 Risk Issues and Strategies:
Transnational (Offshore) International Student Programs Page 45**

**Figure 1 - Risk Issues and Strategies:
Onshore International student programs**

Risk Issue	Strategies
<p>Government policy changes relating to immigration on the basis of 'critical skills' have led to dramatic reduction of interest in some specialist courses that had previously seen 'bubble growth'.</p>	<p>NMIT actively promotes courses to appeal to students seeking to study across a broader range of disciplines.</p> <p>NMIT is well positioned to cater to meet the needs of students who are motivated to study in Australia for a wide variety of reasons.</p> <p>New qualifications in Higher Education are being actively promoted and marketed with an emphasis on establishing pathways from overseas institutions.</p> <p>Our marketing will continue to leverage off the fact that Melbourne is world renowned as a multicultural city with established communities from a number of our key source countries (China, Colombia, Vietnam, Philippines, Sri Lanka).</p>
<p>Other global issues may affect our ability to attract students from these countries. An appreciating \$AUD affects demand for study in Australia.</p>	<p>Continue to communicate regularly with agents representing us in these countries and work closely with them to help them promote NMIT on our behalf. Promote NMIT as an affordable provider of quality education.</p>
<p>A significant percentage of enrolments are still coming from a limited number of source countries.</p>	<p>A marketing strategy to address this risk will focus on emerging and under-represented markets in a volatile environment. Asia, South America and parts of Europe are our current focus.</p>

**Figure 2 – Risk Issues and Strategies:
Transnational (Offshore) International student programs**

Risk Issue	Strategies
Finance:	
Adequate fees not being recovered due to cost increases and fluctuations in foreign exchange rates	NMIT reviews agreements and fees prior to each intake to ensure the financial viability of programs.
Expenditure which is not closely monitored can lead to budgeted expenses being exceeded.	Each instance of offshore teaching by NMIT appointed staff is subject to completion of a teaching plan that addresses all cost elements. Increases in travel expenses have been offset by integration of teaching delivery programs and expanded use of known reliable teachers based in the offshore location.
Strategic engagement:	
Foreign national policies can change giving rise to new opportunities and new risks.	NMIT actively monitors advice on policy development, both through the Australian Government (Austrade) and through our network of agents and consultants in various countries.
Activity focused on too few foreign locations leaves the program vulnerable to changes in one host country.	NMIT has actively pursued new partnerships beyond the existing large involvement in China. New programs in Korea and Hong Kong have grown. Vietnam is the site for some new agreements, but progress is slow. Other opportunities in that country are being evaluated. Malaysia and Sri Lanka are emerging as sources of many invitations for transnational cooperation.
Staffing:	
International security issues can severely impact on the ability to send teaching staff offshore and marketing staff to key source countries for inbound students.	NMIT is widening the range of nations in which our programs are offered to spread the risk. The Institute maintains good working relationships with existing partners to ensure that short term disruptions to travel arrangements can be handled by re-scheduling the teaching provided by NMIT and partner institutions. NMIT also reviews DFAT travel warnings, and gains first-hand information from our network of education agents in countries where our staff intend to travel.
High growth levels in transnational operations can be limited by the availability of suitably qualified staff.	NMIT maintains an active list of available staff, both within and beyond the Institute. The Institute also favours new agreements where NMIT does not provide teaching resources, focusing our involvement on content and quality assurance. NMIT uses highly experienced locally based organisations where NMIT has a high level of control to source suitably qualified and experienced staff already in the host country. This strategy is subject to strict compliance with NMIT staffing standards.
Quality assurance:	
If suitable quality assurance procedures are not in place and implemented the reputation of the program can be adversely affected either offshore or in Australia.	<p>NMIT maintains ISO 9001 accreditation of all operations. Requirements of the Australian Quality Training Framework (AQTF) are integrated into our ISO framework and compliance monitored through regular audits.</p> <p>NMIT has implemented improved procedures and documentation systems, including a plain language operations manual.</p>
Increased scrutiny, compliance costs and pressures from the regulators where nationally recognised qualifications are delivered offshore, combined with a lack of consideration of offshore programs in review of Training Packages.	NMIT is engaged in networks and actively contributes to the discussion on appropriate requirements for quality assurance of transnational delivery to ensure that inappropriate propositions are actively debated.

International Consultancy

The International Office provides a consultancy and advisory service to senior management and NMIT faculties on all international activities. This includes hosting delegations, briefing senior staff involved in approved visits and identifying opportunities for further development.

The International Office has advised and assisted in the development of articulation agreements aimed at improved pathways for international students studying in Melbourne.

Opportunities for specialised consulting and training in our areas of specialist expertise are actively pursued in close cooperation with the appropriate Faculty.

Performance Measures, Targets and Outcomes

Finance

All NMIT International activities are required to cover costs and make a reasonable return in their own right. No international activity is supported on the basis of 'loss leading' or support of another activity. Each category of activity has its own budget which is carefully monitored. All categories cover costs and return a margin in line with Institute requirements.

Quality

All International NMIT activities which lead to an award are required to produce educational outcomes comparable to those achieved in Melbourne while taking account of the context of delivery. Comparability of outcomes is monitored through our quality assurance program. Professional development activities were conducted in China and Australia for key personnel in offshore partnerships to improve compliance with AQTF requirements and enhance the quality of course delivery. A regular audit program is in place. NMIT international graduates who choose to articulate to higher education have a high success rate in gaining entry to further study and achieve outstanding success.

Reputation

NMIT has an established reputation and is a highly regarded Institute that operates ethically and responsibly in the international education environment. Through our continued high level involvement in professional activity in the field and the regular stream of international institutions actively seeking partnerships with NMIT we enhance our reputation and contribute to the wider Australian education sector.

AUDIT REPORT ON STATEMENT OF PERFORMANCE

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members of Northern Melbourne Institute of TAFE

The Statement of Performance

The accompanying statement of performance for the year ended 31 December 2011 of Northern Melbourne Institute of TAFE which comprises the statement, the related notes and the declaration by the President of the Board, Chief Executive Officer, and Chief Finance and Accounting Officer has been audited.

The Boards' Responsibility for the Statement of Performance

The Board Members of Northern Melbourne Institute of TAFE are responsible for the preparation and fair presentation of the statement of performance in accordance with the *Financial Management Act 1994* and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of performance. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the statement of performance, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the statement of performance in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the statement of performance.

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

Independence

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

Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

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Auditing in the Public Interest

AUDIT REPORT ON STATEMENT OF PERFORMANCE

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Opinion

In my opinion, the statement of performance of the Northern Melbourne Institute of TAFE in respect of the 31 December 2011 financial year presents fairly, in all material respects, in accordance with the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Northern Melbourne Institute of TAFE for the year ended 31 December 2011 included both in the Northern Melbourne Institute of TAFE's annual report and on the website. The Board of the Northern Melbourne Institute of TAFE is responsible for the integrity of the Northern Melbourne Institute of TAFE's website. I have not been engaged to report on the integrity of the Northern Melbourne Institute of TAFE's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
7 March 2012



for D D R Pearson
Auditor-General

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Auditing in the Public Interest

STATEMENT OF PERFORMANCE MANAGEMENT

Northern Melbourne Institute of TAFE
Performance Statement for 2011

In our opinion, the accompanying Statement of Performance of Northern Melbourne Institute of TAFE in respect of the 2011 financial year is presented fairly in accordance with the *Financial Management Act 1994*.

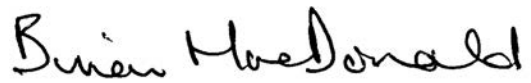
The statement outlines the performance indicators as determined by the responsible Minister, pre-determined targets and the actual results for the year against these indicators and an explanation of any significant variance between the actual results and performance targets.

As at the date of signing, we are not aware of any circumstance that would render any particulars in the statement to be misleading or inaccurate.



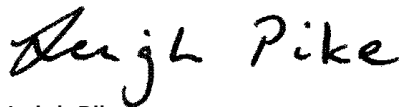
Andrew Giddy
President of Board

DATE: 27/2/2012



Brian MacDonald
Chief Executive Officer

DATE: 27/2/2012



Leigh Pike
Chief Finance Officer

DATE: 27/2/2012

STATEMENT OF PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2011

Executive Memorandum 2007-48 from Patricia Neden Deputy Secretary Office of Training and Tertiary Education stated:

In 2006 a comprehensive suite of KPIs were approved by the then Minister for Education and Training for inclusion in 2006 Annual Reports by TAFE Institutes. In 2007 a further review was undertaken of the KPIs in consultation with TAFE Business Managers. As a result, three new indicators have been added for inclusion ... FRD 27(A) requires the disclosure of such information in a concise statement of performance as part of an entity's report of operations.

Executive Memorandum 2008-03 from Philip Clarke Acting Deputy Secretary OTTE restated the advice from Executive Memorandum 2007-48.

Financial Reporting Direction (FRD) 27(A) stipulates that public entities are 'to present and report any performance information required by the responsible portfolio Minister in an audited statement of performance as part of its report of operations.'

The requirements of FRD 27(A) are:

- An applicable entity must include in its report of operations an audited statement of performance.
- The statement must contain the details as required by the responsible portfolio Minister.

The statement of performance must include:

- a) The relevant performance targets and indicators as determined by the responsible portfolio Minister;
- b) The actual results achieved for that financial year against pre-determined performance targets and indicators; and
- c) An explanation of any significant variance between the actual results and performance targets and indicators.

The outcomes and targets are detailed in the chart and commentary on the following pages.

Key Performance Indicators and 2011 Performance

KPI	Definition	Actual Performance	Target Performance	
1. Module Load Completion Rate	Scheduled hours assessed and passed or satisfactorily completed / Total scheduled hours reported less hours recorded with Credit Transfer and continuing studies outcomes	72.31%	No Target advised	
2. Student Satisfaction	Proportion of graduates satisfied with the overall quality of training	89.80%	No Target advised	
3. Participation of 15 - 24 Year olds	Number of students within the age group	41,842	No Target advised	
4. Participation of 25 - 64 Year olds	Number of students within the age group	23,709	No Target advised	
5. Total Cost per Student Contact Hour (SCH)	Total funded expenditure (excluding Depreciation) / Total SCH	\$10.84	Targets set for recurrently funded programs only	
6. Working Capital Ratio	Current Assets / Current Liabilities (adjusted for Long Term current Long Service Leave)	1 : 3.37	1 : 1	Target exceeded by 237%
7. Net Operating Margin	Funded Operating Surplus (excluding Depreciation) / Total Revenue (excluding Capital)	6.07%	6.84%	Target shortfall by 11.3%
8. Fee for Service Revenue	Fee for Service Revenue / Total Revenue (%)	29.14%	28.41%	Target exceeded by 2.6%
9. Revenue per EFT Staff	Total Revenue (excluding Capital) / Average EFT Staff	\$130,118	No Target advised	
10. Student Contact Hours	Total number of student contact hours delivered against contracted delivery.	12,331,598	No Target advised	
11. Energy Consumption	Percentage reduction in energy consumption for Electricity, Gas LPG, Green Power and Heating Oil			
	Electricity	10,250,695 (kwhs)	1999 data (for target setting) not available	
	Natural Gas	31,768,140 (megajoules)		
	LPG	24,723 (litres)		
	Electricity purchased from Green Power	2,888,059 (kwhs). 28.17% of total	25.00%	Target exceeded by 3.17%

Statement of Performance for the Year Ended 31 December, 2011

Each key performance indicator is dealt with in turn as the NMIT Statement of Performance.

