

2018 Annual Report



Swinburne University of Technology

ANNUAL REPORT

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The front cover depicts Swinburne's Reconciliation Fire Pit. The Fire Pit is used to perform traditional smoking ceremonies. The design was created by Swinburne students.

The watermarks in this image are from the painting, *Gathering Knowledge*, by artist Arbup Ash Peters, Wurundjeri/Taungurong Man, local artist and direct descendent of Coranderrk. This painting depicts the continuous cycle of footprints on a never-ending journey travelling around Swinburne's campuses located on Wurundjeri land. The painting also shows meetings or gatherings that involve many people and Elders from Aboriginal and Torres Strait Islander communities. The colours used in the painting are aligned to the corporate colours of Swinburne. The use of earthy ochre in the background, as well as yellow and black throughout gives a sense of the culture of Wurundjeri people while also reflecting the Aboriginal flag.

Acknowledgement of Country

We respectfully acknowledge the Wurundjeri People, and their Elders past and present, who are the Traditional Owners of the land on which Swinburne's Australian campuses are located in Melbourne's east and outer east.

We are honoured to recognise our connection to Wurundjeri Country, history, culture and spirituality through these locations, and strive to ensure that we operate in a manner that respects and honours the Elders and Ancestors of these lands.

We also acknowledge the Traditional Owners of lands across Australia, their Elders, Ancestors, cultures and heritage.

Transmission Letter

13 March 2019

The Hon. Gayle Tierney MP
Minister for Training and Skills and the Minister for Higher Education
Level 1
2 Treasury Place
East Melbourne VIC 3002

Dear Minister,

In accordance with the requirements of regulations under the financial reporting directions, the standing directions, the instructions, the applicable Australian Accounting Standards and the *Financial Management Act 1994*, I am pleased to submit for your information and presentation to Parliament the Swinburne University of Technology Annual Report for the year ending 31 December 2018.

The Swinburne University of Technology Council approved the Annual Report at its meeting on 13 March 2019.

Yours sincerely



Professor John Pollaers OAM
Chancellor



ABN 13 628 586 699
CRICOS Provider 00111D

VISION, STRATEGY, SWINBURNE VALUES, SWINBURNE BEHAVIOURS, COMMITMENT



Vision

A world-class university creating social and economic impact, through science, technology and innovation.

Strategy to 2025

Swinburne continues to persevere in our commitment to transform education through strong industry engagement, social inclusion, a desire to innovate and above all, a determination to create positive change. The 2025 Strategic Plan will enable this through developing future-ready learners, creating research with impact and acting as an innovative enterprise.

Swinburne values

Our values are reflected in the practices of our staff, the positive outcomes that result from our relationships with industry and community partners, and our students' achievements and attributes.

Innovation – We thrive on leading through educational excellence, business and research innovation, and creativity in solving real-world problems.

Integrity – We expect honesty and the highest ethical standards in everything we do.

Accountability – We are accountable to ourselves, each other and the communities we serve through transparency and evidence-based decision making.

Diversity – We celebrate and respect the strength that difference creates.

Teamwork – We encourage collaboration that underpins success through mutual respect, open communication and the sharing of responsibility.

Sustainability – We foster positive social, educational and environmentally sustainable change.



Swinburne behaviours

Staff at Swinburne care about behaviours that build positive relationships: to communicate, listen and learn, collaborate, trust and act.

Communicate

Say it – have the conversation, respect each other's differences, give meaningful feedback and share honestly and openly.

Listen and learn

Hear it, learn from it – learn from one another, actively listen to each other, resolve conflict and be innovative.

Collaborate

Share it – work constructively together with a common purpose to achieve the university's goals.

Trust

Trust it – be open to and with others, act with fairness and respect, inspire positive expectations and communicate honestly.

Act

Do it – have a strong sense of immediacy, take practical action and see it through.

Commitment

Swinburne is a world-class university focused on creating impact. We are committed to transforming the future of education by giving students the knowledge, adaptability and experience they need to make a lasting impact on the workplaces of tomorrow.

We create future-ready graduates by taking our students outside the conventional classroom and introducing them to new and different ways of learning and thinking. Their future readiness comes from hands-on experience, industry leaders, from the world around us, and from one another.

Our commitment to knowledge is driven by our research and focus on making a real-world impact, transforming our global and local communities. As a trusted and respected world-class leader in research excellence, we are determined to make a real difference to the communities we serve.

We do all this by providing a space where ideas are nurtured and the brave and adventurous from local communities and around the world are supported to push boundaries and create the future, today.

This is our commitment to our students: to those in higher education, those undertaking pathways and vocational education, and those who are just starting out, or mastering their field.

No matter who they are or how they want to drive their future – we will help them fulfil their goals in a connected world.

FROM THE CHANCELLOR



I am pleased to present Swinburne's 2018 Annual Report, endorsed by the Council at its meeting on 13 March 2019.

The 2025 Swinburne Strategic Plan, launched in 2017, continues to guide our university to become a truly innovative enterprise. We are dedicated to supporting the development of graduates ready for careers of the future and to driving research with impact.

During 2018, several new partnerships were formed that ensure Swinburne remains positioned to deliver on our vision and thrive in an increasingly uncertain global environment. We are confident that, with the support of the state and federal governments, the education Swinburne offers to our students will continue to be of the highest quality.

As a world-class, research-intensive university, we are proud of our global standing. Our international research collaborations and industry-funded research continue to increase. Our position as one of the world's top 400 universities (Academic Ranking of World Universities) is driven by our strong focus on research-led innovation that creates social and economic impact.

Swinburne has continued its commitment to entrepreneurship and innovation by officially opening our Innovation Precinct. The \$7 million redevelopment of the old Fire Station at our Hawthorn Campus is a central point for connecting the university's research and innovation capabilities with industry, business and the start-up community.

In August, Swinburne and Siemens officially launched the MindSphere Centre also at the Hawthorn Campus. The MindSphere Centre is Australia's first demonstration and application centre; a cloud-based industrial Internet of Things operating system enabling students, academics and industry partners to collaborate and co-create local and global projects.

Our position as one of the world's top 400 universities (Academic Ranking of World Universities) is driven by our strong focus on research-led innovation that creates social and economic impact.



It has been a great privilege to serve as Swinburne's Chancellor. Earlier in 2018, I regretfully indicated that I would not seek a second term and therefore conclude my term as Chancellor once a new Chancellor had been appointed. I am deeply proud of Swinburne's many achievements and of the high-level of commitment of Swinburne's staff and students and as an alumnus will remain a fervent supporter.

In October 2018, the Council appointed Professor John Pollaers OAM as the incoming Chancellor. Professor Pollaers' recent governance experience includes chairing the Australian Advanced Manufacturing Council, the Australian Industry and Skills Committee, and the Aged Care Workforce Strategy Taskforce. He has also had a distinguished international career in business as chief executive and director of major companies, including Pacific Brands and Foster's Group Limited. I am delighted to hand over to such an experienced and distinguished leader.

I thank my Council colleagues for their tireless contributions to Swinburne. Their focus ensures the university continues to be well-led and managed, and to meet its obligations to its students, staff and the extended Swinburne community.

On behalf of Swinburne Council, I would like to thank and acknowledge Vice-Chancellor Professor Linda Kristjanson AO and her executive team, as well as Swinburne's staff, students, alumni and partners for their outstanding contributions to Swinburne in 2018.

I am confident that Swinburne is well-positioned, with strong leadership at all levels, for future success.

Graham Goldsmith
Chancellor and Chair, University Council
August 2014 to January 2019



FROM THE VICE-CHANCELLOR



The 2018 Annual Report of Swinburne highlights the notable achievements of our students and staff. These achievements contribute to our standing as a world-class university, creating social and economic impact through science, technology and innovation.

As an innovative enterprise Swinburne holds a deep commitment to be a leading university for diversity and inclusion. For the ninth consecutive year, Swinburne has been recognised as an Employer of Choice for Gender Equality by The Workplace Gender Equality Agency. Our action plan to improve gender equity at Swinburne was also recognised with a Science in Gender Equity Australia Athena SWAN Bronze Award.

In 2018, The Moondani Toombadool Centre at Swinburne co-hosted the inaugural National Reconciliation Action Plan Conference with Reconciliation Australia and the Korin Gamadji Institute at the Richmond Football Club. This inspiring event delivered a powerful message, calling for forgiveness as we continue the path towards reconciliation. This year also marked the second year of our Elevate Reconciliation Action Plan.

Early in the year, Swinburne became the first Australian university to partner with the Commonwealth Scientific and Industrial Research Organisation (CSIRO), launching a new partnership in Silicon Valley as part of a strategic move to advance Australia-US research, innovation, and commercialisation.

Swinburne has joined organisations from around the globe in committing to the United Nations Sustainable Development Goals. The goals align with Swinburne's 2025 vision and existing commitment to sustainability. We are continuing to identify new opportunities to achieve the United Nations goals, ensuring that Swinburne's impact will be felt throughout the community and beyond in the coming years.

Our staff continue to be recognised for their outstanding achievements and a comprehensive list of awards is contained in this report. Of particular note, four Swinburne researchers, Professor Qing-Long Han, Professor Vo Anh, Professor Neville Owen and Associate Professor Ivo Labbe earned the honour of being named 2018 Highly Cited Researchers. This annual list recognises world-class researchers who have demonstrated significant influence through their publication of multiple highly cited papers and who are ranked in the top 1 per cent in their respective disciplines internationally.

We launched a new research centre in Weihai, Shandong, connecting Swinburne with industries in China and South Korea. Swinburne launched our international PhD Hub in Hong Kong with the Hong Kong Productivity Council, involving collocation and collaboration with MIT Innovation Lab, Fraunhofer Institute and RWTH Aachen.

Swinburne had a total enrolment of 57,811 students across the Hawthorn, Wantirna, and Croydon campuses. A total of 23,773, students were enrolled through Swinburne Online, Open Universities Australia, and offshore partnerships with China, Sri Lanka, Singapore, and Malaysia.



In December, we launched our Centre for the New Workforce, our first research centre based in our Pathways and Vocational Education (PAVE) division. The centre will provide unique insights into the impact of workforce transformation arising from digital disruption. The centre is collaborating closely with industry to inform policy and to create impact through its leadership role in developing a digitally-capable workforce in Australia and internationally.

Our dedication to fostering future-ready learners was augmented with the selection and implementation of Canvas as our new Learning Management System across Higher Education and PAVE. The new system will support an enhanced learning experience for our students.

From an operational standpoint, whilst the university recorded an operating deficit of \$8.3 million primarily due to the mark-to-market losses on the university's managed funds by Mercer Investment (Australia) and the additional investment in strategic initiatives, Swinburne once again delivered a sound underlying operating contribution of \$22.8 million.

Swinburne had a total enrolment of 57,811 students across the Hawthorn, Wantirna, and Croydon campuses. A total of 23,773, students were enrolled through Swinburne Online, Open Universities Australia, and offshore partnerships with China, Sri Lanka, Singapore, and Malaysia. Of our students, 29,253 were full-time, while the total number of part-time enrolments was 28,558.

We have made a strong start in implementing the university's 2025 Strategic Plan. And there is much to do over the next seven years as we work actively to achieve our ambitions. Our talented and dedicated professional and academic staff are at heart of this plan. I acknowledge the efforts of our staff and thank them for their inspiring contributions.

I would like to take this opportunity to thank Graham Goldsmith for his generous leadership and steadfast commitment to Swinburne. Graham has been an exceptional ambassador for the university and we are stronger for his contributions. I also take this opportunity to welcome Professor John Pollaers OAM who will make a valuable contribution in leading Swinburne.

For more than a century, Swinburne has delivered innovative education, strong industry engagement, and social inclusion. The following pages contain a rich tapestry of the many highlights of a productive year.

I look forward to another rewarding year as we strive for an ever more successful Swinburne.

Professor Linda Kristjanson AO
Vice-Chancellor and President

ABOUT SWINBURNE

Swinburne University of Technology is a world-class university creating social and economic impact, through science, technology and innovation.

Our history

The Honourable George and Ethel Swinburne founded Swinburne more than 100 years ago as the Eastern Suburbs Technical College. Our first students enrolled in classes including woodwork, science and mathematics.

In 1963, Swinburne led the way with one of the first industry-based learning programs and from the 1970s offered degrees in engineering, accounting, chemistry and arts.

On 1 July 1992, by an Act of the Victorian Parliament, Swinburne gained university status. This was the beginning of a period of growth and innovation that continues today.