1. Module Load Completion Rate MLCR

- The actual MLCR was 72.31%.
- No target was set.

Comment

MLCR is considerably lower for some types of programs, especially Further Education programs. The latest information available (2010 statistics) issued by Skills Victoria indicated that the MLCR across the Victorian VET system was 63% in Adult, Community and Further Education compared to 78% for all other programs. The percentage of an Institute's total program profile delivered in Further Education programs can therefore have a very significant impact on its MLCR, which would be largely unrelated to performance. Other factors that contribute to variations in MLCR include:

- Different methods of recording enrolments and module completion for students enrolled in modules being delivered across two calendar years give a different MLCR for the same group of students and modules.
- Different methods of recording internal student transfers from one program to another also give a different MLCR for the same group of students and modules.
- Differing pass standards and pass rates between TAFE Institutes will have an impact on respective MLCRs.

2. Student Satisfaction

- The actual result was 89.80%.
- No target was set.

3. Participation of 15-24 Year Olds

- The actual number of students enrolled in this cohort in government funded places was 41,842.
- No target was set by Skills Victoria in the 2011 Public Provider Funding Agreement.

4. Participation of 25-64 Year Olds

- The actual number of students enrolled in this cohort in government funded places was 23,709.
- No target for student numbers was set by Skills Victoria in the 2011 Public Provider Funding Agreement.

5. Total Cost per Student Contact Hour (SCH)

- NMIT's total cost per student contact hour was \$10.84.
- No target was set by Skills Victoria in the 2011 Public Provider Funding Agreement.

Comment

Total cost per student contact hour can be a misleading measure of an institute's performance unless other considerations such as the following are factored into the assessment processes:

- Institutes incur higher cost structures when operating multi-campus structures.
- Higher costs are incurred for small classes required for educational and/or OH&S reasons.
- Essential or preferred quality improvements lead to higher costs per SCH.
- Many staff are employed to generate extraneous earnings and undertake other activities that do not generate SCH but do add to total costs.
- Increased casualisation of staff will lead to decreased costs, but may also lead to much poorer quality provision.

6. Working Capital Ratio

- The actual was 1:3.37 after adjusting for Long Term Current Long Service Leave.
- The target for 2011 was set at 1:1.

Performance was greater than target.

7. Net Operating Margin

- The actual percentage was 6.07% (Funded Operating Surplus excluding Depreciation and Total Revenue excluding Capital).
- The target for 2011 was set at 6.84%. The first year of the Victorian Training Guarantee had a significant impact in not meeting this target.

Performance was less than target.

8. Fee for Service Revenue

- The actual performance was 29.14%.
- The target set for 2011 was 28.41%.

Performance was better than target.

9. Revenue per EFT Staff

- The actual revenue per EFT staff member for NMIT in 2011 was \$130,118.
- No target was set.

10. Student Contact Hours

- Actual student contact hours delivered including fee for service against contracted delivery were 12,331,598.
- No target was set.

11. Energy Consumption

The following points need to be made in relation to this indicator:

- The benchmark year for this indicator has been determined to be 1999.
- NMIT commenced its major efforts in energy management in 1990 and those efforts were recognised by winning the following awards:
 - Best Educational Institution Award in 1998
 - Energy Achiever of the Year in 2000
 - Service Provider of the Year in 2001
- NMIT is a multi-campus institute and energy reductions are far more difficult to achieve than for mono-campus institutes.
- NMIT has ageing building stock with inefficient energy systems, in particular heating and cooling.
- Developments since the benchmark year of 1999 make fair comparisons with the current year impossible. These include:
 - the replacement of Johnston St Collingwood and Parkville campuses with the larger Fairfield campus
 - the addition of the Ararat campus
 - the addition of the Primary Industries and Production Training Centre and Roof Tiling and Painting and Plastering facilities at Epping campus
 - the addition of high energy use programs such as Hairdressing, Viticulture and Meat Processing, and the extension of existing facilities in areas such as Hospitality
 - the building of the Technical Education Centre at Heidelberg campus
 - the redevelopment and commencement of operation of the Yarra House student accommodation facility at Fairfield campus
 - the addition of the Green Skills Centre of Excellence facility at Epping campus
 - the redevelopment of Building Q and S at Fairfield campus
 - the redevelopment and commencement of operation of Stage 1 facility upgrades at Epping campus.

INFORMATION ABOUT NMIT

The NMIT website is a comprehensive source of information about courses, faculties, campuses, services and history. The website provides public access to the Institute's annual reports at:

www.nmit.edu.au/about

SUMMARY OF FINANCIAL RESULTS

Year	Operating Surplus (Deficit) \$000	Accumulated Surplus (Deficit) \$000
2011	13,540	93,524
2010	14,397	79,984
2009	22,561	65,587
2008	6,442	43,026
2007	7,939	36,584

SUMMARY OF SIGNIFICANT CHANGES IN FINANCIAL POSITION

There were no significant changes in financial position for the year ended 31 December 2011.

EVENTS SUBSEQUENT TO BALANCE DATE

There were no events subsequent to balance date that will have a significant effect on the operations of NMIT in future years.

CONSULTANCIES

Consultancies Over \$100,000 (excluding GST)

Fairweather Legal

Fairfield campus - Building Q	\$	146,426
Preston campus development - Stage 1	\$	5,119
Epping campus development - Stage 1	\$	8,249
Heidelberg campus Technical Education Centre development	\$	5,440
Intellectual Property	\$	3,783
ATM licences	\$	4,090
Other legal matters	\$	16,060
	\$	189,167

Wilde and Woollard

Preston campus development - Stage 1	\$	132,260
Total Project Fees Approved:	\$	321,427

NMIT has future commitments relating to these consultants of:

\$4,175 - Fairweather Legal

\$63,954 - Wilde and Woollard

for a total of \$68,129.

Consultancies Under \$100,000 (excluding GST)

NMIT engaged 33 consultants for a total cost of \$618,581 during 2011

ADDITIONAL INFORMATION

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

Declarations on pecuniary interest

Shares held beneficially by senior officers as nominees of a statutory authority or subsidiary

Publications

Major external reviews

Major research and development activities

Overseas visits undertaken

Major promotional, public relations and marketing activities

Major committees sponsored by NMIT

2011 VET FEES AND CHARGES PRESCRIBED BY MINISTERIAL DIRECTION

NMIT charges a range of fees for programs and services offered.

In 2011 the fees and charges included:

- A compulsory tuition fee of \$1.43 per student contact hour for Government subsidised programs in accordance with Ministerial Directions on fees and charges.

Minimum/Concession \$57 (40 or fewer student contact hours)

Maximum \$916

- A compulsory student services and amenities fee of \$0.25 per student contact hour.

There was no increase in this fee from 2010.

Minimum \$45 (Full-fee and Concession)

Full-fee Maximum \$135

Maximum Concession \$101.25

- Class materials and ancillaries fees will be charged on all classes.

Concessions

Concessions that applied to tuition and student services and amenities fees apply to the holder of a Commonwealth Health Care Card, Pensioner Card or Veteran's Gold Card or their dependant spouse or child.

Exemptions

Fee exemptions for government-subsidised TAFE courses are available to:

- Aboriginal and Torres Strait Islanders
 - Persons on remand or attending a course as part of a non-custodial order.
-

Victorian Training Guarantee (VTG) Fees and Charges

On 1 January 2011 new student course enrolments were taken under the VTG. Therefore, a new Tuition Fee Schedule applied to all VTG students after this date. Below is a table summarising Tuition Fees under the VTG.

		Rate per Student Contact Hour (AU\$)	Minimum (AU\$)	Maximum (AU\$)
VICTORIAN TRAINING GUARANTEE (VTG)	FOUNDATION SKILLS	1.00	50	500
	SKILLS CREATION	1.50	105	875
	APPRENTICESHIPS	1.40	58	923
	SKILLS BUILDING	1.80	187.50	1250
	SKILLS DEEPENING	3.70	375*	2000
	TRAINEESHIPS	1.80	187.50	1250

Minimum Tuition Contribution (Health Care Card, Pensioner Card, Veteran's Gold Card Holders) is as above (includes LI Health Care Cards)

*Minimum Tuition Contribution available for Skills Deepening enrolments who meet additional age criteria.

Information about changes in fees and charges should be directed to:

Academic Registrar
NMIT
77-91 St Georges Rd
Preston 3072

ACTIVITY TABLE

The following activity table is unaudited and does not form part of the Financial Statements.

Note A1 - Operating Statement

Total Operating Expenses

	Note	2011 \$000	2010 \$000
Delivery provision and support activity	A2	95,973	93,187
Admin. and general services activity	A3	28,738	28,685
Property plant and equip. services activity	A4	11,307	13,132
Student and other services activity	A5	4,042	3,781
Total Operating Expenses		140,060	138,785

Note A2 - Operating Statement

Delivery Provision and Support Activity

	2011 \$000	2010 \$000
Salaries, wages, overtime & allowances	64,400	63,161
Superannuation	5,154	5,051
Payroll tax	3,113	3,189
Other salary related costs	1,081	1,058
Consumables	4,878	5,606
Travel and motor vehicle expenses	663	463
Depreciation	5,108	4,992
Other direct delivery expenses	11,606	9,667
	95,973	93,187

Note A3 - Operating Statement

Administration and General Services Activity

	2011 \$000	2010 \$000
Salaries, wages, overtime & allowances	14,524	14,757
Superannuation	1,189	1,199
Payroll tax	718	757
Other salary related costs	249	251
Consumables	149	170
Communication expenses	967	1,053
Fees	2,781	3,605
Travel and motor vehicle expenses	1,167	1,222
Depreciation	1,179	1,185
Other expenses	5,815	4,486
	28,738	28,685

Note A4 - Operating Statement

Property, Plant and Equipment Services Activity

	2011	2010
	\$000	\$000
Salaries, wages, overtime & allowances	0	226
Superannuation	0	18
Payroll tax	0	12
Other salary related costs	0	4
Consumables	0	8
Depreciation	0	18
Equipment	2,578	4,566
Energy costs	1,780	1,737
Contract services	3,606	3,791
Rent/leasing charges	960	929
Repairs and maintenance	2,383	1,787
Other expenses	0	36
	11,307	13,132