Our campuses

Swinburne has three campuses located in the eastern suburbs of Melbourne at Hawthorn, Croydon and Wantirna, offering tertiary education for higher education and Pathways and Vocational Education (PAVE). The National Institute of Circus Arts is located in Prahran and we have a campus in Sarawak, Malaysia, connecting us to one of the most rapidly growing regions of the world.

We offer a range of qualifications online through Swinburne Online and Open Universities Australia. Swinburne Online began in 2012 through a successful joint venture partnership with Seek Ltd to create educational opportunities for students unable to study on campus.

Objectives and functions

The university's objectives and functions are detailed in the *Swinburne University of Technology Act 2010*. The act is available at:



<https://tinyurl.com/SwinAct>

Ratings and rankings

Swinburne has an international reputation for quality research that connects science and technology with business and the community. Our standing in prestigious world academic rankings reflects our commitment to high-quality teaching and research and graduate outcomes.

Swinburne's position as one of the top 400 in the Academic Ranking of World Universities, signifies our commitment to producing high-quality research and innovation outcomes that create social and economic impact.

In the Times Higher Education University World Rankings, Swinburne was ranked in the top 450, placing us in the top 3 per cent of universities worldwide. In the Young University Rankings, Swinburne was placed at number 65 out of 250 institutions. The Young University Rankings recognise the world's top universities under 50 years of age. Swinburne ranked 69 of 287 in the Times Higher Education Asia Pacific University World Rankings.

The QS World University Rankings ranked Swinburne in the world's top 400 universities, improving our position by 34 places to 387th. Swinburne was ranked number 45 in the QS Top 50 Under 50 years of age list, an index of the world's top universities under 50 years old.


Swinburne's School of Design was recognised as one of the best in the world by the QS World University Rankings by Subject. Ranked at number 40 for Art and Design, Swinburne has improved by more than ten places since 2017.

Research

Swinburne researchers have a reputation for high-quality research with strengths in astronomy, physics, engineering, materials science, computer science and information technology, design and innovation, health sciences, neurosciences, and mental health.

The Swinburne research institutes foster interdisciplinary collaboration and deeper research connections with industry, business and community to maximise Swinburne's impact. Our institutes provide leadership in data science, health and social innovation, smart cities and the future of manufacturing.

Underpinned by leading digital technology platforms, our researchers are collaborating with industry through embedded partnerships to drive innovation and create impact.



Swinburne was founded more than 100 years ago as the Eastern Suburbs Technical College. Our first students enrolled in classes including woodwork, science and mathematics.

Teaching

As a dual-sector university, we provide higher education and PAVE. We offer courses in a broad range of disciplines including arts and humanities, aviation, built environment and architecture, business, design, education, engineering, English language and study skills, film and television, games and animation, health sciences, occupational therapy, nursing, biomedical sports science, psychology, information technology, law, media and communications, and science.

Swinburne's close ties with industry provide students with opportunities for valuable workplace experiences during their studies. Industry representatives inform, shape and challenge the curriculum. We continue to lead the sector in our approach to work placements and industry links with the Swinburne Advantage Program, offering a consistent and comprehensive Work-integrated Learning Program with more opportunities to be involved. Swinburne maintains a strong commitment to quality student outcomes and teaching and learning experiences.

2018 HIGHLIGHTS FOR SWINBURNE



Embedded in Silicon Valley

CSIRO and Swinburne launched a new partnership in Silicon Valley as part of a strategic move to advance Australia-US research, innovation and commercialisation. Swinburne is the first Australian university to partner with CSIRO in its newly-established office in Northern California.

Recognised as Employer of Choice for Gender Equality

The Workplace Gender Equality Agency recognised Swinburne as an Employer of Choice for Gender Equality for the ninth year in a row. The recognition reflects Swinburne's commitment to workplace gender equality in Australia.

School of Design top 40 in the world

Swinburne's School of Design was recognised in the top 40 in the world by the QS World University Rankings by Subject.

Welcome Scholarships

Swinburne continues to offer Welcome Scholarships, giving refugees and asylum seekers access to tertiary education in Australia.



Top three for student satisfaction

Swinburne rated in the top three Victorian universities for student satisfaction, based on new data released by the Quality Indicators for Learning and Teaching. Swinburne undergraduate students positively rated their satisfaction with Overall Quality of Educational Experience at 81.7 per cent. The national average for this indicator was 79.3 per cent.

JANUARY

FEBRUARY

MARCH

APRIL

MAY

JUNE

Swinburne Partners with Medibank

Swinburne and Medibank joined forces in a partnership that will touch on all aspects of Swinburne's business and 2025 Strategic Plan. The three-year partnership not only supports the health and wellbeing of the Swinburne community, it also creates opportunities for strategic collaboration in research and education.

Innovation Precinct launch

The Swinburne Innovation Precinct connects Swinburne's significant innovation capabilities, integrating manufacturing, design and digital innovation, and creates conditions for co-creation with and adding value for industry.



United Nations Sustainable Development Goals

In a push to ensure a sustainable future, Swinburne committed to the United Nations Sustainable Development Goals (SDGs). Joining organisations from around the globe, Swinburne is committing to the 17 SDGs that aim to 'transform our world' through ending poverty, protecting the planet, and ensuring prosperity for all on the road to 2030.

Elevate Reconciliation Action Plan

Swinburne reaches the halfway mark of its first Elevate Reconciliation Action Plan. Swinburne created the Moondani Toombadool Centre which is providing institutional and national leadership in reconciliation, and Aboriginal and Torres Strait Islander matters.

Because of her, we can

Swinburne acknowledged the NAIDOC Week theme celebrating Indigenous women in the community with the event 'Because of her, we can'. Swinburne's Moondani Toombadool Centre is committed to reconciliation as part of our core business practices and decision-making. Moondani Toombadool means 'embracing teaching and learning' in the Woivurrung language.

Record numbers at Open Day

On Sunday 30 July, record numbers of people came through the doors of our Hawthorn campus to explore study opportunities and to gain an insight into student life at Swinburne.



Advanced Manufacturing Industry 4.0 hub at Swinburne

The Victorian Minister for Industry and Employment, the Honourable Ben Carroll, announced the establishment of the Advanced Manufacturing Industry 4.0 Hub at Swinburne's state-of-the-art Factory of the Future. The hub is funded by a \$2 million grant from the Future Industries Fund and will pioneer a new model of university-industry collaboration where businesses and universities co-create new technologies and innovative business strategy.

5-Star Overall Experience Rating

Swinburne secured a 5-star Overall Experience Rating in the 2019 Good Universities Guide.

Australian Research Council Success

Swinburne successfully secured \$3.6 million in funding from the 2018 Australian Research Council. The funding will allow Swinburne to increase capacity for sustained excellence and world-leading research in science and technology.

JULY

AUGUST

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

MindSphere Centre for Australia

Siemens and Swinburne launched the MindSphere Centre to house Australia's first demonstration and application centre; a cloud-based industrial Internet of Things operating system, developed by global technology giant Siemens.

Annual Barak-Wonga Oration

Swinburne held our Annual Barak-Wonga Oration to advance understandings of Aboriginal and Torres Strait Islander issues in Australia.



New Chancellor announced

The Swinburne Council announced the appointment of Professor John Pollaers OAM as the new Chancellor of Swinburne University of Technology, taking up a five-year term on 1 February 2019.

New learning management system completed

The transition to Canvas was completed, with 3,715 units successfully transitioned to the new cloud-based learning management system.

Centre for the New Workforce launched

Swinburne opened its Centre for the New Workforce at Swinburne's Hawthorn campus. The Centre is a research initiative designed to support Australian businesses, organisations and their employees by developing new approaches to learning.

Inaugural National Reconciliation Action Plan Conference and Annual Reconciliation Lecture

Swinburne co-organised the National Reconciliation Action Plan Conference and held our Annual Reconciliation Lecture to advance understandings of reconciliation in Australia.

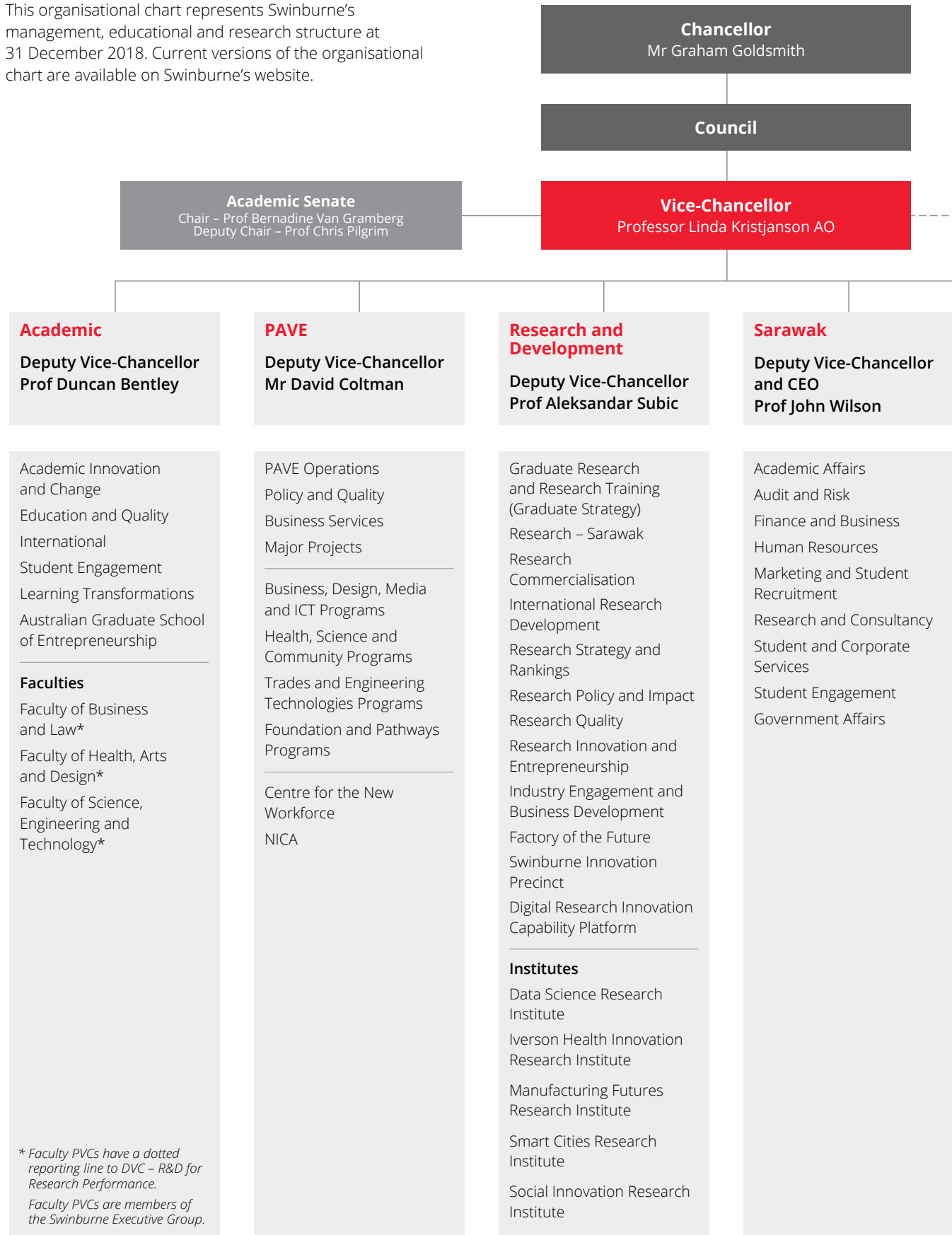
Recognised for gender equity and diversity efforts

Swinburne was recognised for its action plan towards gender equity with a SAGE Athena SWAN Bronze Award.

ABOUT SWINBURNE

Organisational chart

This organisational chart represents Swinburne's management, educational and research structure at 31 December 2018. Current versions of the organisational chart are available on Swinburne's website.





ABOUT SWINBURNE

Senior executives

Professor Linda Kristjanson AO, as the university's Vice-Chancellor and President, guides the vision for Swinburne's leadership in science, technology and innovation. Our executive team members are experts in education and their field of specialisation. They help Swinburne achieve our vision through their dedication to high-quality education, research, service and experience.



Vice-Chancellor and President, Professor Linda Kristjanson AO
BN (Manitoba), MN (Research) (Manitoba), PhD (Arizona), FAICD, FTSE



Deputy Vice-Chancellor, Academic, Professor Duncan Bentley
BA, LLB (University of Cape Town), LLM (University of London), LLM (Corporate & Commercial), PhD (Bond), FAAL, FCA, CTA, GAICD, Hon Fellow SAIT



Deputy Vice-Chancellor, Research and Development, Professor Aleksandar Subic
FIEAus, FSAE FIEF, BEng (Mech) (Hons), MEngSci, PhD (University of Belgrade)



Deputy Vice-Chancellor, PAVE, Mr David Coltman
MEd (Hons) (Massey University), MPA (Hons) (Victoria University of Wellington)



Deputy Vice-Chancellor and CEO Swinburne Sarawak, Professor John L Wilson
BEng (Hons) (Monash), MSc (University of California), PhD (Melbourne), FIEAust, CPEng



Pro Vice-Chancellor, Faculty of Business and Law, Professor Michael Gilding
BA (Hons) (ANU), PhD (Macquarie), GAICD



Pro Vice-Chancellor, Faculty of Health, Arts and Design, Professor Scott Thompson-Whiteside
BA (Hons) (University of Bristol), MA (Middlesex University), PhD (Melbourne), MDIA



Pro Vice-Chancellor, Faculty of Science, Engineering and Technology, Professor Sarah Maddison (January-February 2018)
BSc (Hons), PhD (Monash), FASA



Pro Vice-Chancellor, Faculty of Science, Engineering and Technology, Professor Hung-Nguyen AM (February 2018-current)
BE (Hons I) (Newcastle), ME (Newcastle), PhD (Newcastle), FIEAust, FACS, FBCS



Vice-President, People and Culture, Ms Rita Cincotta (January-May 2018)
BBusiness Arts (SUT), M Industrial & Employee Relations (Monash)



Vice-President, People and Culture, Marcia Gough (May 2018-current)
BA(SUT), Grad Dip Bus (Labour Mgt Rel), Grad Dip Couns Psych (Mon), GAICD



Vice-President, Students, Dr Andrew J Smith
BSc (Hons), PhD (Melbourne), Grad Cert BA (SUT), GAICD



Vice-President, Engagement, Ms Jane Ward
BA (Hons) (Monash), GAICD



Chief Operating Officer, Mr Andrew Field
BBus (Acct), BBus (Comp) (Philip Institute of Technology), FCPA



Chief Financial Officer, Ms Fiona Schutt (January-November 2018)
BBus (Acct), MBA (Leadership) (RMIT), CPA (CPA Australia)



Chief Financial Officer, Ms Rachel Richardson (November 2018-current)
BSc (Hons) (Bolton, UK), CIMA (UK), CPA (Australia)

Pro Vice-Chancellors

Swinburne's Pro Vice-Chancellors lead strategic areas of the university, including research, education and student advancement.



Pro Vice-Chancellor, Student Engagement, Professor Glen Bates
BCom BA (Hons), MA (ClinPsych), PhD MAPS (Melbourne)



Pro Vice-Chancellor, Research Commercialisation, Professor Matthew Cuthbertson
BSc (Hons) (UQ), PhD (UQ), M Intellectual Property Law (Melbourne), FTSE, FRACI, FAICD, FIML



Pro Vice-Chancellor, Research Quality, Distinguished Professor Qing-Long Han
BSc (Shandong Normal University), MEng (East China University of Science and Technology), PhD (East China University of Science and Technology)



Pro Vice-Chancellor, Academic, Innovation and Change, Professor Sarah Maddison (February-current)
BSc (Hons), PhD (Monash), FASA



Pro Vice-Chancellor, International Research Engagement and Development, Deputy Vice-Chancellor and CEO Swinburne Sarawak, Professor Ajay Kapoor
BTech (Mechanical Engineering) (BHU, India), MTech (Mechanical Engineering) (BHU, India), PhD (University of Cambridge)



Pro Vice-Chancellor, International, Professor Monica Kennedy
BA (COMM), MEd Leadership, PhD, Grad Cert HE (Canberra)



Pro Vice-Chancellor, Research Performance and Development, Professor Alan Kin-tak Lau
BEng (Hons) (RMIT), MEng (RMIT), PhD (The Hong Kong Polytechnic University)



Pro Vice-Chancellor, Education and Quality and Deputy Chair, Academic Senate, Professor Chris Pilgrim
BScEd (MCAE), GradDipAppSc (Comp Sci), MAppSc (Info Tech), PhD (SUT), GAICD, FACS



Pro Vice-Chancellor, Graduate Research and Research Training, Professor Bernadine Van Gramberg
BSc (Hons) (Melbourne), LLB (VU), Grad Dip Dispute Resolution and Judicial Administration (Melbourne), Grad Dip Industrial Relations (Melbourne), Grad Dip Education and Training (VU), MSc (Melbourne), PhD (Monash)



Pro Vice-Chancellor, Research Policy and Impact, Professor Beth Webster
Bachelor of Economics (Hons) (Monash), Master of Economics (Monash), PhD (University of Cambridge), FASSA

UNIVERSITY GOVERNANCE

Swinburne's governance is overseen by Council. The Council is the university's governing body and is responsible for the general direction of the university. The Chancellor is the chair of Council. The primary responsibilities of Council and its powers and functions are listed in the *Swinburne University of Technology Act 2010* (the Act).

The Council's annual business schedule addresses its responsibilities under the Act, the corporate governance standards auspiced by the Tertiary Education Quality and Standards Agency (TEQSA) and good practice codes such as the Voluntary Code of Best Practice for the Governance of Australian Universities.

The Council's responsibilities include:

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

Compliance with responsibilities under legislation and codes

The 2018 review confirmed that the Council meets all of its obligations under relevant legislation and codes, including:

- *Swinburne University of Technology Act 2010*
- the governance and accountability standards specified by TEQSA



Council members: *Standing left to right:* Mr Anthony Mackay AM (Deputy Chancellor), Ms Renée Roberts, Mr David Singleton AM, Mr Alan Schwartz AM, Mr Andrew Dix, Professor Bernadine Van Gramberg and Ms Catherine Rojas. *Sitting left to right:* Mr Junaid Azhar, Ms Kirsten Mander, Professor Linda Kristjanson AO (Vice-Chancellor), Mr Graham Goldsmith (Chancellor), Ms Geraldine Farrell and Ms Vi Peterson.

- the Voluntary Code for Best Practice in Governance of Australian Universities as applied by university legislation and the university's governance framework
- the Swinburne University Council Charter.

Council has three standing committees:

The Resources Committee, the Executive and Remuneration Committee, and the Audit and Risk Committee.

The Resources Committee provides oversight and advice to Council regarding the management of the university's assets, ventures and other financial resources.

The Executive and Remuneration Committee is responsible for governance, nominations and remuneration matters.

The Audit and Risk Committee provides independent assurance regarding the university's risk, control and compliance framework and its financial statement responsibilities.

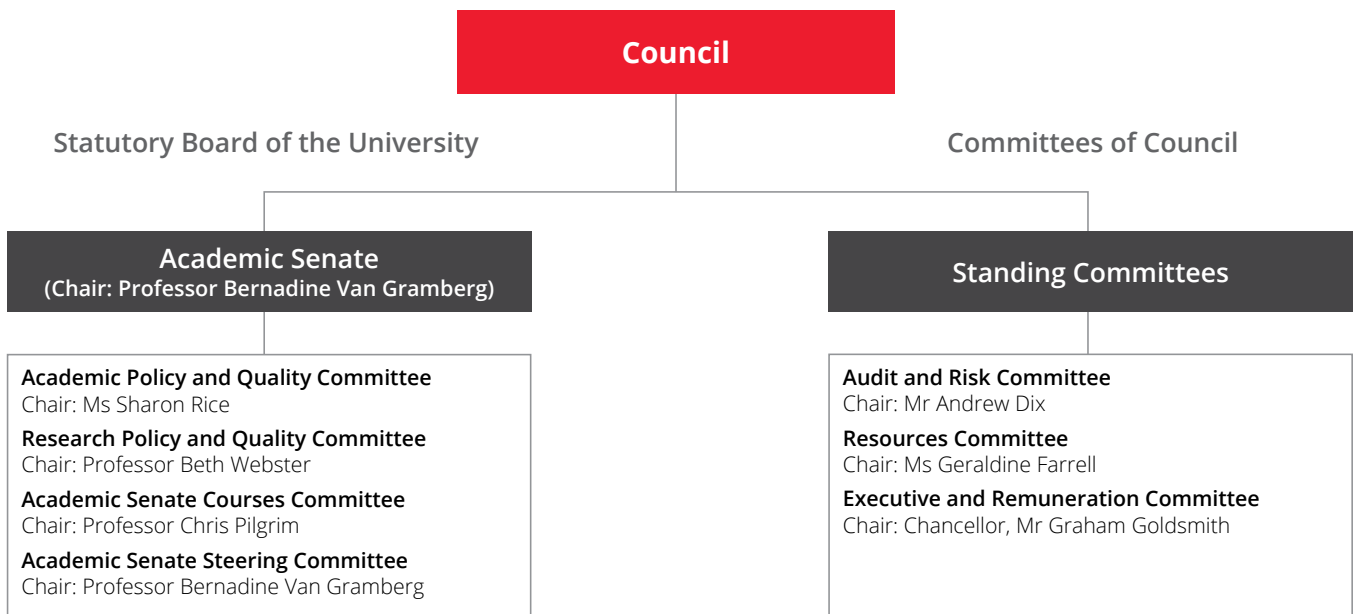
Academic Senate: A primary responsibility of Council under the Act is to oversee and monitor the academic activities of Swinburne. To this end, the Act requires Council to establish an academic board. In this way, the Academic Senate stands as a statutory body with functions and powers relating to academic matters such as accreditation, quality and policy. The Academic Senate is the peak academic body within the university and was established by Council effective 1 January 2011.

The Vice-Chancellor: The Vice-Chancellor is the President and Chief Executive Officer of the university, generally responsible for the conduct of Swinburne's affairs in all matters.

Directors and officers liability protection: During the reporting period, Swinburne maintained a Directors' and Officers' Liability Policy for Council members, senior officers and directors of its subsidiaries.



Council Boards and Committees



Council members' attendance at Council and committee meetings

The table below sets out the number of Council and Committee meetings held during the year ended 31 December 2018 and the number attended by each Councillor:

Meetings Attended In 2018	Council (7 Meetings)	Audit and Risk Committee (4 Meetings)	Executive and Remuneration Committee (1 Meeting)	Resources Committee (5 Meetings)
Mr Graham GOLDSMITH	7	4	1	5
Professor Linda KRISTJANSON AO	7	3	1	5
Professor Bernadine VAN GRAMBERG	5	N/A	N/A	N/A
Ms Geraldine FARRELL	7	N/A	1	5
Ms Vi PETERSON	7	N/A	N/A	4
Ms Kirsten MANDER	6	3	N/A	N/A
Ms Renée ROBERTS	5	2	N/A	4
Mr Anthony MACKAY AM	7	N/A	0	3
Mr David SINGLETON AM	7	N/A	N/A	4
Mr Andrew DIX	7	4	1	N/A
Mr Alan SCHWARTZ AM	3	N/A	N/A	N/A
Ms Catherine ROJAS	7	N/A	N/A	N/A
Mr Junaid AZHAR	7	N/A	N/A	N/A

SWINBURNE AT A GLANCE

Students

Student headcount/load*	Higher Education (HE)			Vocational Education (VE) ¹		
	2016	2017	2018 ²	2016	2017	2018 ³
Total student headcount	39,550	41,894	42,931	18,114	16,322	14,880
Accredited VET courses	-	-	-	19,689	18,208	17,117
Total student contact hours (SCH)	-	-	-	5,213,755	5,180,460	5,304,265
Total student load (EFTSL)	24,320	26,053	26,979	7,241	7,195	7,367
By funding source (EFTSL)						
Government-funded	16,110	17,446	17,902	4,397	4,634	5,201
Full fee-paying (domestic)	1,318	1,145	1,132	1,788	1,657	1,300
International (onshore)	3,874	4,276	4,919	929	677	599
International (offshore, excluding Sarawak)	395	534	412	127	227	267
Sarawak (approximate)	2,623	2,652	2,614	-	-	-
By level of course (EFTSL)						
Postgraduate research	719	776	928	-	-	-
Postgraduate coursework	3,127	3,276	3,545	42	26	45
Undergraduate ⁴	20,345	21,888	22,372	-	-	-
Associate Degree/Degree	-	-	-	-	-	-
Advanced Diploma/Diploma	-	-	-	2,827	3,091	3,167
Certificate	-	-	-	3,158	3,028	3,046
Other ⁵	129	113	134	1,214	1,050	1,109
By campus (EFTSL)						
Croydon	-	-	-	1,208	1,116	1,035
Hawthorn	13,834	14,559	15,538	3,158	3,100	3,130
Melbourne CBD	-	-	-	-	-	-
Prahran	65	66	56	29	36	-
Wantirna	-	-	-	1,199	1,297	1,517
Offshore (excluding Sarawak)	-	-	-	127	227	266
Sarawak, Malaysia	2,623	2,652	2,614	-	-	-
Online and other ⁶	7,798	8,776	8,771	1,520	1,419	1,419
By gender (EFTSL) excluding short courses						
Female	11,828	12,876	13,234	3,234	3,212	3,424
Male	12,486	13,165	13,732	4,004	3,979	3,936
Unspecified	6	12	13	3	4	7
By Attendance headcount excluding short courses						
Full-time ⁷	22,762	24,599	25,748	3,425	3,372	3,505
Part-time	16,788	17,295	17,183	14,689	12,950	11,375

1 Includes pathways, vocational education, Industry Solutions, SOL and NICA.

2 2018 preliminary data, final official data available in May 2019.