Note A5 - Operating Statement

Student and Other Services Activity

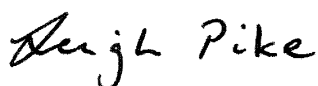
	2011	2010
	\$000	\$000
Salaries, wages, overtime & allowances	566	932
Superannuation	46	76
Payroll tax	28	48
Other salary related costs	10	16
Consumables	57	121
Depreciation	46	75
Other expenses	3,289	2,513
	4,042	3,781

FINANCIAL STATEMENTS

FEES AND CHARGES STATEMENT

Compulsory Non-Academic Fees and Charges Statement as at 31 December, 2011

	Note:	2011	2010
		\$	\$
Income			
Compulsory Non-Academic Fees		1,098,563	1,034,690
Total Income		1,098,563	1,034,690
Expenditure			
Salaries			
Salaries		655,267	667,919
Salary Oncosts		126,531	129,722
Total Salary Expenditure		781,798	797,641
Non Salaries			
Consumables		10,119	6,095
Subscriptions		1,022	1,284
Telephone		2,917	3,378
Equipment Purchases		4,870	964
ICT Equipment		1,100	3,676
Furniture & Fittings		11,542	375
Equipment Lease		348	390
Travel		4,939	4,511
Citylink Payments		36	90
Diaries & Advertising		35,483	49,097
Staff Development		825	4,826
Advertising - Recruitment		200	700
Orientation/Recreational Activities		51,052	48,287
Building Repairs & Maintenance		1,050	0
Minor Works		19,967	0
Uniforms		527	0
Hospitality		275	125
Security Services		3,947	0
Total Non Salary Expenditure		150,219	123,798
Total Expenditure		932,017	921,439
Operating Result for the year		166,546	113,251
Accumulated Surplus 1 January		238,356	68,675
Balance b/fwd transfers		-30,027	56,430
Accumulated Surplus/(Deficit)		374,875	238,356



Leigh Pike
Chief Finance Officer
DATE: 30/1/2012

AUDIT REPORT ON FINANCIAL STATEMENTS

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members of Northern Melbourne Institute of TAFE

The Financial Report

The accompanying financial report for the year ended 31 December 2011 of the Northern Melbourne Institute of TAFE which comprises comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the declaration by president of the board, chief executive officer and chief finance officer has been audited.

The Boards' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

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Auditing in the Public Interest

AUDIT REPORT ON FINANCIAL STATEMENTS



Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Northern Melbourne Institute of TAFE as at 31 December 2011 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the Northern Melbourne Institute of TAFE for the year ended 31 December 2011 included both in the Northern Melbourne Institute of TAFE's annual report and on the website. The Board Members of the Northern Melbourne Institute of TAFE are responsible for the integrity of the Northern Melbourne Institute of TAFE's website. I have not been engaged to report on the integrity of the Northern Melbourne Institute of TAFE's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
7 March 2012



for D D R Pearson
Auditor-General

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Auditing in the Public Interest

INSTITUTE DECLARATION

Northern Melbourne Institute of Technical and Further Education

Financial Report for Year Ended 31 December 2011


**Declaration By President of the Board,
Chief Executive Officer
And Chief Finance Officer**

We certify that the attached financial statements for the Northern Melbourne Institute of TAFE has been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions issued under that legislation, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, statement of changes in equity, cash flow statement and notes to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2011 and financial position of the Institute as at 31 December 2011.

At the date of signing this financial report, we are not aware of any circumstance that would render any particulars included in the financial report to be misleading or inaccurate. There are reasonable grounds to believe that the Institute will be able to pay its debts as and when they become due and payable.

The President of the Board, the Chief Executive Officer and the Chief Finance Officer sign this declaration as delegates of, and in accordance with a resolution of, the Board of Northern Melbourne Institute of TAFE.



Andrew Giddy
President of Board

DATE: 27/2/2012

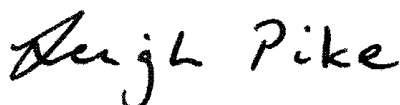
Place: Preston, Victoria



Brian MacDonald
Chief Executive Officer

DATE: 27/2/2012

Place: Preston, Victoria



Leigh Pike
Chief Finance Officer

DATE: 27/2/2012

Place: Preston, Victoria

COMPREHENSIVE OPERATING STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	Institute	
		2011 \$'000	2010 \$'000
Continuing operations			
Income from transactions			
Government contributions - operating	2(a)(i)	77,843	71,426
Government contributions - capital	2(a)(ii)	11,229	19,025
Sale of goods and services	2(b)	56,928	57,622
Interest	2(c)	2,344	2,162
Other income	2(d)	5,256	2,948
Total income from transactions		153,600	153,183
Expenses from transactions			
Employee benefits	3(a)	91,078	90,755
Depreciation and amortisation	3(b)	6,333	6,271
Grants and other transfers	3(d)	42	50
Supplies and services	3(e)	17,817	17,733
Other operating expenses	3(f)	23,796	19,904
Expenditure using Government Contributions - capital		858	3,647
Total expenses from transactions		139,924	138,360
Net result from transactions (net operating balance)		13,676	14,823
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	4(a)	(104)	(402)
Other gains/(losses) from other economic flows	4(b)	(32)	(24)
Total other economic flows included in net result		(136)	(426)
Net result from continuing operations		13,540	14,397
Net result		13,540	14,397
Other economic flows - other non-owner changes in equity			
Changes in asset revaluation reserve - Land	14	-	(120)
Total other economic flows - Other non-owner changes in equity		-	(120)
Comprehensive result		13,540	14,277

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

BALANCE SHEET

AS AT 31 DECEMBER 2011

	<i>Note</i>	Institute	
		2011	2010
		\$'000	\$'000
Assets			
Financial assets			
Cash and deposits	5	47,568	42,929
Receivables	6	10,387	5,951
Total financial assets		57,955	48,880
Non-financial assets			
Inventories	7	1,103	1,052
Property, plant and equipment	8	244,645	237,916
Biological assets	9	4,540	4,285
Other non-financial assets	10	791	731
Total non-financial assets		251,079	243,984
Total assets		309,034	292,864
Liabilities			
Payables	11	11,735	10,436
Provisions	12	16,522	15,157
Other liabilities	13	-	34
Total liabilities		28,257	25,627
Net assets		280,777	267,237
Equity			
Accumulated surplus/(deficit)	14(b)	93,524	79,984
Reserves	14(c)	155,572	155,572
Contributed capital	14a)	31,681	31,681
Net worth		280,777	267,237
Commitments for expenditure	16	33,410	32,816
Contingent assets and contingent liabilities	18	5	(408)

The above balance sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	Changes due to			Equity at 31 Dec 2011
		Equity at 1 Jan 2011	Total Comprehensive result	Transactions with owners in their capacity as owners	
		\$'000	\$'000	\$'000	\$'000
Accumulated surplus/(deficit)		79,984	13,540	-	93,524
Adjustment due to change in accounting policy		-	-	-	-
Accumulated surplus/(deficit) at the end of the year		79,984	13,540	-	93,524
Contributions by owners	14(a)	31,681	-	-	31,681
Contributed capital		-	-	-	-
Withdrawal of equity		-	-	-	-
Contribution by owners at the end of the year		31,681	-	-	31,681
Assets revaluation reserve - Land and Buildings		155,572	-	-	155,572
		155,572	-	-	155,572
Total equity at the end of the year		267,237	13,540	-	280,777

	Note	Changes due to			Equity at 31 Dec 2010
		Equity at 1 Jan 2010	Total Comprehensive result	Transactions with owners in their capacity as owners	
		\$'000	\$'000	\$'000	\$'000
Accumulated surplus/(deficit)		65,587	14,397	-	79,984
Adjustment due to change in accounting policy		-	-	-	-
Accumulated surplus/(deficit) at the end of the year		65,587	14,397	-	79,984
Contributions by owners	14(a)	31,681	-	-	31,681
Contributed capital		-	-	-	-
Withdrawal of equity		-	-	-	-
Contribution by owners at the end of the year		31,681	-	-	31,681
Assets revaluation reserve - Land and Buildings		155,692	(120)	-	155,572
		155,692	(120)	-	155,572
Total equity at the end of the year		252,960	14,277	-	267,237

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

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	Institute	
		2011 \$'000	2010 \$'000
Cash flows from operating activities			
Receipts			
Government contributions - operating (including Govt FFS)	2(a)(i),(b)	95,061	78,936
Government contributions - capital	2(a)(ii)	11,229	19,025
User fees and charges received (Inclusive of GST)		44,971	56,796
Goods and services tax recovered from the ATO		-	1,063
Interest received		2,355	2,009
Other receipts		165	138
Total receipts		153,781	157,967
Payments			
Payments to suppliers (inclusive of GST) and employees		(133,082)	(137,836)
Goods and services tax paid to the ATO		(1,730)	-
Other payments		(380)	(330)
Total payments		(135,192)	(138,166)
Net cash flows from/(used in) operating activities	15(a)	18,589	19,801
Cash flows from investing activities			
Payments for non-financial assets	8	(13,367)	(18,648)
Proceeds from sale of non-financial assets		202	247
Payments for biological assets	9	(751)	(409)
Net cash provided by/(used in) investing activities		(13,916)	(18,810)
Cash flows from financing activities			
Repayment of finance leases		(34)	(105)
Net cash provided by/used in financing activities		(34)	(105)
Net increase (decrease) in cash and cash equivalents		4,639	886
Cash and cash equivalents at the beginning of the financial year		42,929	42,043
Cash and cash equivalents at the end of the financial year	5	47,568	42,929

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 1

Statement of Significant Accounting Policies

The annual financial statements represent the audited general purpose financial statements for Northern Melbourne Institute of TAFE.

1.01 Statement of compliance

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

1.02 Basis of accounting preparation and measurement

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

These financial statements are presented in Australian dollars, the functional and presentation currency of the Institute.

In the application of AAS, judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements made by management in the application of AASs that have significant effects on the financial statements and estimates, with a risk of material adjustments in the next year, are disclosed throughout the notes to the financial statements.

These financial statement have been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

Exceptions to the historical cost convention include:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value;
- the fair value of an asset other than land is generally based on its depreciated replacement value;
- available-for-sale investments which are measured at fair value with movements reflected in equity until the asset is derecognised.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2011 and the comparative information presented for the year ended 31 December 2010.

The following is a summary of the material accounting policies adopted by the Institute in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

1.03 Reporting entity

The financial statements cover the Northern Melbourne Institute of TAFE as an individual reporting entity. The Institute is a statutory body corporate, established pursuant to an act/order made by the Victorian Government under the Education and Training Reform Act 2006 No.24/2006 3.1.12(4).

Its principal address is:

Northern Melbourne Institute of TAFE
77-91 St Georges Road
Preston, VIC 3072

1.04 Basis of consolidation

The financial statements include all the activities of the Institute.

The Institute has one controlled entity, NMIT International Ltd, which is dormant and has never traded, therefore consolidation is not warranted.