3 EFTSL = Equivalent Full Time Student Load (student contact hours divided by 720) (only applies to Vocational Education).

4 Includes sub-degrees, Bachelor Honours and PAVE Unilink Diploma.

5 VE Includes ELICOS, VCE/VCAL and non-certificate enrolments. HE includes non-award.

6 Includes workplace, distance venues and online delivery. Inclusive of all SOL Hawthorn Online and CSP funded OUA.

7 Full-time = an annual study load of 6 standard units or more, or a study load of 3 standard units or more over half a year.

* excludes full fee Open University Australia

Staff

Full time equivalent staff				2018							
	2016	2017	2018	Female	Male	15-24	25-34	35-44	45-54	55-64	65+
Higher Education: Teaching and Research	709	756	856	332	524	4	150	254	232	161	55
Higher Education: General Staff	199	240	306	200	106	8	85	89	69	49	6
Higher Education: Sessionals	202	217	223	91	132	10	82	55	39	24	13
Vocational Education: Teaching	191	211	228	104	124	0	10	40	67	85	26
Vocational Education: General Staff	67	72	91	69	22	3	14	18	26	27	3
Vocational Education Teaching: Sessionals	167	156	158	80	78	1	24	35	44	41	13
Professional Staff	786	817	896	574	322	32	252	272	180	135	25
NICA	25	20	32	17	15	2	6	8	8	6	2
SSAA	19	22	19	15	4	2	12	3	2	0	0
University Total	2,365	2,511	2,777	1,465	1,312	60	629	766	659	522	141

Note: Swinburne employees have been correctly classified in the workforce data collections. Staff numbers are averaged over the year. Sarawak-based staff and Swinburne Online staff are not included.

STRATEGIC PLAN AND PERFORMANCE

2025 Strategic Plan

Swinburne opened its doors in 1908 with a simple premise in mind: to provide education to a section of society otherwise denied further education.

More than a century later, Swinburne remains committed to offering transformative education and research through strong industry engagement, social inclusion, a desire to innovate and, above all, a determination to create positive change.

To realise this vision, Swinburne builds its capability by investing in people, processes and systems.

Swinburne 2025 Strategic Framework

A **WORLD CLASS** university creating social and economic impact through science, technology and innovation.

FUTURE READY LEARNERS

Confident and enterprising learners who create social impact

Learners prepared to find and solve complex problems

Adaptive learners equipped for careers of the future

Learners as global citizens

RESEARCH WITH IMPACT

Transforming industries shaping lives and communities

Driving innovation built on excellence in science and technology

Global in action, presence and reputation

INNOVATIVE ENTERPRISE

Agile, resilient and market responsive

Flexible, state of the art spaces and infrastructure

Connected with business, industry and community

Sustainable, inclusive and diverse

Globally capable

INNOVATIVE ENTERPRISE



Swinburne is developing the capabilities and infrastructure to meet the demands of a dynamic digital future. Our strategic focus of creating better ways to deliver teaching, research and administration support services offers exciting initiatives that will make Swinburne more resilient, responsive and driven to achieve our 2025 Strategic Plan.

Student experience is at the heart of Swinburne's digital transformation

Our innovative Digital Experience Transformation Program (DXP) places students at the core of the education journey and works to drive more engaging, rewarding, and satisfying digital experiences. The platform will shape the digitalisation of Swinburne's customer experience and offer a more engaging digital opportunity for our student community.

The program is focused on the attraction and retention of students in competitive markets and is due for completion in 2020.

State-of-the-art spaces for researchers and students to collaborate and solve real-world problems

In 2018, Swinburne developed an exciting new portfolio titled Campus Spaces. This collaborative portfolio aligns with our vision, Transforming Learning Strategy, and Research and Innovation Strategy to enhance the overall student experience, and facilitate research, innovation and industry engagement.



New state-of-the-art facilities provide innovative spaces and facilities to enable substantial growth including the following:

- The Innovation Precinct (old Fire Station) is a central point for connecting our research and innovation capabilities and a place for our staff and students to collaborate, solve challenges and produce commercial outcomes.
- The Engineering Practice Academy will operate as an engineering consultancy and will prepare Swinburne Engineering Practice (Honours) students for professional life by engaging them in projects alongside industry and community partners.
- The Architecture Workshop upgrade includes the addition of innovative laser cutters, universal robot arms and the latest 3D printers.
- The Health Precinct houses state-of-the-art laboratories and the latest technology in health sciences. The precinct includes a biomechanics laboratory designed to perform system analysis so students can get a better understanding of the mechanical factors that affect human movement.
- The libraries at the Hawthorn, Croydon and Wantirna campuses have been reconfigured to embed studentHQ services within student spaces, creating engaging and stimulating spaces for students.

Partnership initiatives enhance collaboration with business, industry and community

The 2025 Strategic Plan concentrates on business, industry and community connection in teaching and research.

Swinburne provides students and researchers with real-world experiences to enhance employment outcomes and deliver research impact.

Highlights for 2018 included:

- The Australian Graduate School of Entrepreneurship (AGSE) relaunched and revitalised the university's prominence in entrepreneurship and innovation. The program capitalises on opportunities presented by economic change, collaborates with industry and positions Swinburne as a business education leader.
- The partnership between Swinburne and the Richmond Football Club has delivered a number of positive outcomes in research, education, equity, and diversity. Swinburne has built on our existing relationship with Richmond through the Richmond Institute of Sports Leadership.
- Swinburne and Medibank initiated a three-year partnership to support the health and wellbeing of the Swinburne community, creating opportunities for strategic organisational collaboration including research, career development support and corporate education.

External Partnership Survey

The 2018 External Partnership Survey indicated that our partners are extremely satisfied with their Swinburne experience, with 95 per cent of respondents reporting positive experiences with Swinburne and would recommend Swinburne to other organisations.

Survey participants included partners from across the university. Some of the individuals interviewed had single interactions with the university while others had up to six touch points including curriculum development, community partners, placement hosts, philanthropic support and workforce training.

Respondents identified 'access to knowledge or research capability', 'positive ongoing relationship with Swinburne', 'access to talent (staff and students)' and 'reputation of an individual or team' as key factors in choosing to partner with Swinburne.

INNOVATIVE ENTERPRISE

Sustainability

Swinburne continues to identify new ways to reduce our impact on the environment. We are focused on securing a sustainable future across all our endeavours including organisational, global, financial and environmental and 2018 was a year of significant achievement.

Responsible Investment Charter

Through Swinburne's Responsible Investment Charter, we consider the environmental and social impacts our investment choices make.

Our development activities are funded by an investment fund of more than \$300 million, which is invested in line with the university's Charter and considers environmental and social impacts.

Investments in Mercer's Socially Responsible Global Shares and Mercer's Socially Responsible Australian Shares Funds target companies with innovative solutions to sustainable development.

We do not invest in businesses involved in activities that are in breach of socially responsible criteria, including companies directly involved in the development and production, sale or distribution of cluster munitions, anti-personnel mines, and biological, chemical, or nuclear weapons, as well as companies with material exposure to tobacco, alcohol, gambling or gaming, adult entertainment, and thermal coal.

Energy conservation initiatives

During 2018, we continued our work delivering targets established in the 2009 Environmental Management System. This work was carried out by the Facilities and Services Group (FSG) who were responsible for improving the environmental performance of campus operations.

Energy conservation initiatives for 2018 included:

- improvements to the energy efficiency of heating, ventilation, and air-conditioning systems, with the replacement of three old boilers with condensing boilers in the Prahran N building
- continuing to rollout of the light-emitting diode (LED) upgrades under the LED Lighting Program
- replacing selected hydraulic lifts with energy-efficient electric lifts
- saving more than 200,000 litres of water through the modification of the watering system on the Hawthorn Campus
- the installation of a new electric car charging station, following the completion of a research project. The station is more reliable and efficient than the original station.

Swinburne joins global Green Impact Program

Last year, Swinburne signed up for the Green Impact Program used by over 400 organisations worldwide. Green Impact is an online sustainability accreditation scheme that helps staff to have a deeper understanding of sustainability and social responsibility.

The Facilities and Services Group delivered a range of engagement activities throughout 2018 to increase awareness, participation, action and sustainability among staff and students.

Changes that were made through the Green Impact program increased recycling, reduced energy use and boosted socially-responsible purchasing, as well as encouraging social justice initiatives. Swinburne staff accomplished more than 100 sustainability actions.

Campus office staff members contributed to Swinburne's waste-to-landfill minimisation by adopting the bin-less office program and staff rubbish bins were replaced with a small 500 mL container for landfill waste.

Resource usage	2014	2015	2016	2017	2018
Annual energy consumption (GJ/EFTSL) ¹	7.55	8.33	8.12	7.05	6.78
Annual water consumption (kL/EFTSL)	3.95	4.34	6.15	4.67	4.41
Waste to landfill (m3)	9,296	7,819	7,545	8,368	10,450
Staff travel – by air (Mill. km) (x10)	3.35	3.17	3.32	3.27	3.10
Staff travel – by road (Mill. km) (x10)	0.05	0.02	0.02	0.02	0.03
Paper use (reams)	38,048	21,495	24,791	24,243	21,942
Paper use (reams/FTE)	17.8	9.0	9.7	9.7	7.9
Carbon emissions (TCO ²)	N/A	N/A	53,308	40,290	39,580

¹ EFTSL: equivalent full-time student load



United Nations Sustainable Development Goals

In 2018, we continued our work on the United Nations Sustainable Development Goals (SDGs), developed in 2015 to drive a sustainable development agenda that meets environmental, political and economic challenges.

With 17 goals to achieve by 2030, the SDGs address issues related to the promotion of global economic growth and development and are focused on sustainability for humanity and the planet.

Our commitment to the SDGs focuses on recognition and commitment to the following goals:

- the enormous social, economic, and environmental challenges facing the world
- future development that is socially, economically, and environmentally sustainable
- the vital role universities can play in achieving a sustainable future through teaching, research, and operations.

Highlights of the United Nations SDGs initiatives included:

- The Victorian Medical Device Partnering Program (MDPP), led by Swinburne, received \$2 million in funding to support the development of the medical device industry in Victoria. The partnership supports the health and wellbeing of our university community creating opportunities for strategic collaboration between organisations, including research, and support for career development.
- Swinburne has become the first Australian university to be made a full member of ARENA2036, a flexible factory of the future on the University of Stuttgart's campus. Over the coming years, researchers will collaborate to develop innovative lightweight materials and automated production processes.
- A new Engineering Practice Academy was established as part of a greater strategy to ensure that up-and-coming engineers are aware of the need for diversity within a group, including the need for a critical mass of women. The academy's Diversity and Inclusion Strategy features non-negotiable values that make staff and students responsible for gender equity and inclusion.

- The Iverson Health Innovation Research Institute pursues real-world health challenges across the human lifespan. The institute creates practical activities to minimise the impact of chronic disease and disability on patients, the health care system and society through community engagement, industry consultation and research.
- The Smart Cities Research Institute focused on overcoming barriers to prosperity and drivers of adverse environmental outcomes.
- Swinburne's Centre for Urban Transitions investigated innovative planning and governance strategies for creating more livable, sustainable, equitable, healthy and productive cities.
- The Centre for Sustainable Infrastructure provides a focus for multidisciplinary research in the field of sustainable civil infrastructure.

In the lead-up to 2030 we will continue to embed the SDGs principles at Swinburne across learning and teaching, research, governance and operations and will continue to nurture a framework to access positive impact.

Diversity and inclusion

Swinburne is committed to the creation of a safe study and work environment where all staff, students and community partners are welcomed and valued.

Workforce Inclusion Policy

We promote a safe working environment where everyone is given equal opportunity to thrive. We have engaged Pride in Diversity, the Australian Network on Disability, and Diversity Council Australia to provide expert advice on crafting our Inclusion and Diversity Framework. Consultations are underway for a university-wide Diversity Steering Committee in 2019.

Recognised for gender equality and diversity efforts

We are focused on continued efforts to ensure diversity and inclusion at every level of our operations. A key indicator of progress in 2018 was our engagement with Athena SWAN, a program which evaluates and accredits organisations that demonstrate commitment to improved career opportunities and outcomes for women in science, technology, engineering, mathematics and medicine (STEMM).

In December, Swinburne received the Athena SWAN Bronze Award from Science in Australia Gender Equity (SAGE). The award recognises the SAGE pilot program, which addresses barriers to gender equity, particularly in STEMM. Plans are underway for the SAGE Action Plan 2019–2022 for our Athena SWAN Bronze Award.

We are also proud to report that the Workplace Gender Equality Agency (WGEA) recognised Swinburne as an employer of choice for gender equality for the ninth consecutive year.

The Pink Paper, formally known as Diverse Sexes, Sexualities and Genders Strategic Action Plan 2018–2020, ensures that our LGBTI inclusion programs create awareness of the structural and social barriers that prevent members of our LGBTI community from bringing their whole selves to work.

To support and affirm our dedication to staff inclusion and LGBTI awareness, we have published Protocols for Supporting Trans Inclusion at Swinburne. These protocols ensure staff wishing to affirm their gender at work are supported and provides LGBTI awareness training across the university.

Our Reasonable Adjustment Procedure was published in May across the university. This document outlines steps for requesting reasonable adjustments to enable staff to fulfil their roles and support managers in responding to requests.

Committed to reconciliation

The Moondani Toombadool Centre at Swinburne co-hosted the inaugural National Reconciliation Action Plan (RAP) Conference with Reconciliation Australia and the Korin Gamadji Institute at the Richmond Football Club. This inspiring conference was an initiative of Swinburne's RAP. Keynote speakers included Dr Jackie Huggins AM, Co-chair of National Congress, and Professor Tom Calma AO, Co-chair of Reconciliation Australia.

In 2018, we marked the second year of Swinburne's Elevate RAP 2017–2019. Swinburne is the first Australian university to have its RAP recognised by Reconciliation Australia at its highest level of Elevate. More than 60 per cent of Swinburne's RAP targets have been achieved across a range of seven themes: governance, culture, Indigenous staff, Indigenous students, engagement, teaching and learning, and research.

Two key elements of Swinburne's RAP are our Reconciliation Lecture and Barak–Wonga Oration, named in honour of Aboriginal leaders, William Barak and Simon Wonga. These annual public lectures advance understanding of reconciliation and Aboriginal and Torres Strait Islander issues.

The 2018 Reconciliation Lecture was presented by Professor Stan Grant, ABC journalist and presenter. Jill Gallagher AO, Victorian Treaty Advancement Commissioner, presented the 2018 Barak–Wonga Oration.

Supporting students with autism

To support students with autism in our university community, Swinburne has been pro-actively participating in the DXC Technology Dandelion Program. This internationally acclaimed program has been founded to increase career opportunities for people with autism.

Students on the spectrum are offered work placements within the IT sector through a new partnership between the university and DXC Technology. This program provides enhanced life and executive functional skills and helps participants prepare for future careers within technology-related fields.

Supporting asylum seekers and refugees

Asylum seekers and refugee students are embraced with Welcome Scholarships.

Swinburne has continued to provide support to 29 asylum seeker and refugee students through the Swinburne Welcome Scholarship Program. Welcome scholars have achieved outstanding academic results and positively contributed to their communities through leadership activities.

To develop best practice support for asylum seekers and refugees to access and succeed in their tertiary education, the university collaborates with relevant agencies and organisations to ensure the best outcomes for all participating scholars. We're delighted to acknowledge several Welcome scholars have successfully secured paid internships through an external provider and 2019 will see our first program graduates.

Addressing financial hardship

Swinburne is the first educational institution in Australia to launch its own Financial Inclusion Action Plan (FIAP) to support students of all backgrounds and help students continue their studies. The plan addresses financial exclusion and works to introduce initiatives that support students experiencing financial hardship.

Staff

Swinburne strengthened our employee engagement throughout 2018 and was the 'Your Voice Project' winner at the Change Awards. This award recognises the largest improvement in an Australian university in overall employee engagement.

The University Induction and Welcome event was hosted by the Vice-Chancellor throughout 2018 and a refreshed program offered the opportunity for new employees to access staff inclusion, engagement and connection.

Staff support and development is a focus of our 2025 Strategic Plan

Our 2025 Strategic Plan is focused on providing staff the opportunity to develop and maintain and successfully fulfil their roles.

To support development and learning opportunities for staff, face-to-face, Swinburne provides informal training, information sessions, and online and bespoke leadership development programs and workshops.

Development opportunity highlights included:

- a refreshed mentoring program with 34 mentoring pairs established
- the Connect, Create, Collaborate pilot program with 20 selected participants
- a Your Development Program offering accessible learning opportunities for staff in a range of courses

Health, safety and wellbeing

Swinburne is committed to the principles of occupational health, safety and wellbeing. In 2018 we continued to improve health, safety and wellbeing systems and processes which help prevent and minimise the impact of ill health and injury in the workplace.

An innovative Health, Safety, and Wellbeing Strategy was approved by council for 2018–2020. The strategy has an increased focus on employee wellbeing and a mentally healthy workplace. Initiatives for the Health, Safety and Wellbeing Strategy include mental health first aid training, management of mental health and psychological injury training, and mental health awareness events.

Respect. Now. Always.

Swinburne's Respect. Now. Always. Taskforce continues to strengthen safety and support services in response to the Australian Human Rights Commission's (AHRC) 2017 national university student survey on sexual assault and sexual harassment.

The taskforce includes students and staff, who work together to implement and expand initiatives for students including, on campus health services, free counselling, an out-of-hours crisis line, and online reporting. Mandatory Consent Matters training modules have been rolled out for student cohorts. To augment taskforce activities Swinburne commissioned an independent review from PriceWaterhouseCoopers in response to AHRC recommendations.

Swinburne collaborated with the tertiary education sector through Universities Australia to create new national guidelines for university responses to sexual assault and sexual harassment. The guidelines assist universities in formatting reports and responding to disclosures in a way that puts student safety and wellbeing at the centre of a university's response.

Occupational health and safety	2016	2017	2018
Incident/hazard reports received	208	279 ¹	290
Incident/hazard reports (per 100 FTE)	8.8	13.6 ¹	10.4
Notifiable incidents	14	10	13
Notifiable incidents (per 100 FTE)	0.6	0.5	0.5
Number of lost time injuries	15	10	19 ²
Lost time injury frequency rate ³	3.17	1.73	3.50 ²
Standard claims ^{3,4}	11	17 ²	13
Lost time standard claims ^{3,4}	4	2	3
Lost time standard claims (per 100 FTE) ^{3,4}	0.20	0.10	0.10
Average cost per standard claim ^{3,4,5}	\$102,936 ²	\$6,598	\$32,615
Fatalities	0	0	0

¹ The importance of reporting injuries and hazards was promoted throughout 2017, increasing the number of incidents, hazards and claims received in 2017.

² The increase in LTIs and LTIFR is predominately due to slips/trips/falls that have not been caused by the work environment.

³ Workers Compensation Insurer, Xchanging supplied data for standardised claims, time lost claims and average costs per claim is at 30 June 2018 with data from 1 July–30 June for each period. Standardised claims are those that have exceeded the employer excess or are registered as a standard claim and are open with no payments at the time of extraction. A lost time standard claim is one with one or more days compensated by the Victorian Work Authority (VWA) after employer excess at the time of extraction. They are a subset of standardised claims.

⁴ Excludes National Institute of Circus Arts and Swinburne Student Life data.

⁵ Claim costs include payments to date plus an estimate of outstanding claims costs (further costs as calculated by the VWA's statistical case estimate model)

INNOVATIVE ENTERPRISE

Employment and conduct principles

Swinburne apply merit and equity principles when appointing new staff. Selection processes ensure applicants are evaluated fairly on the basis of the key selection criteria and other accountabilities without discrimination.

Swinburne employees have been correctly classified in workforce data collections and our employment and conduct principles continue to be monitored and enhanced.

Workplace relations

All enterprise agreements are currently within nominal terms. The Swinburne University of Technology, Academic and General Staff Enterprise Agreement 2017 was approved by the Fair Work Commission in March this year and will reach its nominal expiry in June 2021.

The Swinburne University of Technology – Pathways and Vocational Education Enterprise Agreement 2017 was approved by the Fair Work Commission in December 2017 and will reach its nominal expiry in December 2020.

Workforce disclosures

31 December 2017

	All employees		Ongoing			Fixed term and casual	
	Number (Headcount)	FTE	Full-time (headcount)	Part-time (Headcount)	FTE	Number (headcount)	FTE
Gender							
Women Executives	29	28.6	12	1	12.8	16	
Women (total staff)	2223	1378.2	711	221	852.4	1291	525.8
Men Executives	29	28.6	12	0	12.0	17	16.6
Men (total staff)	2106	1228.7	658	64	695.7	1384	533.0
Self-described	0	0	0	0	0	0	0
Undisclosed	0	0	0	0	0	0	0
Age							
15-24	171	53.4	13	0	13.0	158	40.4
25-34	1151	578.9	266	27	282.3	858	296.6
35-44	1078	699.7	374	91	431.5	613	268.2
45-54	913	631.7	348	57	383.6	508	248.1
55-64	759	510.6	310	77	360.0	372	150.6
Over 64	257	132.6	58	33	77.7	166	54.9
Total employees	4329	2606.9	1369	285	1548.1	2675	1058.8

31 December 2018

	All employees		Ongoing			Fixed term and casual	
	Number (Headcount)	FTE	Full-time (headcount)	Part-time (Headcount)	FTE	Number (headcount)	FTE
Gender							
Women Executives	35	34.8	11	1	11.8	23	23.0
Women (total staff)	2419	1499.2	734	243	893.0	1442	606.2
Men Executives	34	33.4	11	0	11	23	22.4
Men (total staff)	2249	1355.5	714	77	757.5	1458	598
Self-described	0	0	0	0	0	0	0
Undisclosed	0	0	0	0	0	0	0
Age							
15-24	180	56.9	21	1	21.8	158	35.1
25-34	1234	644.9	265	43	290.7	926	354.2
35-44	1212	797.3	427	95	486.8	690	310.5
45-54	962	672.9	362	70	409.5	530	263.4
55-64	805	536.7	311	78	358.3	416	178.4
Over 64	275	146.1	62	33	83.4	180	62.7
Total employees	4668	2854.8	1448	320	1650.5	2900	1204.3

Note: The 2017 figure reported in the 2017 Annual Report varies due to different calculation methods used in 2017 and 2018. Specifically, the 2017 Annual Report FTE figure (2,511) was calculated on an average across the year. The 2017 FTE figure reported in the 2018 workforce data (2,607) was calculated as at a specific point in time, i.e. as at 31 December. This latter calculation is the methodology we will be adopting going forward. Workforce Profile – Swinburne employees have been correctly classified in the workforce data collections.

Evaluating our performance

The following performance assessment for the 2018 reporting period is for the nine key performance indicators (KPIs) central to the achievement of the 2025 Strategic Plan.

KPI: Operating margin for reinvestment

Baseline:

Reported: \$104m (17%); *Underlying:* \$30.5m (5%)

2018 full year target:

Reported: \$28.1m (4.1%); *Underlying:* \$38.3m (5.6%)

2018 achieved:

Reported: (\$8.3m); *Underlying:* \$22.8m (3.3%)

KPI: The proportion of strategic project milestones achieved of the total expected

Baseline: ≥ 80%

2018 full year target: 90%

2018 achieved: 11/12 projects currently meeting milestones

 **ACHIEVED KPI TARGET**

KPI: Lost time injury frequency rate

Baseline: 1.8 (annual rolling)

2018 full year target: < 2.0

2018 achieved: 3.50

KPI: Meeting all commitments in Swinburne's diversity and inclusion plans

Baseline: 90%

2018 full year target: 100% of 2018 commitments met

2018 achieved: 75%

Significant progress made against RAP, STEM targets

KPI: OH&S compliance

Baseline: 92%

2018 full year target: ≥ 90%

2018 achieved: 88%

 **WITHIN 5% OF ACHIEVING TARGET**

KPI: Pay equity gap

Baseline: Reduced by 2%

2018 full year target: Reduce by 2%

2018 achieved: 5.55% reduction
(Preliminary results pending WGEA validation)

 **ACHIEVED KPI TARGET**

KPI: Staff engagement (Your Voice)

Baseline: 75%

2018 full year target: 78%

2018 achieved: 76%

 **WITHIN 5% OF ACHIEVING TARGET**

KPI: External partner satisfaction

Baseline: 79%

2018 full year target: 81%

2018 achieved: 95%

 **ACHIEVED KPI TARGET**

KPI: Participation rate (Your Voice)

Baseline: 67%

2018 full year target: 70%

2018 achieved: 78%

 **ACHIEVED KPI TARGET**

FUTURE-READY LEARNERS



Swinburne is transforming the future of education by providing students with the knowledge, adaptability and experience they need to make a lasting impact on the workplace of tomorrow.