1.05 Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Institute and other parties, the transactions are only recognised when the agreement is irrevocable at or before balance date. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the reporting date and the date the statements are authorised for issue where the events relate to conditions which arose after the reporting date and which may have a material impact on the results of subsequent years.

1.06 Goods and Services Tax (GST)

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

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

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

Commitments and contingent assets or liabilities are presented on a gross basis.

1.07 Income from transactions

Amounts disclosed as income are, where applicable, net of returns, allowances and duties and taxes. Revenue is recognised for each of the Institute's major activities as follows:

Government contributions

Government contributions are recognised as revenue in the period when the Institute gains control of the contributions. Control is recognised upon receipt or notification by relevant authorities of the right to receive a contribution for the current period.

Sale of goods and services

(i) Student fees and charges

Student fees and charges revenue is recognised by reference to the percentage of services provided. Where student fees and charges revenue has been clearly received in respect of courses or programs to be delivered in the following year, any non-refundable portion of the fees is treated as revenue in the year of receipt and the balance as Revenue in Advance.

(ii) Fee for Service

Fee for service revenue is recognised by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered. Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as Revenue in Advance.

(iii) Revenue from sale of goods

Revenue from sale of goods is recognised by the Institute when:

- (a) the significant risks and rewards of ownership of the goods have transferred to the buyer;
- (b) the Institute retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be reliably measured;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Institute and;
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest

Interest from cash, short-term deposits and investments is brought to account on a time proportional basis taking into account interest rates applicable to the financial assets.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported as part of income from other economic flows in the net result or as unrealised gains and losses taken direct to equity, forming part of the total change in net worth in the comprehensive result.

Other income

(ii) Rental income

Rental income is recognised on a time proportional basis and is brought to account when the Institute's right to receive the rental is established.

Fair value of assets and services received free of charge or for nominal consideration

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

1.08 Expenses from transactions

Employee benefits

Expenses for employee benefits are recognised when incurred, except for contributions in respect of defined benefit plans.

Retirement benefit obligations

(i) Defined contribution plan

Contributions to defined contribution plans are expensed when they become payable.

(ii) Defined benefit plans

The amount charged to the comprehensive operating statement in respect of superannuation represents the contributions made by the Institute to the superannuation plan in respect of current services of current Institute staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

The Institute does not recognise any deferred liability in respect of the plan(s) because the Institute has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as and when they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its finance report.

Depreciation and amortisation

Depreciation

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Depreciation methods and rates used for each class of depreciable assets are:

Class of asset	Method	Rate/Rates
Buildings	Straight	2% to 4%
Major components - buildings	Straight	5% to 10%
Plant and equipment	Straight	6.67% to 50%
Motor Vehicles	Straight	10% to 20%
Library Collections	Straight	20.0%

The assets' residual values and useful lives are reviewed and adjusted if appropriate on an annual basis. There has been no change in the methodology and rates for 2011.

Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

Interest Expense

Interest expense is recognised as expenses in the period in which they are incurred.

Interest expense include amortisation of ancillary costs incurred in connection with the arrangement of finance lease charges.

Grants and other transfers

Grants and other transfers to third parties are recognised as an expense in the reporting period in which they are paid or payable.

Other operating expenses

Supplies and services

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held-for-distribution are expensed when distributed.

Fair value of assets and services provided free of charge or for nominal consideration

Resources provided free of charge or for nominal consideration are recognised at their fair value.

1.09 Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses from revaluations, impairments, and disposals of all physical assets and intangible assets.

Disposal of non-financial assets

Any gain or loss on disposal of non-financial assets is recognised at the date control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at the time.

Gain/(loss) arising from fair value changes of biological assets

Biological assets are measured at fair value, and the resultant gain/(loss) is reported as an other economic flow.

Impairment of assets

Assets are assessed annually for indications of impairment.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the statement of comprehensive income, except to the extent that the write down can be debited to an asset revaluation reserve amount applicable to that class of asset.

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash flows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

Revaluations of financial instruments at fair value

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets, which is reported as part of income from transactions.

Impairment of financial assets

Financial assets have been assessed for impairment in accordance with Australian Account Standards.

Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows include the gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

1.10 Financial assets

Cash and deposits

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as borrowings on the balance sheet. At the reporting date there are no bank overdrafts (2010 - nil).

Receivables

Receivables consist of:

- statutory receivables, which include predominantly amounts owing from the Victorian Government and GST input tax credits recoverable; and
- contractual receivables, which include mainly debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables

Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for impairment.

A provision for doubtful receivables is made when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

Investments and other financial assets

Investments are classified in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables, and
- available for sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Any dividend or interest earned on the financial asset is recognised in the consolidated comprehensive operating statement as a transaction.

Derecognition of financial assets

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

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

Where the Institute has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Institute's continuing involvement in the asset.

At the end of each reporting period, the Institute assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 90 days overdue, and changes in debtor credit ratings. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Bad and doubtful debts for financial assets are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as 'other economic flows' in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 Impairment of Assets.

1.11 Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance infrastructure leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases

Finance leases

Institute as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Institute as lessee

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease.

Minimum finance lease payments are apportioned between reduction of the outstanding lease liability, and periodic finance expense which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

Operating leases

Institute as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are given to the lessee, the aggregate cost of incentives are recognised as a reduction of rental income over the lease term, on a straight-line basis unless another systematic basis is more representative of the time pattern over which the economic benefit of the leased asset is diminished.

At the reporting date there are no finance leases (2010 - \$34K).

1.12 Non-Financial Assets

Inventories

Inventories include goods and other property held either for sale or for distribution at no or nominal cost in the ordinary course of business operations. It includes land held-for-sale and excludes depreciable assets.

Inventories held-for-distribution are measured at cost, adjusted for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value.

The basis used in assessing loss of service potential for inventories held-for-distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Cost for all other inventory is measured on the basis of weighted average cost.

Inventories acquired for no cost or nominal consideration are measured at current replacement cost at the date of acquisition.

Non-current physical assets classified as held-for-sale, including disposal group assets

Non-financial physical assets (including disposal group assets) are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This condition is regarded as met only when:

- the asset is available for immediate use in the current condition; and
- the sale is highly probable and the asset's sale is expected to be completed within twelve months from the date of classification.

These non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation or amortisation.

Property, plant and equipment

All non-financial physical assets, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

The initial cost for non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

Non-financial physical assets such as national parks, other Crown land and heritage assets are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply.

The fair value of cultural assets and collections, heritage assets and other non-financial physical assets that the State intends to preserve because of their unique historical, cultural or environmental attributes, is measured at the replacement cost of the asset less, where applicable, accumulated depreciation (calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset) and any accumulated impairment. These policies and any legislative limitations and restrictions imposed on their use and/or disposal may impact their fair value.

The fair value of infrastructure systems and plant, equipment and vehicles, is normally determined by reference to the asset's depreciated replacement cost, or where the infrastructure is held by a for profit entity, the fair value may be derived from estimates of the present value of future cash flows. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Certain assets are acquired under finance leases, which may form part of a service concession arrangement.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

Library collections

Library collections are measured at cost less accumulated depreciation.

Leasehold improvements

The cost of a leasehold improvements is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

Restrictive nature of cultural and heritage assets, Crown land and infrastructures

Certain agencies hold cultural assets, heritage assets, Crown land and infrastructure, which are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. Consequently, there are certain limitations and restrictions imposed on their use and/or disposal.

Revaluations of non-current physical assets

Non-current physical assets measured at fair value are revalued in accordance with FRDs issued by the Minister for Finance. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Revaluation increases are credited directly to equity in the revaluation reserve, except to the extent that an increase reverses a revaluation decrease in respect of that class of property, plant and equipment, previously recognised as an expense (other economic flows) in the net result, the increase is recognised as income (other economic flows) in determining the net result.

Revaluation decreases are recognised immediately as expenses (other economic flows) in the net result, except to the extent that a credit balance exists in the revaluation reserve in respect of the same class of property, plant and equipment, they are debited to the revaluation reserve.

Revaluation increases and revaluation decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation reserves are not normally transferred to accumulated funds on de-recognition of the relevant asset.

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.

Non-current physical assets constructed by the Institute

The cost of non-current assets constructed by the Institute includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

Biological assets

Bloodstock

Bloodstock used for breeding purposes is measured at fair value based on self assessment conducted in 2011.

Animals are identified as immature assets (natural increase) and mature assets (transformed and marketable) and classified as consumable (transformed and marketable) or bearer (used for breeding). A distinction is also made between current and non-current biological assets.

Vineyard and winery

Land under vine is measured at fair value and stated at valuations conducted at 31 December 2010 by m3 property (Vic) Pty Ltd; and assessed against indexation annually based on Valuer General indexation movements for subsequent years.

Vines are measured at fair value and identified as immature (non grape producing) and mature assets (grape producing).

Grapes harvested are measured at fair value based on tonnes produced.

1.13 Liabilities

Payables

Payables consist of:

- contractual payables, such as accounts payable, and unearned income including deferred income from concession arrangements. Accounts payable represent liabilities for goods and services provided to the Institute prior to the end of the financial year that are unpaid, and arise when the Institute becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Provisions

Provisions are recognised when the Institute has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

Employee benefits

The calculation of employee benefits includes all relevant on-costs and are calculated as follows at reporting date.

(i) Wages and salaries, and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

(ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL representing (7 years service) is disclosed as a current liability even when the Institute does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value - component that is not expected to be settled within 12 months.
- nominal value - component that is expected to be settled within 12 months.

Non-current liability - conditional LSL representing less than (7 years service) is disclosed as a non - current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as an other economic flow.

(iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Institute recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Employee benefits on-costs

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and long service leave accrued while on LSL taken in service) are recognised separately from provision for employee benefits.

Performance Payments

Performance payments for TAFE Executive Officers are based on a percentage of the annual salary package provided under the contract of employment. A liability is provided for under the term of the contracts at reporting date and paid out in the next financial year.

Onerous contracts

An onerous contract is considered to exist where the Institute has a contract under which the unavoidable cost of meeting the contractual obligations exceed the economic benefits estimated to be received. Present obligations arising under onerous contracts are recognised as a provision to the extent that the present obligation exceeds the economic benefits estimated to be received.

1.14 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 the GST payable.

1.15 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer note 18) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of the GST receivable or payable respectively.

1.16 Equity

Contributed capital

Funding that are in the nature of contributions by the State government are treated as contributed capital when designated in accordance with UIG Interpretation 1038 Contribution by Owners Made to Wholly-Owned Public Sector Entities. Commonwealth capital funds are not affected and are treated as income.

1.17 Foreign currency translations

Functional and presentation currency

The functional currency of each group entity is measured using the currency of the primary economic environment in which that entity operates. The Institute's financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange difference arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

1.18 Materiality

In accordance with Accounting Standard AASB1031 'Materiality', accounting policies need only be identified in the summary of accounting policies where they are considered 'material'. Accounting policies will be considered material if their omission, misstatement or non-disclosure has the potential, individually or collectively, to:

- (a) influence the economic decisions of users taken on the basis of the financial report; and
- (b) affect the discharge of accountability by the management or governing body of the entity.