To ensure students enter the workforce with the skills required to succeed in a fast-changing world, we are focused on student-centred learning and ensuring we provide students with the skills, knowledge, and capabilities to be industry-ready.

Transforming learning

The Transforming Learning Program (TLP) has been a major focus in 2018. The TLP provides authentic and immersive learning experiences for students to support their employability. The first major delivery of the program has been the deployment of Canvas as our new learning management system. The transition to Canvas was completed in October 2018, with 3,715 units successfully transitioned to the new system and 8,518 students now being taught in Canvas through 282 units.

The design of the course transformation process and learning ecosystem has progressed since early 2018 and involves a suite of initiatives that will deliver student satisfaction and employability across higher education and PAVE.

Creating social and economic impact

In higher education, the focus on transformation has resulted in the launch of updated graduate attributes, a key component of the Transforming Learning Strategy. These attributes describe the graduates' capability to use knowledge, skills, and behaviours to contribute to society and work. Attributes will be embedded within courses through a redesign process that continues through to 2025.

Highlights for the year also included a pilot of virtual reality technology in learning environments and the launch of Job-Ready October, in which events were held to develop the broad skills students need to succeed in their careers.

In PAVE, we created guiding principles for our transformation and developed initiatives that will deliver on those principles through to 2025. The process, involving more than 100 staff and students, included a Skunk Works innovation laboratory, design sprints, group interviews, journey mapping and panel discussions.

At year's end we finalised the higher education transformation requirements and defined the processes for implementing course redesign to embed transformative learning. Swinburne's courses will be redesigned to incorporate a scaffolded approach to integrating authentic learning and the development of a professional purpose program.

Swinburne has approved our new credentialing framework to cater for increasing demand for badges, micro-credentials and micro-qualifications. We have piloted several models during 2018 and will provide a broad range of badges and credentials in 2019.



Higher education initiatives for 2018

Bachelor of Engineering Practice (Honours)

The Engineering Practice Academy was launched as part of the new Bachelor of Engineering Practice (Honours). The Academy is structured as a real-world engineering practice. Students, referred to as associates, work on projects briefed by clients.

Associates gather the skills they need to succeed as working engineers. After a successful first-year cohort, the Academy continues to increase enrolments for 2019. Partners include Dulux Group (Australia), Fulton Hogan, Engineers Without Borders Australia, MedCorp Technologies and Hobsons Bay City Council.

Bachelor of Design (Architecture)

The Faculty of Health, Arts and Design accepted students into the Bachelor of Design (Architecture) in 2018. The qualification creates future-ready students by ensuring students build an understanding of the fundamental changes unfolding in the profession. New students enjoy a learning environment designed to develop exceptional design skills and cutting-edge ability with digital workflow, supporting them to be open to changes in practice.

The introduction of architecture has been supported by strategic investment in teaching spaces and technologies including construction robots, prototyping workshops and new materials technology.

Australian Graduate School of Entrepreneurship (AGSE)

AGSE relaunched and took on its first students and delivered newly structured units in 2018. The school's courses are delivered in an intensive mode, allowing students to progress through subjects at their own pace. Courses are co-created with industry partners, who provide content, guest lecturers and mentorship. Partners include Pitcher Partners, Coca-Cola Amatil, Medibank, Siemens and CEVA Logistics.

Swinburne's Health Precinct

In 2018, the Health Precinct took form, delivering the latest technology in health sciences. The precinct includes a biomechanics laboratory which records 3D human movement patterns, and a custom-built dietetics kitchen and food chemistry laboratory where students can learn food preparation and analysis. It also includes a digital anatomy classroom featuring augmented reality and virtual reality technology.

FUTURE-READY LEARNERS

Pathways and Vocational Education (PAVE) initiatives for 2018

We have delivered outstanding results for student learning and engagement, guided by the Pathways and Vocational Education Investment Plan 2017–2020.

PAVE Major Projects

PAVE Major Projects, a new department with three staff, is projected to increase to more than 50 by 2020. Major Projects provides the capacity to tender for major contracts, generate new revenue streams and access new markets.

Twenty-three major projects were tendered and granted, including projects for the Aboriginal Communities Control Organisation, Victorian TAFEs, Swinlocal, and the Skills and Jobs Centre. Major Projects secured \$16,084,036 against a 2018 revenue target of \$2,000,000.

The Centre for the New Workforce

A research-led initiative of the PAVE portfolio, the Centre for the New Workforce supports research and education strategies across the university. Its purpose is to create new knowledge and understanding on how the digital revolution is transforming work, workers and the workplace. The centre collaborates with industry to inform policy and create impact by developing a digitally capable workforce.

Swinburne's Centre for the New Workforce is working alongside Deloitte and LinkedIn to assist organisations looking to prosper in the face of digital disruption.





National Institute of Circus Arts (NICA) highlights

NICA partnered with one of Australia's elite performing arts training organisations, The Australian Ballet School, in a performance production of *Le Sacré*. The show was the first Australian collaboration of its kind, integrating ballet with circus.

NICA was invited to showcase a graduate clowning troupe at the Kaifeng Clowning Festival in northern China. Executive Director, Rose Stephens and Director (International), Mr Guang Rong Lu OAM, were delighted to see how well the Australian clowning style of Trash Test Dummies was received.

Delivering globally connected learners

The university significantly boosted global engagement via our established business lines, which included generating additional revenue from government-sponsored students, student mobility and transnational education initiatives.

2018 brought sustained growth in student transfers from offshore partner institutions through newly established articulation programs. New credit recognition arrangements were put in place, recognising pathways to Swinburne's programs from institutions in China, India and Vietnam.

Swinburne International significantly increased engagement and development activities hosting 90 international delegations in Hawthorn and building deeper and more effective relationships with international partners.

2018 New Colombo Plan scholars

We received four scholarships out of only 120 scholarships available across Australia for this prestigious award. Scholars receive approximately \$70,000 in funding to support study, living and internship experiences abroad.

2019 New Colombo Plan Mobility Program achieves stellar funding outcome

In 2018, Swinburne successfully secured \$752,400 in funding under the 2019 New Colombo Plan (NCP) Mobility Program. This represents a 71.5 per cent growth in new funding over 2018. The funds will support 13 projects and 202 students with three projects focused on global internships. Swinburne will receive \$217,800 for projects that commenced in previous rounds.

Swinburne secures \$282,000 in Endeavour funding

Swinburne secured Endeavour funding of \$282,000 for 2018 – an increase of 36 per cent. This competitive funding provides important opportunities for students to gain international experience, contribute to international projects and build Swinburne's reputation abroad.

FUTURE-READY LEARNERS

Swinburne Sarawak

Swinburne Sarawak's vision is to be a leading university in Malaysia by 2025

Focusing on research and international growth, Swinburne is investing in and developing the Sarawak campus and working to enrich academic staffing profiles.

Two senior appointments were made, with Professor Lau Hieng Ho appointed Pro-Vice Chancellor (Academic) and Professor Ajay Kapoor appointed Pro-Vice Chancellor (Research) in a joint appointment with Swinburne in Australia.

Swinburne Sarawak and the Petrosains Discovery Centre, Kuala Lumpur, partnered to promote science, technology, engineering, and mathematics (STEM) learning. Under the partnership, Swinburne Sarawak and Petrosains will jointly develop content and activities in STEM to encourage participation in science and technology and gear the community towards a digital economy and adaptation of Industry 4.0.

In collaboration with the Construction Industry Development Board (CIDB), Swinburne Sarawak launched a Business Information Modelling (BIM) centre, myBIM. The first of its kind, the centre provides facilities for practitioners to accommodate BIM training programs including digitalising design to facilitate better collaboration and efficient information exchange between construction parties.

A Social Innovation Project unit saw 140 undergraduate students work with the Stutong Baru Resettlement Scheme. The project raised 30,000 Ringgit, which was donated to Breakthrough Network Centre Bhd, enabling the construction of a house for the community.

Swinburne Sarawak electrical and electronic engineering students competed in the eighth Innovate Malaysia Design Challenge (IMDC) Grand Final. Students Alfred Tan Jia Yee and Lee Hui En won the third prize for their smart waste management system that integrates Internet of Things (IoT) sensors with computer software and mobile applications.



The student experience at Swinburne

Swinburne Student Life won two awards at the 2018 Campus Link Conference. Swinburne Student Life upgraded its online systems for club management and volunteering, enhancing student experience and improving productivity. Swinburne Student Life coordinated over 82 student clubs and more than 15,000 hours of student volunteering. For the second time, Swinburne students participated in the Indigenous University Games.

Swinburne ranked in the top three Victorian universities for student satisfaction

In the latest Quality Indicators for Learning and Teaching, Swinburne undergraduate students rated their satisfaction with Overall Quality of Educational Experience at 81.7 per cent. The national average for this indicator was 79.3 per cent.

Students rated the university above or on par with the national average in teaching quality, learner engagement, learning resources and student support.

Contemporary learning and teaching

Contemporary Approaches to University Teaching is a self-paced, free online teaching induction course that introduces learning and teaching concepts and strategies for those in their initial years of university teaching. The course comprises 11 expert-developed modules, specialty modules and resources.

Developed with funding from a National Learning and Teaching Fellowship and led by Swinburne's Learning Transformations Unit Adjunct Associate Professor, Kym Fraser, the course is co-designed with 10 Australian universities. This national project involved 34 content experts from 21 universities to develop the modules, and 33 expert reviewers.

In 2018, the course was awarded Finalist with Distinction (second place) in the inaugural national Academic Development Good Practice Awards, sponsored by the Council of Australasian University Leaders in Learning and Teaching.

Launched in January 2018, the course has run twice with 1,821 enrolments. The majority of content is appropriate to tertiary teachers globally, with participants from 47 countries enrolling in 2018.

Ten Australian universities are using Contemporary Approaches to University Teaching, either by encouraging staff to enrol or by including the course in their professional learning programs.

FUTURE READY LEARNERS

Evaluating our performance

The following performance assessment for the 2018 reporting period is for the nine key performance indicators (KPIs) central to the achievement of the 2025 Strategic Plan.

KPI: Graduate employment

Baseline:

HE: 69.0% – 1.4% below Vic average;
VE: 79.7% – 3.5% above Vic average

2018 full year target:

HE: 69.5%; VE: 3% above Vic average

2018 achieved:

HE: 72.1%; VE: Results expected February 2019

● **ACHIEVED KPI TARGET**

KPI: Self employment

Baseline: HE: 5.4% (overall) – 1.2% above Vic average

2018 full year target: HE: 6.0% (overall) – 1.5% above Vic average

2018 achieved: HE: 4.1% – Vic average: 2.4%

KPI: Commencing student load (full year)

Baseline: Total: 13,235; HE: 9,276; VE: 3,959

2018 full year target: Total: 13,754; HE: 9,820; VE: 3,931

2018 achieved: Total: 13,150; HE: 8,963; VE: 4,187

● **WITHIN 5% OF ACHIEVING TARGET**

KPI: Pathway to further study (VE)

Baseline: 26.9% – 7.2% above Vic average

2018 full year target: 10% above Vic average

2018 achieved: 28.5% – 9.1% above Vic average

● **ACHIEVED KPI TARGET**

KPI: Returning student load (full year)

Baseline: Total: 16,843; HE: 14,903; VE: 1,940

2018 full year target: Total: 17,661; HE: 15,707; VE: 1,954

2018 achieved: Total: 17,076; HE: 15,170; VE: 1,916

● **WITHIN 5% OF ACHIEVING TARGET**

KPI: Student satisfaction (including SOL)

Baseline: HE: 81%; VE: 88%

2018 full year target: HE: ≥ 82%; VE: ≥ 85%

2018 achieved: HE: 80.4%;

VE: Results not available at time of reporting

● **WITHIN 5% OF ACHIEVING TARGET**

KPI: Total student load (full year)

Baseline: Total: 30,078; HE: 24,179; VE: 5,899

2018 full year target: Total: 31,415; HE: 25,528; VE: 5,885

2018 achieved: Total: 30,236; HE: 24,132; VE: 6,103

● **WITHIN 5% OF ACHIEVING TARGET**

KPI: Student retention rate

Baseline: HE: 74.1%

Online: 64.4%; On Campus: 83.8% (2016 data)

2018 full year target: HE: ≥ 74%

Online: 64%; On Campus: 84%

2018 achieved: Result expected May 2019

KPI: Work integrated learning

Baseline: 8,876 (HC)

2018 full year target: ≥ 2% uplift from 2017 (≥ 9,054)

2018 achieved: 9,665 (HC)

● **ACHIEVED KPI TARGET**

RESEARCH WITH IMPACT



Swinburne University of Technology is a world-class university with internationally recognised research ranked in the top 2 per cent of universities worldwide.

Excellence in research

We are focused on delivering high-quality research outcomes leading to economic and social impact. In line with the Swinburne Research and Innovation Strategy, we have fully developed a unique research and innovation ecosystem. Research centres focus on excellence in discipline-based research. Research institutes facilitate interdisciplinary impact-orientated research. The ecosystem is underpinned by our Digital Research Innovation Capability Platform and Innovation Precinct. We collaborate with industry, business, government and community to produce real-world solutions and positive transformations for the betterment of our society.



2018 highlights

Training Centre in Surface Engineering

The Minister for Education and Training, the honorable Simon Birmingham, announced a new \$8.39 million Training Centre in Surface Engineering for Advanced Materials to be led by Swinburne's Distinguished Professor, Chris Berndt. The centre will be one of the largest training centres of its kind in Australia, delivering commercial benefits for industry.

MindSphere Centre

Swinburne and Siemens officially launched the MindSphere Centre for Australia, an extension of the \$135 million industrial digitalisation grant awarded by Siemens to Swinburne in 2017.

MindSphere is a cloud-based industrial Internet of Things (IoT) global platform that enables students, academics and industry partners to collaborate and co-create local and global solutions working with the Siemens global supply chain from Swinburne's Factory of the Future. Fifteen industry partners have already joined the Centre.

Advanced Manufacturing Industry 4.0 SME Hub

The Victorian Minister for Industry and Employment, the Honourable Ben Carroll, announced the establishment of the Advanced Manufacturing Industry 4.0 SME Hub at Swinburne. The Hub is funded by a \$2 million grant from the Future Industries Fund and will pioneer a new model of university-industry collaboration focused on developing high-level capability in Industry 4.0 across the Victorian SME sector.

The DXC Digital Transformation Centre

Swinburne and DXC Technology, the world's leading independent, end-to-end IT services company, officially launched the DXC Digital Transformation Centre at our Hawthorn campus. The centre is the first of its kind in Australia and is focused on collaborative research between government, industry and academia. Our first partner, Guide Dogs Victoria, has already signed a research agreement with the centre.

Embedded in Silicon Valley

Swinburne and CSIRO have launched a joint Silicon Valley Office focused on collaborative research and innovation with West Coast US based industries, business and universities. Swinburne is the only university in Australia with a presence in Silicon Valley.

Victorian Medical Device Partnering Program (MDPP)

MDPP led by Swinburne was awarded \$2 million funding from LaunchVic over two years to support the development of the medical device industry in Victoria. This program will also include research translation and commercialisation activities leading to economic and social impacts.

Supercomputer OzSTAR

Swinburne officially launched one of the most powerful computers in Australia in a bid to help unlock the secrets of the universe. The \$4 million supercomputer, OzSTAR, is based at our Hawthorn campus, supporting the Swinburne-based Australian Research Council Centre of Excellence for Gravitational Wave Discovery (OzGrav).

RESEARCH WITH IMPACT

2018 highlights continued

Digital Research Innovation Capability Platform

Swinburne officially launched the Digital Research Innovation Capability Platform. The platform comprises six laboratories focusing on advanced visualisation, cybersecurity, intelligent data analytics, Internet of Things (IoT), software systems, and blockchain – each supported by industry partners.

Hong Kong PhD Hub

Swinburne launched our international PhD Hub in Hong Kong with the Hong Kong Productivity Council, involving collocation and collaboration with MIT Innovation Lab, Fraunhofer Institute and RWTH Aachen. All projects are supported by industry in Hong Kong and Shenzhen.

Blockchain Research Lab

Swinburne was announced as the official research and development partner for ArtChain Global, a digital, blockchain technology platform provider used to authenticate and trade art. ArtChain's investment of around \$2 million in Swinburne's Blockchain Research Lab is focused on delivering the novel technology platform.

Hyderabad partnership

Swinburne formalised a research partnership with the Indian Institute of Technology, Hyderabad (IITH), to jointly develop mutual strengths in engineering, science, technology and design, including a joint PhD Hub.

Weihai Centre

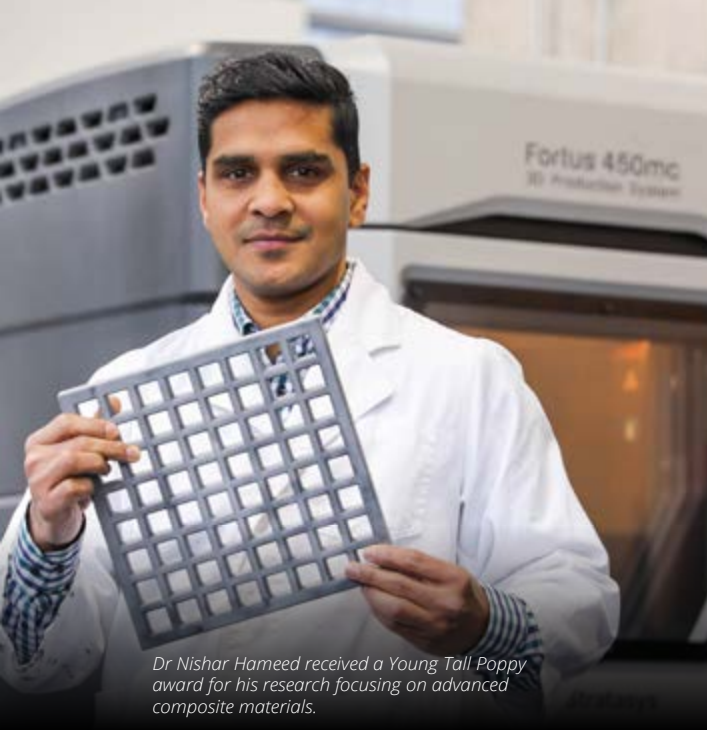
A new research centre was launched in Weihai, Shandong, connecting Swinburne with industries in China and South Korea. The Joint Research Centre in Advanced Manufacturing is a partnership between Swinburne, Shandong University Weihai, Weihai Economic and Technological Development Zone and the Australian Education and Management Group.

Innovation Precinct

Swinburne continued our commitment to entrepreneurship and innovation, officially opening the Innovation Precinct at the Hawthorn campus. The \$7 million redeveloped former Fire Station will be a central point for connecting the university's research and innovation capabilities with industry, business and start-up communities.

The Innovation Precinct is a central point for connecting the university's research and innovation capabilities with industry, business and the start-up community.





Dr Nishar Hameed received a Young Tall Poppy award for his research focusing on advanced composite materials.



Professor Mark Burry AO was elected as a Fellow of the Australian Academy of Technology and Engineering (ATSE), recognising his long track record of leadership and impact across these disciplines.

Research staff achievements

Four Swinburne researchers – Professor Qing-Long Han, Professor Vo Anh, Professor Neville Owen, and Associate Professor Ivo Labbe – earned the honour of being named a 2018 Highly Cited Researcher. The annual list identifies the most influential scientists and social scientists who have demonstrated significant influence through the publication of multiple highly cited papers and who are ranked internationally in the top one per cent in their respective disciplines.

Dr Nishar Hameed, Group Leader, Smart Polymers and Composites, was named joint winner of the Royal Society of Victoria's (RSV) Phillip Law Postdoctoral Award for the Physical Sciences. He also won the Young Tall Poppy Award for his research focusing on advanced composite materials – incorporating carbon fibres and their potential in developing stronger, lighter and smarter automotive and aerospace structures.

Swinburne's Professor Mark Burry AO was elected as a Fellow of the Australian Academy of Technology and Engineering (ATSE), recognising his long track record of leadership and impact across these disciplines.

Leading global information technology, consulting and business process services company, Wipro, and Swinburne announced the appointment of Professor Ryszard Kowalczyk as Professorial Chair in Artificial Intelligence (\$1.49 million funding).

Professor Susan Rossell received National Health and Medical Research Council (NHMRC) funding to conduct research into improving cognition in mental illness. The Fellowship will see Professor Rossell receive \$649,175 of funding over five years to work in collaboration with St Vincent's Hospital Melbourne.

Swinburne Associate Professor Sunil Bhar was awarded \$985,750.60 of National Health and Medical Research Council (NHMRC) funding to lead an aged care mental health support trial.

Professor Timos Sellis won the Technical Committee of Data Engineering (TCDE) Impact Award from the prestigious Institute of Electrical and Electronics Engineers (IEEE). The IEEE TCDE Impact Award recognises database researchers from around the world who have contributed to expanding the data engineering field.

Pro Vice-Chancellor Professor Qing-Long Han was named an Institute of Electrical and Electronics Engineers (IEEE) Fellow for his Industry 4.0 research contributions to the control and filtering of networked systems. IEEE Fellow is the highest grade of membership and is reserved for researchers who achieve extraordinary accomplishments in the advancement or application of engineering, computing and technology information.

RESEARCH WITH IMPACT

Rankings

Swinburne continued to earn a reputation for high-impact, high-quality research. For the first time Swinburne was able to achieve a top 400 ranking in the 2019 QS World University ranking released in 2018. Swinburne also maintained its top 400 ranking in the research-based 2018 Academic Reputation World University (ARWU) ranking.

Swinburne featured in a wide range of subject-based rankings from Times Higher Education, QS and ARWU released in 2018, including Art & Design (QS rank 40), Physics & Astronomy, Computer Science and Information Systems, Civil & Structural Engineering, Materials Science, Psychology, Education, Social Sciences, Business & Economics, Clinical, pre-clinical & health, Hospitality & Tourism and Business Administration. It was the first time Swinburne was ranked in many of these subject rankings.

Research income (\$ millions)	2013	2014	2015	2016	2017	2018*
Category 1 (Australian Competitive Grants)	13.1	13.2	12.4	11.4	13.4	14.3
Category 2-4 (Research contracts, tenders, philanthropy and co-operative research centre income)	9.5	9.7	12.4	14.1	18.3	24.9
Total research income (HERDC reported)	22.6	22.9	24.8	25.5	31.7	39.2

Higher Degree by Research	2013	2014	2015	2016	2017	2018*
Students (EFTSL)	736	660	699	719	779	926
Completions	141	131	141	132	142	174

Publications in quality research journals increased in 2018, notably in journals indexed by Scopus (up nearly four per cent to 1,322 publications). Publishing in journals included in the Nature Index, the Clarivate 'Science Citation Index Expanded' (SCI-EXP), and the Social Sciences Citation Index (SSCI) listings continued to be strong.

Number of research publications	2014	2015	2016	2017	2018*
Scopus	982	995	1,172	1,273	1,322
SCI-EXP	697	710	856	965	960
SSCI	186	225	283	282	282

* Indicative result pending HERDC audit finalisation in June 2019.

RESEARCH WITH IMPACT

Evaluating our performance

The following performance assessment for the 2018 reporting period is for the seven key performance indicators (KPIs) central to the achievement of the 2025 Strategic Plan.