1.19 Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

1.20 Comparative information

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.21 Change in accounting policy

There was no change in accounting policy for the financial year ending 31 December 2011.

1.22 New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2011 reporting period.

As at 31 December 2011 the following standards and interpretations (applicable to the Institute) had been issued but were not mandatory for financial year ending 31 December 2011. The Institute has not, and does not intend to, adopt these standards early.

Amending Pronouncements and Errata	Standards Affected	Outline of Amendment	Application date of standard	Impact on financial statements
AASB 9 Financial Instruments.	AASB 139 Financial Instruments: Recognition and Measurement	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement	Reporting periods beginning on 1 January 2013.	Detail of impact is still being assessed
AASB 1053 Application of Tiers of Australian Accounting Standards.		This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.	Reporting periods beginning on 1 July 2013.	The Victorian Government is currently considering the impacts of reduced disclosure requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented in the Victorian public sector.
AASB 2009 11 Amendments to Australian Accounting Standards arising from AASB 9	AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12	This standard gives effect to consequential changes arising from the issuance of AASB 9.	Reporting periods beginning on 1 January 2013.	Detail of impact is still being assessed.
AASB 2010 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.		These amendments introduce reduced disclosure requirements for application by certain types of entities	Reporting periods beginning on 1 July 2013.	The amendments do not affect financial measurement or recognition and are not expected to have any impact on financial result or position.
AASB 2010 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 and 1038 and Interpretations 2, 5, 10, 12, 19 and 127	This relates to the introduction of AASB 9 Financial instruments.	Reporting periods beginning on 1 January 2013.	Detail of impact is still being assessed.
AASB 2011 2 Amendments to Australian Accounting Standards arising from the Trans Tasman Convergence Project - Reduced Disclosure Requirements	AASB 101 and AASB 1054	The objective of this amendment is to include some additional disclosure from the Trans Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards - Reduced Disclosure Requirements (RDRs).	Reporting periods beginning on 1 January 2013.	The Victorian Government is currently considering the impacts of RDRs and has not decided if they will be implemented in the Victorian public sector.
AASB 2011 2 Amendments to Australian Accounting Standards arising from the Trans Tasman Convergence Project - Reduced Disclosure Requirements	AASB 101 and AASB 1054	The objective of this amendment is to include some additional disclosure from the Trans Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards - Reduced Disclosure Requirements (RDRs).	Reporting periods beginning on 1 January 2013.	The Victorian Government is currently considering the impacts of RDRs and has not decided if they will be implemented in the Victorian public sector.
AASB 2011 3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	AASB 1049	This amends AASB 1049 to clarify the definition of the ABS GFS Manual, and to facilitate the adoption of changes to the ABS GFS Manual and related disclosures. This amendment provides clarification to users on the version of the GFS Manual to be used and what to disclose if the latest GFS Manual is not used.	Reporting periods beginning on 1 July 2012.	There will be no impact on performance measurement.

NOTE 2

Income from Transactions

	Institute	
	2011 \$'000	2010 \$'000
Income from transactions		
(a) Grants and other transfers (other than contributions by owners)		
Government financial assistance		
(i) Government contributions - operating		
Commonwealth government recurrent	-	22,231
State government recurrent	77,843	49,191
Other contributions	-	4
Total government contributions - operating	77,843	71,426
(ii) Government contributions - capital		
Commonwealth capital	2,104	16,012
State capital	9,125	3,013
Total government contributions - capital	11,229	19,025
Total government financial assistance	89,072	90,451
(b) Sales of goods and services		
Student fees and charges	9,448	7,884
Rendering of services		
Fee for service - Government	17,218	13,912
Fee for service - International operations - onshore	10,452	13,773
Fee for service - International operations - offshore	7,025	7,266
Fee for service - other	10,064	11,682
Total rendering of services	44,759	46,633
Other non-course fees and charges		
Sale of goods	2,721	3,105
Total other fees and charges	2,721	3,105
Total revenue from sale of goods and services	56,928	57,622
(c) Interest		
Interest from financial assets not at fair value through P/L:		
Interest on bank deposits	2,344	2,162
Total interest revenue from financial assets not at fair value through P/L	2,344	2,162
Net interest income	2,344	2,162
(d) Other income		
Rental revenue:		
Rent	81	79
Total rental revenue	81	79
Accommodation Income	1,172	317
Donations, bequests and contributions	165	138
Child Care Income	723	741
Other revenue	3,115	1,673
Total other income	5,256	2,948

NOTE 3

Expenses from Transactions

	Institute	
	2011	2010
	\$'000	\$'000
Expenses from transactions		
(a) Employee expenses		
Salaries, wages, overtime and allowances	78,038	78,064
Superannuation	6,389	6,344
Payroll tax	3,859	4,006
Long service leave	827	406
Annual leave	577	619
Other	1,388	1,316
Total employee expenses	91,078	90,755
(b) Depreciation and amortisation		
Depreciation of non-current assets		
Buildings	3,659	3,399
Plant and equipment	2,062	1,948
Motor vehicles	395	452
Library collections	160	158
Total depreciation	6,276	5,957
Amortisation of non-current physical and intangible assets		
Leasehold improvements	24	24
Plant and equipment under finance leases	33	290
Total amortisation	57	314
Total depreciation and amortisation	6,333	6,271
(d) Grants and other transfers (other than contributions by owners)		
Grants and subsidies apprentices and trainees	42	50
Total grants and other payments	42	50
(e) Supplies and Services		
Purchase of supplies and consumables	5,084	5,898
Communication expenses	954	925
Contract and other services	3,596	3,519
Cost of goods sold/distributed (ancillary trading)	3,141	2,316
Building repairs and maintenance	2,365	1,715
Fees and charges	2,677	3,360
Total supplies and services	17,817	17,733
(f) Other Expenses		
General Expenses		
Marketing and promotional expenses	2,203	1,313
Audit fees and services	95	113
Staff development	761	806
Travel and motor vehicle expenses	1,801	1,685
Other expenses	14,325	11,512
Utilities	1,780	1,737
Foreign currency translation losses	17	27
Total other expenses	20,982	17,193
Operating lease rental expenses:		
Minimum lease payments	959	775
Total operating lease rental expenses	959	775
Subtotal	21,941	17,968
Equipment below capitalisation threshold	1,855	1,936
Total other operating expenses	23,796	19,904

NOTE 4

Other Economic Flows Included in Net Result

	Institute	
	2011 \$'000	2010 \$'000
Other economic flows included in net result		
(a) Net gain/(loss) on non-financial assets (including PPE and intangible assets)		
Impairment of non-financial assets	-	(105)
Net gain/(loss) arising from changes in fair value	-	(288)
Net gain/(loss) on disposal of physical assets	(104)	(9)
Total net gain/(loss) on non-financial assets and liabilities	(104)	(402)
(b) Other gains/(losses) from other economic flows		
Bad debts	(32)	(24)
Total other gains/(losses) from other economic flows	(32)	(24)

NOTE 5

Cash and Cash Equivalents

	Institute	
	2011 \$'000	2010 \$'000
Cash and deposits		
Cash at bank and on hand	726	1,579
Australian currency Deposits - at call	26,842	28,350
Deposits - at call with TCV	20,000	13,000
Total cash and cash equivalents	47,568	42,929

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

	Institute	
	2011 \$'000	2010 \$'000
(a) Reconciliation to cash at the end of the year		
Balances as above	47,568	42,929
Balance as per cashflow statement	47,568	42,929

(b) Cash at bank and on hand

Refer to note 25 - Part 1 (iii) for information on cash at bank and on hand.

(c) Deposits at call

The deposits are bearing floating interest rates between 5.26% and 5.06% (2010 - 3.82% and 5.26%). These deposits have an average maturity of 45 days.

(d) Refer to note 16 for capital and other significant operating commitments that will affect cash and cash equivalents balance in 2012.

NOTE 6 Receivables

	Institute	
	2011 \$'000	2010 \$'000
Receivables		
Current receivables		
Contractual		
Trade receivables ¹	3,293	1,730
Provision for doubtful contractual receivables (a) (See also Note 6(a) below)	(91)	(87)
Revenue receivable	6,608	4,129
Total contractual	9,810	5,772
Statutory		
Amounts owing from Victorian Government	533	-
GST receivable from ATO	44	179
Total statutory	577	179
Total current receivables	10,387	5,951
Total receivables	10,387	5,951

¹ The average credit period on sales of goods is 30 days. A provision has been made for estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience. The \$91,352 reduction was recognised in the operating result for the current financial year.

	Institute	
	2011 \$'000	2010 \$'000
(a) Movement in the provision for doubtful contractual receivables		
Balance at beginning of the year	87	62
Reversal of unused provision recognised in the net result	(4)	-
Increase in provision recognised in the net result	8	25
Reversal of provision for receivables written off during the year as uncollectible	-	-
Balance at end of the year	91	87

	Institute	
	2011 \$'000	2010 \$'000
(b) Ageing analysis of contractual receivables		
Less than 30 days	1,664	690
Greater than 30 days, less than 60 days	321	217
Greater than 60 days, less than 90 days	314	470
Greater than 90 days	994	353
Balance at end of the year	3,293	1,730

(c) Nature and extent of risk arising from contractual receivables

A provision for doubtful debts has been recognised. The trade receivables remaining are expected to be paid in 2012.

NOTE 7 Inventories

	Institute	
	2011 \$'000	2010 \$'000
Inventories		
Current		
Print room Supplies	14	10
Hairdressing and Beauty products	15	31
Hospitality Supplies	55	39
Inventories held-for-sale:		
at cost		
Nursery	37	42
Wine	871	807
Bookshop	111	123
Total current inventories	1,103	1,052

NOTE 8

Property, Plant and Equipment

Institute	Land	Buildings	Construction in progress	Plant & Equipment	Motor Vehicles	Leasehold Improvements	Library	Leased Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2010									
Cost	-	4,430	23,328	-	-	-	-	-	27,758
Valuation	64,546	128,885	-	17,381	2,900	479	4,062	1,739	219,992
Accumulated depreciation	-	(5,951)	-	(9,366)	(1,416)	(144)	(3,669)	(1,416)	(21,962)
Net book amount	64,546	127,364	23,328	8,015	1,484	335	393	323	225,788
Year ended 31 December 2010									
Opening net book amount	64,546	127,364	23,328	8,015	1,484	335	393	323	225,788
Additions	-	13,200	1,243	3,469	571	-	165	-	18,648
Disposals	-	(13)	-	(46)	(188)	-	-	-	(247)
Transfers	-	22,636	(22,636)	72	(74)	-	-	-	(2)
Depreciation/Amortisation expense	-	(3,399)	-	(1,949)	(452)	(24)	(158)	(289)	(6,271)
Closing net book amount	64,546	159,788	1,935	9,561	1,341	311	400	34	237,916
At 31 December 2010									
Cost	-	40,233	1,935	-	-	-	-	-	42,168
Valuation	64,546	128,885	-	21,016	2,645	479	4,227	1,739	223,537
Accumulated depreciation	-	(9,330)	-	(11,455)	(1,304)	(168)	(3,827)	(1,705)	(27,789)
Net book amount	64,546	159,788	1,935	9,561	1,341	311	400	34	237,916
Year ended 31 December 2011									
Opening net book amount	64,546	159,788	1,935	9,561	1,341	311	400	34	237,916
Additions	-	8,846	2,555	1,345	457	-	164	-	13,367
Disposals	-	-	-	(131)	(174)	-	-	-	(305)
Transfers	-	1,738	(1,738)	-	-	-	-	-	-
Depreciation/Amortisation expense	-	(3,659)	-	(2,062)	(395)	(23)	(160)	(34)	(6,333)
Closing net book amount	64,546	166,713	2,752	8,713	1,229	288	404	-	244,645
At 31 December 2011									
Cost	-	50,817	2,752	-	-	-	-	-	53,569
Valuation	64,546	128,885	-	21,592	2,751	479	4,391	1,739	224,383
Accumulated depreciation	-	(12,989)	-	(12,879)	(1,522)	(191)	(3,987)	(1,739)	(33,307)
Net book value at the end of the financial year	64,546	166,713	2,752	8,713	1,229	288	404	-	244,645

1 The useful lives of assets as stated in Note 1 are used in the calculation of depreciation as shown in note 4.

2 Property, plant & equipment includes all operational assets.

(a) Valuations of land and buildings

Freehold land and buildings carried at fair value. Valuations conducted at 31 December 2007 by Charter Keck Cramer; and assessed against indexation annually based on Valuer General indexation movements for subsequent years.

The Institute holds \$9,336,000 worth of properties listed as heritage assets. These heritage assets cannot be modified or disposed of without Ministerial approval.

NOTE 9

Biological Assets

Biological assets - plants

Biological assets

Nature

Vines

Activities

Grape production and harvesting vineyard including establishment involving design, construction and management of vineyards for educational purposes.

	Institute	
	2011 \$'000	2010 \$'000
Bearer assets		
Immature assets		
Vine planting	-	-
Mature assets		
Aged vines	623	623
Total bearer assets	623	623

	Qty	Qty
Quantities		
Ararat (hectares)	29	29.0
Eden Park (hectares)	8	8.0
Yarra Glen (hectares)	2	2.0
Whittlesea (hectares)	1.5	1.5
Total hectares	40.5	40.5
Output		
Tonnes harvested	111.0	107.6
Total Output	111.0	107.6

	\$'000	\$'000
Fair value of output was determined at current expected market rates		
Wine grape harvest valued at \$ 868.50 per tonne	96	108
Total fair value of output was determined at current expected market rates	96	108

Biological assets - animals

Biological assets

Nature

Bearer Assets

Bloodstock horses, Charolais and Angus bulls

Mature Assets

Bloodstock horses, riding horses, cattle, sheep, Charolais and Angus bulls

Activities

Equine studies, aquaculture studies and agriculture studies

	Institute	
	2011 \$'000	2010 \$'000
Consumable assets		
Immature assets		
Value of natural increases and purchases		
Fish Fingerlings	8	8
Horses	24	28
Cattle	3	3
Mature assets		
Biologically transformed and marketable assets		
Horses	7	15
Cattle	6	3
Sheep	14	20
Total consumable assets	62	77
	Qty	Qty
Quantities		
Fish Fingerlings	4,450	4,450
Horses	61	86
Cattle	339	283
Sheep	223	236
Total quantity of consumable assets	5,073	5,055
Output		
Natural increase		
Cattle	154	130
Sheep	225	267
Total quantity of output	379	397
	\$'000	\$'000
Fair value of output was		
Determined using a nominal amount at birth	4	4
Total fair value of output	4	4

Bearer assets	\$'000	\$'000
Mature assets		
Mares, Stallions, Charolais and Angus bulls	3,855	3,585
Total bearer assets	3,855	3,585

	Qty	Qty
Quantities		
Bloodstock horses	47	54
Angus bulls	3	2
Charolais bulls	-	1
Total quantity of output	50	57
Output		
Foals Natural increase	29	31
Total quantity of output	29	31

	\$'000	\$'000
Fair value of output was determined at cost to produce		
Natural increase	9	9
Total fair value of output	9	9

Biological assets - reconciliation

	Institute	
	2011 \$'000	2010 \$'000
Biological assets		
Reconciliation of changes in carrying amount of biological assets		
Carrying amount at 1 January	4,285	4,611
Increases due to:		
Purchases	751	409
Donations	1	5
Births	13	13
Decreases attributable to:		
Sales	(295)	(84)
Deaths	(215)	(155)
Aged Vine Devaluation	-	(409)
Other IFRS impairment	-	(105)
Carrying amount at 31 December	4,540	4,285

NOTE 10 Other Non-financial Assets

	Institute	
	2011 \$'000	2010 \$'000
Other non-financial assets		
Current other non-financial assets		
Prepayments	791	731
Total current other non-financial assets	791	731
Total other non-financial assets	791	731

NOTE 11 Payables

	Institute	
	2011 \$'000	2010 \$'000
Payables		
Current		
Contractual		
Supplies and services	6,187	3,361
Revenue in Advance	5,548	7,075
	11,735	10,436
Statutory		
Taxes Payable	-	-
Total current payables	11,735	10,436
Total payables	11,735	10,436

Notes

- The average credit period is 30 days. No interest is charged on the other payables.
- Maturity analysis of contractual payables**
Refer to Note 25(3) for maturity analysis of contractual payables.

NOTE 12 Provisions

	Institute	
	2011 \$'000	2010 \$'000
Provisions		
Current provisions expected to be settled within 12 months		
Employee benefits		
Annual leave	4,899	4,322
Long service leave	848	735
Performance payments	281	320
Total current provisions expected to be settled within 12 months	6,028	5,377
Current provisions expected to be settled after 12 months		
Employee benefits		
Long service leave	9,139	8,736
Total current provisions expected to be settled after 12 months	9,139	8,736
Total current provisions	15,167	14,113
Non-current		
Employee benefits:		
Long service leave	1,355	1,044
Total non-current provisions	1,355	1,044
Total provisions	16,522	15,157

(a) Classification of employee benefits as current or non-current

Current

All annual leave and long service leave entitlements, representing 7 years of continuous service:

- Short term employee benefits that fall due within 12 months after the end of the period, measured at nominal value
- Other long term employee benefits that do not fall due within 12 months after the end of the period, measured present value

Non-current

Long service leave representing less than 7 years of continuous service measured at present value

	Institute	
	2011 \$'000	2010 \$'000
(b) Movements in Provisions - Performance Payments		
Movements in each class, other than employee provisions during the financial year are set out below:		
Carrying amount at start of year	320	295
Additional provisions recognised	396	369
Amounts used	(435)	(344)
Carrying amount at end of year	281	320

NOTE 13 Other Liabilities

	Institute	
	2011 \$'000	2010 \$'000
Other liabilities		
Current		
Finance Lease Liability	-	34
Total current other liabilities	-	34
Total other liabilities	-	34

NOTE 14 Equity

	Institute	
	2011 \$'000	2010 \$'000
Equity		
(a) Contributed Capital		
Balance at 1 January	31,681	31,681
Capital contributions	-	-
Transfer to Government Department	-	-
Balance at 31 December	31,681	31,681
(b) Accumulated surplus / (deficit)		
Balance at 1 January	79,984	65,587
Net result for the year	13,540	14,397
Balance at 31 December	93,524	79,984
(c) Reserves		
Composition of Reserves		
Asset revaluation reserve		
Land	69,859	69,859
Buildings	85,713	85,713
Balance at 31 December	155,572	155,572
Total equity	280,777	267,237

	Institute	
	2011 \$'000	2010 \$'000
Movements in Reserves		
Asset Revaluation Reserve - Land		
Balance at 1 January	69,859	69,979
Revaluation (decrement) on non-current assets	-	(120)
Balance at 31 December	69,859	69,859
Asset Revaluation Surplus - Buildings		
Balance at 1 January	85,713	85,713
Balance at 31 December	85,713	85,713

NOTE 15

Cash Flow Information

	Institute	
	2011	2010
	\$'000	\$'000
Cash flow information		
(a) Reconciliation of operating result after income tax to net cash flows from operating activities		
Net result for the year	13,540	14,397
Non-cash flows in operating result		
Depreciation and amortisation of non-current assets	6,333	6,271
Net (gain) / loss on sale of non-current assets	104	(1)
Impairment of non-current assets	-	105
Net (gain) / loss on changes in fair value of Vineyard	-	288
Total non-cash flows in operating result	6,437	6,663
Movements in operating assets and liabilities		
Decrease / (increase) in trade receivables	(4,436)	1,687
Decrease / (increase) in inventories (including wine)	(51)	137
Decrease / (increase) in Biological assets (excluding wine)	496	222
Decrease / (increase) in other assets	(61)	310
Increase / (decrease) in payables	1,299	(4,614)
Increase/ (decrease) in provisions	1,365	999
Total movement in operating assets and liabilities	(1,388)	(1,259)
Net cash flows provided by/(used in) operating activities	18,589	19,801

NOTE 16

Commitments

	Institute	
	2011	2010
	\$'000	\$'000
Commitments for expenditure		
(a) Capital commitments		
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:		
Property, Plant and Equipment		
Payable:		
Within one year	22,964	8,305
Later than one year but not later than five years	7,685	21,078
Later than five years	-	-
Total Property, Plant and Equipment	30,649	29,383
Total capital expenditure commitments	30,649	29,383

The above commitments include capital expenditure commitments of \$30,649,000 (2010 : \$29,383,000) relating to the following:

Veterinary Clinic - Epping	\$2,523,000
Veterinary Facility - Eden Park	\$1,020,000
Laboratory Upgrade - Epping	\$2,500,000
Refurbishment of Ex-Library - Epping	\$850,000
Redevelopment of Building U - Preston	\$1,400,000
Redevelopment Project - Preston	\$20,692,000
Stage 1 Development - Epping	\$1,664,000

Lease commitments

	Institute	
	2011 \$'000	2010 \$'000
Commitments		
(b) Lease commitments		
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:		
Within one year	691	725
Later than one year but not later than five years	510	1,203
Later than five years	-	-
Total lease commitments	1,201	1,928
Net commitments Operating leases	1,201	1,928
Representing:		
Non-cancellable operating leases	1,201	1,928
Total lease commitments	1,201	1,928

(i) Operating leases

NMIT leases certain land, buildings and equipment to meet current teaching requirements, at current market rates.

	Institute	
	2011 \$'000	2010 \$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	691	725
Later than one year but not later than five years	510	1,203
Later than five years	-	-
Total minimum lease payments in relation to non-cancellable operating leases	1,201	1,928

(ii) Finance leases

	Institute	
	2011 \$'000	2010 \$'000
Commitments in relation to finance leases are payable as follows:		
Within one year	-	34
Minimum future lease payment*	-	34
Less Future finance charges	-	-
Present value of minimum lease payments	-	34
Total lease liabilities	-	34
Included in the financial statements as:		
Current interest bearing liabilities	-	34
Total lease liabilities	-	34

Other expenditure commitments

	Institute	
	2011 \$'000	2010 \$'000
Commitments		
(c) Other expenditure commitments		
Commitments for Contract Cleaning in existence at the reporting date but not recognised as liabilities, payable:		
Within one year	1,560	1,471
Later than one year but not later than five years	-	-
Later than five years	-	-
Total other expenditure commitments	1,560	1,471
Net commitments other expenditure commitments	1,560	1,471
The above commitments are represented by:		
Contract Cleaning	1,560	1,471
Total Commitments	33,410	32,816

NOTE 17 Leased Assets

	Institute	
	2011 \$'000	2010 \$'000
Leased assets		
As at the reporting date the Institute leased out the following assets:		
Educational Facilities	1,401	1,519
Gross amount of leased assets	1,401	1,519
Finance Lease Receivables		
Non-cancellable operating lease receivables		
Payments due		
Within one year	406	399
Later than one year but not later than five years	751	830
Later than five years	244	290
Total finance lease receivables	1,401	1,519
Net operating leases receivables	1,401	1,519

The Institute leases out certain land, buildings and equipment, which are excess to current requirements, at current market rates.

NOTE 18 Contingent Assets and Contingent Liabilities

	Institute	
	2011 \$'000	2010 \$'000
Contingencies Assets and Contingent Liabilities		
Details and estimates of maximum amounts of contingent assets and contingent liabilities, classified in accordance with the party from whom the liability could arise and for which no provisions are included in the accounts, are as follows:		
In respect of Organisations		
Government	-	-
Legal disputes - Capital projects 2011	455	-
Legal disputes - Capital projects 2011	(450)	(375)
Legal disputes - Commercial projects 2011	-	(33)
Total in respect of Organisations	5	(408)
Total Estimated Contingent Assets and (Liabilities)	5	(408)

NOTE 19 Economic Dependency

	Institute	
	2011 \$'000	2010 \$'000
Economic dependency		
Government Contributions - operating	77,843	71,426
Government Contributions - capital	11,229	19,025
	89,072	90,451

In 2011, NMIT was dependent on 51% of Government Contributions - Operating, compared to 47% in 2010.

NOTE 20 Subsequent Events

	Institute	
	2011 \$'000	2010 \$'000
Subsequent events		
Events occurring after reporting date are as follows:		
	-	-
Total events occurring after reporting date	-	-

NOTE 21
Remuneration of Auditors

	Institute	
	2011 \$'000	2010 \$'000
Remuneration of auditors		
Remuneration of Victorian Auditor General's Office for:		
Audit of the financial statements	29	30
Total remuneration of Victoria Auditor General's Office	29	30
Remuneration of other auditors		
Other Auditors	66	83
Total remuneration of other auditors of subsidiaries	66	83
Total Remuneration of auditors	95	113

NOTE 22 Superannuation

Employees of the Institute are entitled to receive superannuation benefits and the Institute contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

The Institute does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial statements.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Statement of Comprehensive Income of the Institute.

The name and details of the major employee superannuation funds and contributions made by the Institute are as follows:

	Institute	
	2011 \$'000	2010 \$'000
Superannuation		
Paid Contribution for the Year		
Defined benefit plans :		
State Superannuation Fund – revised scheme 17.6%	366	405
State Superannuation Fund – new scheme 7.4% - 10.3%	763	813
SERB Scheme 13.3%	20	19
Total defined benefit plans	1,149	1,237
Defined contribution plans:		
VicSuper 9%	3,907	4,179
National Mutual 9%	20	27
Hesta 9%	146	136
Uni Super 9% - 17%	246	175
Other Funds 9%	969	590
Total defined contribution plans	5,288	5,107
Total paid contribution for the year	6,437	6,344
Contribution Outstanding at Year End		
Defined benefit plans:		
State Superannuation Fund – revised and new	-	-
Other	-	-
Total defined benefit plans	-	-
Defined contribution plans:		
VicSuper	7	4
Other	-	-
Total defined contribution plans	7	4
Total	7	4

The Institute does not have any contributions outstanding to the above funds and there have been no loans made from the funds. The bases for contributions are determined by the various schemes.

NOTE 23

Key Management Personnel Disclosures

Responsible persons related disclosures

In accordance with the directions of the Minister for Finance under the Financial Management Act 1994, the following disclosures are made for the responsible Ministers and responsible Members of Council.

(i) Minister

The relevant Minister is The Hon. Peter Hall, MLC, Minister for Higher Education and Skills. Remuneration of the Ministers is disclosed in the financial report of the Department of Premier and Cabinet. Other relevant interests are declared in the Register of Members interests which is completed by each member of the Parliament.

(ii) Directors of the Board of Northern Melbourne Institute of TAFE

Dr. A. Giddy (President)	Mr. A. Ray (to June 2011)
Ms. E. Forde (Past President)	Mr. C. Watson
Ms. J. Acquaro (Vice President)	Mr. B. Motz (from June 2011)
Ms. A. Ivey (Deputy Vice President)	Mr. P. Grist (to June 2011)
Mr B. MacDonald (NMIT Chief Executive Officer)	Dr. J. Wajsenberg
Mr. A. Budge (staff representative to July 2011)	Ms. A. McMullen (to October 2011)
Mr. A. Kuypers (student representative)	Mr. N. Shearer (to August 2011)
Mr. T. Losonn-Wilkins (staff representative from August 2011)	Prof. D. Finlay
Mr. A. Monley (appointed October 2011)	Ms. H. Campbell (appointed October 2011)

Responsible persons

	Institute	
	2011 \$'000	2010 \$'000
Key management personnel disclosures		
Remuneration of Board members		
Remuneration received, or due and receivable from the Institute in connection with the management of the Institute. Includes termination payments and bonuses paid at end of contracts.	447	422
Remuneration received, or due and receivable from the Institute in connection with the management of any related party entity.	-	-

	No.	No.
Income range		
The number of Board members whose remuneration from the Institute was within the specified bands are as follows:		
\$ - \$		
0 - 9,999	14	13
30,000 - 39,999	1	-
40,000 - 49,999	1	-
50,000 - 59,999	-	1
70,000 - 79,999	1	1
240,000 - 249,000	-	-
290,000 - 299,000	1	1
Total number of Responsible Persons	18	16

	\$'000	\$'000
Retirement benefits of Board members		
The retirement benefits paid by the Institute in connection with the Board members of the Institute amounted to:	-	-
Total retirement benefits of Board members	-	-

Executive officers

	Institute	
	2011 \$'000	2010 \$'000
Key management personnel disclosures		
Executive Officers' Remuneration		
The number of executive officers whose total remuneration exceeded \$100,000 during the financial year are shown in their relevant income bands. The base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.		
Base remuneration of executive officers	2,781	3,075
Total remuneration of executive officers	2,951	3,337

	No.	No.
Income range		
The number of executive officers whose remuneration from the Institute was within the specified bands are as follows:		
\$ - \$		
120,000 - 129,999	-	1
140,000 - 149,999	-	1
150,000 - 159,999	3	3
160,000 - 169,999	10	10
170,000 - 179,999	1	1
180,000 - 189,999	-	1
190,000 - 199,999	-	2
200,000 - 209,999	2	1
220,000 - 229,999	1	-
Total executive officers	17	20

Key management personnel

	Institute	
	2011 No.	2010 No.
Key management personnel disclosures		
Executive Officers' personnel compensation		
Short-term employee benefits	17	18
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	2
Total key management personnel compensation	17	20

NOTE 24 Related Parties

Key management personnel

Disclosures relating to directors and specified executives are set out in note 23.

There are no ex-gratia payments in 2011 (2010 - NIL).

Transactions with related parties

The following transactions occurred with related parties:

Two (2010:Two) Institute Board Directors declared a pecuniary interest in Institute operations during 2011.

	Institute	
	2011 \$'000	2010 \$'000
Related parties		
Total sale of goods and services	-	-
Purchase of goods		
Mr A. Ray - Equipment and services provided at commercial rate	5	5
Mr C. Watson - Consultant, Equine Programs	131	99
Total purchase of goods	136	104

NOTE 25 - 1 Financial Instruments (Part I)

Financial risk management

(i) Financial risk management objectives

The Institute's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Institute's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Institute. The Institute uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk.

Risk management is carried out by the chief finance officer with the Finance function of the Institute under policies approved by the Board. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in note 1 of the financial statements.

(ii) Financial risk exposures and management

The Institute's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivables and payables and leases.

The main risks the Institute is exposed to through its financial instruments are market risk, foreign currency risk, price risk, funding risk, interest rate risk, credit risk and liquidity risk.

(iii) **Categorisation of financial instruments**

Carrying amount of financial instruments by category:

Financial Assets	Note	Category
Cash and Deposits	5	Cash
Receivables (a)	6	Loans and receivables

Institute	
2011	2010
\$'000	\$'000
47,568	42,929
9,810	5,772
57,378	48,701

(a) Receivables disclosed here exclude statutory receivables.

Market risk

The Institute in its daily operations is exposed to a number of market risks. Market risks relate to the risk that market rates and prices will change and that this will have an adverse affect on the operating result and /or net worth of the Institute. e.g. an adverse movement in interest rates or foreign currency exchange rates.

The Board ensures that all market risk exposure is consistent with the Institute's business strategy and within the risk tolerance of the Institute. Regular risk reports are presented to the Board.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing market risk or the methods used to measure this risk from the previous reporting period.

Foreign currency risk

The Institute is exposed to fluctuations in foreign currencies arising from the delivery of services in currencies other than AUD\$.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing foreign currency risk or the methods used to measure this risk from the previous reporting period.

Price risk

The Institute is exposed to price risk in respect of fee for service, contestable income and contract services which are subject to open market competition.

There has been no significant change in the Institute's objectives, policies and processes for managing price risk or the methods used to measure this risk from the previous reporting period.

It should be noted that the Insitute has experienced an increase in price risk as a result of government policies supporting the new VET open market.

Interest rate risk

Interest rate risk arises from the potential for a change in interest rates to change the expected net interest earnings in the current reporting period and in future years. Similarly, interest rate risk also arises from the potential for a change in interest rates to cause a fluctuation in the fair value of the financial instruments.

The objective is to manage the rate risk to achieve stable and sustainable net interest earnings in the long term. This is managed predominately through a mixture of short term and longer term investments.

Funding risk

Funding risk is the risk of over reliance on a funding source to the extent that a change in that funding source could impact on the operating result for the current year and future years.

The Institute manages funding risk by continuing to diversify and increase funding from Commercial activities, both domestically and off shore.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period.

Concentrations of credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amounts of collateral held as security at 31 December 2011.

Credit risk in trade receivables is managed in the following ways:

- payment terms are 30 days from date of invoice.
- debtors with accounts in excess of 60 days are sent a statement of account, indicating terms of payment.
- debtors with arrears are sent a reminder notice indicating a further 7 days to make payment.
- debtors which represent government departments or agencies are managed by the Institute directly with department or agency contracts.

The Institute does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Institute.

The Institute minimises credit risk in relation to student loans receivable by undertaking transactions with a large number of students all located in Australia. The Institute is prepared to offer additional loans to those students who adhere to repayment terms and conditions and fully repay their loans.

Credit risk in student loans is managed in the following ways:

- specific loan conditions have been established which are applicable to all loans.
- all loan monies are related to the cost of student tuition and amenities fees.
- a schedule of repayment is agreed with the student at the time of making the application.
- if a student falls behind in repayments, a process is implemented which includes reminder letters, individual interview, repayment rescheduling and if necessary contacting guarantors.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the institute's Board, which has built an appropriate liquidity risk management framework for the management of the short, medium and long-term funding and liquidity requirements. The institute manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

NOTE 25 - 2 Financial Instruments (Part II)

(ii) Summarised sensitivity analysis

The following table summarises the sensitivity of the Institute's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

	Carrying amount \$'000	Interest rate risk			
		-1%		1%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
31 December 2011					
Financial assets					
Cheque and Cash Management accounts	726	(7)	(7)	7	7
Bank Deposits - At Call	46,842	(468)	(468)	468	468
Total increase / (decrease)	47,568	(475)	(475)	475	475

	Carrying amount \$'000	Interest rate risk			
		-1%		1%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
31 December 2010					
Financial assets					
Cheque and Cash Management accounts	1,579	-16	-16	+16	+16
Bank Deposits - At Call	41,350	-414	-414	+414	+414
Total increase / (decrease)	42,929	(430)	(430)	430	430

NOTE 25 - 3 Financial Instruments (Part III)

(iii) Financial instrument composition and interest rate exposure

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

Exposure to interest rate risk is insignificant and may arise primarily through the Institute's borrowings. As at the reporting date, the Institute did not have any borrowings. The Department's exposure to interest rate risk is set out below:

	Weighted average effective rate	Total Carrying Amount per Balance Sheet	Floating interest rate	Fixed interest rate	Non-Interest Bearing
2011	%	\$`000	\$`000	\$`000	\$`000
Financial assets					
Cash and deposits					
Cash at bank and on hand	3.9	726	719	-	7
Deposits at call	5.2	46,842	-	46,842	-
Contractual receivables					
Trade receivables	-	3,202	-	-	3,202
Revenue receivables	-	7,185	-	-	7,185
Total financial assets	9	57,955	719	46,842	10,394
Consolidated					
Trade and other payables	-	6,177	-	-	6,177
Total financial liabilities	-	6,177	-	-	6,177

	Weighted average effective rate	Total Carrying Amount per Balance Sheet	Floating interest rate	Fixed interest rate	Non-Interest Bearing
2010	%	\$`000	\$`000	\$`000	\$`000
Financial assets					
Cash and cash equivalents					
Cash at bank and on hand	3.7	1,579	1,572	-	7
Deposits at call	4.5	41,350	-	41,350	-
Contractual receivables					
Trade receivables	-	1,643	-	-	1,643
Revenue receivables	-	4,308	-	-	4,308
Total financial assets	8	48,880	1,572	41,350	5,958
Financial liabilities					
Trade and other payables	-	3,362	-	-	3,362
Borrowings					
Finance leases	-	34	-	-	34
Total financial liabilities	-	3,396	-	-	3,396

(iv) Ageing analysis of financial assets

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the contractual maturity analysis for the Institute's financial assets and financial liabilities.

	Carrying amount	Not past due and not impaired	Maturity dates				Impaired financial assets
			Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	
2011 Financial assets							
Contractual receivables							
Trade receivables	3,202	1,664	-	635	994	-	(91)
Revenue receivables	-	-	-	-	-	-	-
Total 2011 financial assets	3,202	1,664	-	635	994	-	(91)
2011 Financial liabilities							
Financial liabilities							
Trade and other payables	6,177	-	6,177	-	-	-	-
Total 2011 financial liabilities	6,177	-	6,177	-	-	-	-

	Carrying amount	Not past due and not impaired	Maturity dates				Impaired financial assets
			Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	
2010 Financial assets							
Contractual receivables							
Trade receivables	1,643	690	-	687	353	-	(87)
Revenue receivables	-	-	-	-	-	-	-
Total 2010 financial assets	1,643	690	-	687	353	-	(87)
2010 Financial liabilities							
Financial liabilities							
Trade and other payables	3,362	-	3,362	-	-	-	-
Total 2010 financial liabilities	3,362	-	3,362	-	-	-	-

NOTE 25 - 4 Financial instruments (IV)

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

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.

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.

For other assets and other liabilities the fair value approximates their carrying value. Financial assets where the carrying amount exceeds fair values have not been written down as the Institute intends to hold these assets to maturity.

The carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are:

	2011		2010	
	Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
Financial instruments				
Financial assets				
Cash and cash equivalents				
Cash at bank and on hand	726	726	1,579	1,579
Deposits at call	46,842	46,842	41,350	41,350
Contractual receivables				
Trade receivables	3,202	3,202	1,643	1,643
Revenue receivables	7,185	7,185	4,308	4,308
Total financial assets	57,955	57,955	48,880	48,880
Financial liabilities				
Payables	6,177	6,177	3,362	3,362
Lease liabilities	-	-	34	34
Total financial liabilities	6,177	6,177	3,396	3,396

DISCLOSURE INDEX

The Institute's Annual Report is prepared in accordance with the Financial Management Act 1994 and the Directions of the Minister for Finance. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

REPORT OF OPERATIONS & STATUTORY AND FINANCIAL INFORMATION

Legislation	Requirement	Page	Checklist item/s:
SD 4.2 (g, h); FRD 22	General and financial information relating to the Institute and its operations, in accordance with the requirements of the Financial Reporting Directions	13-36	1, 2
SD 4.5.5	Signature of responsible person – Attestation on compliance with the Australian/New Zealand Risk Management Standard	8	3
SD 4.2 (j); FRD 22	Signature of President of Institute Board	3	4
FRD 22	Manner of establishment and relevant Minister	4, 98	5
FRD 22	Objectives, functions, powers and duties	4	6
FRD 22	Services provided and persons or sections of the community served	13-15	7
FRD 22	Organisational structure	12	8
TAFE Governance Review	Board structure and committees	4-7	9
TAFE Governance Review	Names and qualifications of members of the Board and number of meetings attended	5-6	10
TAFE Governance Review	Summary of training of the Board	4	11
TAFE Governance Review	Summary of performance and activities of the Board	4-7	12
FRD 22	Workforce data	37-42	13
FRD 22	Application of employment and conduct principles	41	14
FRD 22	Occupational health and safety	42	15
FRD 22	Industrial relations	41	16
FRD 10	Disclosure Index identifying relevant clauses of Victorian legislation with statutory disclosure requirements	107-111	17, 18, 19
FRD 11	Ex gratia payments	100	20
FRD 21 (1) (a)	Names of responsible persons	98	21
FRD 21 (1) (b)	Total remuneration of responsible persons	98	22
FRD 21 (1) (c)	Remuneration of responsible persons by bands	98	23
FRD 21 (d)	Related party transactions	100	24
FRD 21 (2) (a)	Total remuneration of executive officers	99	25
FRD 21 (2) (b)	Base remuneration (disclosed separately from actual remuneration)	99	26
FRD 21 (2) (c)	Accrual principles	67	27
FRD 22	Summary of financial results with comparative information for preceding four years	54	28

Legislation	Requirement	Page	Checklist item/s:
FRD 22	Summary of significant changes in financial position	54	29
FRD 22	Operational objectives for the year and performance against those objectives	13-15	30
FRD 22	Events subsequent to balance date	54	31
FRD 22	Consultancies valued in excess of \$100,000; consultancies valued at less than \$100,000; and total expenditure on consultancy engagements	54-55	32, 33, 34
FRD 22	Financial information consistent with that included in the financial statements	3, 13-15, 41-42, 50-58	35
FRD 22	Information complementing the financial report as a whole: providing general and financial information including any additional information the accountable officer or the governing board considers appropriate and/or which has been mandated by other authoritative pronouncements; and outlining and explaining an entity's operations and activities for the reporting period.	1-58	36
FRD 27	Audited Statement of Performance including relevant performance targets and indicators, results, and explanations of any variance between targets and results	49-53	37
FRD 22	Application and operation of FOI Act 1982 (including amendments of 3 August 2007)	41	38
FRD 22	Compliance with Building Act 1993 (including amendments of 1 July 2007)	42	39
FRD 22	Compliance with Whistleblowers Protection Act 2001 (including amendments of 1 July 2007)	42	40
FRD 22	Compliance with National Competition Policy	42	41
FRD 22	Statement of environmental performance	37	42
FRD 22	Statement on availability of information, on request, to the relevant Minister, members of Parliament or the public: declarations of pecuniary interests; details of shares held by senior officers; publications produced and where available; major promotional, public relations and marketing activities; major external reviews; major research and development activities; overseas visits undertaken; major committees sponsored by the Institute	55	43, 44, 45, 46, 47, 49, 50, 51, 52
FRD 22	Fees and charges	55-56	48
PAEC (Dec 1997)	Financial and other information on initiatives taken or strategies relating to the institute's international operations	14, 30-31, 43-46	53
3.110 Auditor General Special Review	Offshore operations: risks; strategies; performance measures, targets and outcomes	43-46	54
FRD 27	Signed statement of Performance Management Certificate Reporting against Key Performance Indicators	49 51-53	55

FINANCIAL STATEMENTS

Legislation / Accounting Standard	Requirement	Page (and clause if applicable)	Checklist item/s:
FMA 1994, 49 (a, b, c, d, e)	The Institute's financial statements contain such information as required by the Minister; are prepared in a manner and form approved by the Minister; fairly present the financial transactions of the Institute during the year to which they relate and its financial position as at the end of that year; and are certified in the manner approved by the Minister	62	56, 57, 58, 59, 60
SD 4.2 (a)	Compliance with Australian Accounting Standards and other mandatory requirements including financial reporting directions and business rules	62, 67	61, 62, 63
SD 4.2 (b)	Operating Statement	63	64
AASB101 (82) (a)	Income from transactions	63	
AASB101 (89)	Expenses from transactions	63	
AASB1049.32	Net result from transactions	63	
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