KPI: External research income

Baseline: \$30.2m

2018 full year target: ≥ \$35m

2018 achieved: \$38.1m¹

 **ACHIEVED KPI TARGET**

KPI: HDR students (full year)

Baseline: 1166, of which 44% are international

2018 full year target: ≥ 1250, of which ≥ 45% are international

2018 achieved: 1372, of which 47% are international

 **ACHIEVED KPI TARGET**

KPI: International research collaborations (% authorship on publications)

Baseline: 60% (2017)

2018 full year target: ≥ 60%

2018 achieved: 63%

 **ACHIEVED KPI TARGET**

KPI: Research income from industry collaborations

Baseline: 51% (2016)

2018 full year target: ≥ 50%

2018 achieved: 61%

 **ACHIEVED KPI TARGET**

KPI: Industry research collaborations (% authorship on publications)

Baseline: 32% (2016)

2018 full year target: ≥ 35%

2018 achieved: Result expected April 2019

KPI: Academic ranking of world universities

Baseline: 301–400 (calculated rank 337)

2018 full year target: 301–400

2018 achieved: 301–400 (calculated rank 386)

 **ACHIEVED KPI TARGET**

KPI: Excellence in research Australia

Baseline: 82% of disciplines assessed at or above world standard (2015)

2018 full year target: 90% of disciplines at or above world standard. 50% above world standard.

2018 achieved: Results expected April 2019

1. 2018 Research Income value may fluctuate until 30 June 2019 which is when the HERDC return is audited and submitted.

STUDENT AND STAFF AWARDS



Many of our staff and students have been recognised for their outstanding achievements during 2018.

- Monica Andrea Rodriguez Pinzon, studying a Master of Engineering Science (Electric and Electronic Engineering), was named a joint winner of the International Student of the Year (English Language Training) Award presented at the Victorian International Education Awards held on 25 September.
- Law school student, Ama Gunithilake, received the Scanlon Swinburne Intercultural Fellowship, enabling her to travel to Sri Lanka and Vietnam to study multiculturalism and diversity. The fellowship is a partnership between Swinburne, the Scanlon Foundation and the Department of Foreign Affairs and Trade. It offers students opportunities to make a difference in Australia's diverse and multicultural society.
- A team of our law students were selected for participation in the Oral Component of the Annual Oxford International Intellectual Property Moot Competition. The team was one of only two Australian university finalists in the competition held at Oxford University in March. The Swinburne contingent also won three of their four moots and was placed in the top 10 in the world – a fantastic achievement for our students and for our School of Law.
- Swinburne Communication Design graduates have won the DIA VIC-TAS GOTYA Visual Communication category every year bar one, since inception of the award in 2011. The DIA is Australia's peak industry body for professional design and part of a world-wide network.
- On 15 June, Swinburne graduate, Chrissa Drosopoulos, won the prestigious Australian Graduate of the Year Award (AGOTYA) for 2018 (a national award). Chrissa also won the Victoria/Tasmania states award earlier in the year. Her Swinburne interior architecture capstone thesis investigated retail space and proposed meaningful engagement with the public as a celebration of art, culture, history, and heritage.



Professor Bronwyn Fox was awarded the 2018 GCMM Research Leadership Award at the 14th Global Congress on Manufacturing and Management.



Vice-Chancellor's Lifetime Achievement Award recipient Associate Professor Denis Vinen with Vice-Chancellor Professor Linda Kristjanson AO.

- Riley Griffiths, a Bachelor of Design (Communication Design) graduate, was also honoured with the 2018 Design Institute of Australia (DIA) Victorian/ Tasmanian GOTYA Award (state award) for Visual Communication.
- Professor James Ogloff, Swinburne's Foundation Professor of Forensic Behavioural Science and Director of the Centre for Forensic Behavioural Science, received the American Psychology-Law Society Award for Distinguished Contribution to Psychology and Law. The Award honours those who have made distinguished theoretical, empirical, and/or applied contributions to the field of psychology. The Award is not presented on a regular basis, being reserved for those individuals whose outstanding contributions merit special commendation.
- Professor Keryn Chalmers was awarded the prestigious Accounting and Finance Association of Australia and New Zealand (AFAANZ) award for Outstanding Contribution to Accounting and Finance – Practice. There have been only six recipients since 1999. This award is a testament to the esteem in which Keryn is held in the profession.
- Associate Professor Mary Dunkley was unanimously voted as Chair of the CPA National Education Committee that reports directly to the CPA Board. The appointment is for two years and is an acknowledgement of Mary's national standing in and contribution to the profession.
- Associate Professor Denis Vinen was admitted to Fellowship membership of Chartered Accountants Australia and New Zealand (CA ANZ). Fellowships are peer nominated and designated for members who have made outstanding contributions to the profession in the course of their careers.
- Professor Dan Hunter was admitted as a Fellow to the Australian Academy of Law. The Fellowship of the Academy of Law comprises elected Fellows, who are persons of exceptional distinction in the discipline of law who are demonstrably committed to the objects of the Academy.
- Director of the Centre for Astrophysics and Supercomputing, Distinguished Professor Karl Glazebrook FAA, was been awarded an Australian Research Council (ARC) Laureate Fellowship. Professor Glazebrook's \$2.8 million fellowship will transform our understanding of the early universe using the new James Webb Space Telescope (JWST) to observe galaxy formation.
- Director of the Manufacturing Futures Research Institute, Professor Bronwyn Fox, was awarded the 2018 GCMM Research Leadership Award at the 14th Global Congress on Manufacturing and Management (GCMM). The award recognises Professor Fox's work as an industry leader with more than two decades' experience in composites and advanced manufacturing.

STAFF AND STUDENT AWARDS

Vice-Chancellor awards

The university recognised exceptional performance of staff through a range of programs including the Vice-Chancellor's Awards for Excellence.

Teaching Awards

Vice-Chancellor's Teaching Excellence (Higher Education) Award

Individual Award

Winner: Michelle Dunn – Student Performance Interventions in Robot Kinematics

Team Award

Winner: Graduate Certificate in Learning and Teaching (Higher Education) Team

Varvara Athanasiou-Ioannou, Anthony Gilding, Gary Williams, Linden Clarke, Ekaterina Pechenkina, Kym Fraser, Juliet Eardley, Janet Gregory, Elizabeth Branigan

Vice-Chancellor's Teaching Excellence (Vocational Education) Award

Individual Award

Winner: Julia Gardiner – Teaching Excellence – ELICOS

Team Award

Winner: Excellence in development and implementation of concierge-based VCE, with STEAM processes, subject collaboration and growth of student access to vocational and higher education

Susan Elmasri, Ann Baxter, Cara Robinson, Sarah Treadwell, Dale Vermont, Jennifer Fackrell, Pamela Arvantikas

Research and Innovation Awards

Vice-Chancellor's Research Excellence Award

Individual Award

Winner: Susan Rossell – Let's get smarter

Team Award

Winner: Gravitational Waves (OzGrav)/Fast Radio Bursts Team

Vivek Venkatraman Krishnan, Igor Andreoni, Jeff Cooke, Matthew Bailes, Andrew Jameson, Wael Farah, Simon Stevenson, Jade Powell, Daniel Price, Stefan Oslowski, Chris Flynn, Ryan Shannon, Adam Deller

Vice-Chancellor's Research Excellence (Early Career) Award

Individual Award

Winner: Alireza Lajevardipour

Vice-Chancellor's Innovation Award

Individual Award

Winner: Joel Martin – Action Man

Team Award

Winner: Building the Digital Innovation Precinct through all of University Collaboration

Jack Singh, Christopher Fluke, Ryszard Kowalczyk, Amber Sarna-Conway, Matt Rudd, Janine Shearer, Prem Prakash Jayaraman, Dimitrios Georgakopoulos, James Davern, Ros Hore, Yang Xiang, Sharon Rice, Shanti Krishnan, Lys Bradshaw, Kirsten Jeffery, Leanne Barnes, Sharon Tooley, Timos Sellis, Nico Adams, Aleksandar Subic

Service Excellence Awards

Vice-Chancellor's Service Excellence Award

Individual Award

Winner: Hayley Harkin – Getting the AGSE onto Canvas!

Team Award

Winner: Construction Management and Engineering

Palaneeswaran Ekambaram, Sungkon Moon, Patrick Zou

Team Award Winner: Outstanding service delivery from Swinburne Health and Wellbeing Services

Kerry Morris, Isabell Mitsel, Liam Warner-Lee, Roula Toulakis, Christine Sheehan, Naomi Pett, Nany Mboya, Chris Daley, Yvonne Blacklaws, Mitzi Paderes, Lucy McNicol, Bernie Reed, Kathleen Ferguson, Irene De Keizer, Leanne Aldous, Robyn Burgess, Carmel O'Shannessy, Mohamed Akbar Aly, Melanie Gray, Barbara Mulvogue, Marie Carrington, Bernadette Renggli, Josephine Bonacci, Nicole Whatley, Glenda Langford

Vice-Chancellor's Industry Engagement Award

Individual Award

Winner: Nishar Hameed – Building multidisciplinary teams to create new products and processes for industry

Team Award

Winner: Swinburne-Richmond Partnership

Jane Ward, Mish Eastman, Leah Slee, Amy Whitehead, Jacqueline Embry, Richard Lugg, Damien Villarosa, Jeremy Glover

Vice-Chancellor's Global Initiatives Award

Team Award

Winner: International Research Engagement and Partnerships

Pankaj Arora, Celia Wong, Nischint Vora, Abdul Bais Abbasi

Vice-Chancellor's Leadership Excellence Award

Individual Award

Winner: Josephine Barraket

Vice-Chancellor's Lifetime Achievement Awards

Professor Romesh Nagarajah
Executive Assisant Jenny Ng
Associate Professor Denis Vinen

Vice-Chancellor's Community Engagement Award

Individual Award

Winner: Paul Burke – 2018 Apprentices Skills Competition – Plumbing

Individual Award

Winner: Chua Hong Siang (Sarawak) – STEM Awareness

Team Award

Winner: Data Science Challenge for Local Pupils in Primary School

Ong Chin Ann, Yakub Sebastian, Fu Swee Tee, Lau Bee Theng

Inclusion and Diversity Awards

Vice-Chancellor's Culture and Values Award

Individual Award

Winner: Jessica Dennis

Vice-Chancellor's Reconciliation Award

Individual Award

Winner: Boris Trbic – Desert Harmony Festival at Tennant Creek, Northern Territory

Team Award

Winner: Marngo Designing Futures: Connecting Culture and Building Bridges to Higher Education

Joanna Gardener, Samantha Edwards-Vandenhoeck

Vice-Chancellor's Inclusion and Diversity Award

Team Award

Winner: The Swinburne Women's Academic Network (SWAN) leadership team

Georgia Keam, Zhenwei Cao, Simone Taffe, Narelle Lemon, Chrystal Zhang, Christine Agius, Flavia Marcello, Christine Thong, Jennifer Beaudry, Carolyn Beasley

ALUMNI AND SUPPORTERS

We continue to engage our alumni in the life of Swinburne.



Alumni

Our alumni community, comprising almost 190,000 graduates continues to play an integral role in our success as a world-class university. In 2018, it was our privilege to maintain connections with our alumni through events, reunions, volunteering and mentoring opportunities, professional development, and online communications.

Our alumni community is truly global, living and working in over 140 countries and operating at the forefront of social impact, technology, and innovation. Swinburne is fortunate to have such an inspiring alumni community building and driving our story – through study, research and industry, and in a fast-paced changing world, creating social and economic impacts.

Philanthropic

Strengthening society through the generosity of donors

Our supporter community continues to grow and has a positive impact on the communities we serve. All gifts, no matter the size, make a real difference to the lives of many. Whether it be through student scholarships, research or the various other opportunities to make a difference through Swinburne, our donors, friends, and industry and community partners continue to support with a passion in the areas they care about. In 2018, 463 donors generously gave more than \$2 million to support transformative research and develop future-ready learners.

More than ever, the impact of philanthropy is truly transformative. The generosity of our supporter community propels us forward and helps us advance Australia's competitive capability through education, research and innovation.

Philanthropy has played an important role in Swinburne's history and will no doubt continue to do so as we forge toward our 2025 strategic vision.

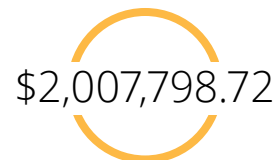
We intend to remain true to our founders' values of social inclusion and innovation and are determined to create positive change while pushing the boundaries in our resolve to deliver excellence in education and research on the world stage.

2018 statistics

Number of alumni



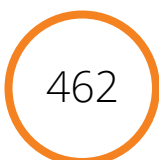
Total funds received



Total funds received



Number of donors



Number of gifts



Average \$ per gift



Average \$ per donor



STATUTORY REPORTING

Risk management

Under the *Swinburne University of Technology Act 2010*, Council maintains responsibility and oversight of the university's Risk Management Policy and Framework through its Audit and Risk Committee.

The university bases its risk management framework on the ISO 31000:2018, *Risk management – Principles and guidelines* which ensures continuous improvement in risk management practices and applies the Victorian Government Risk Management Framework.

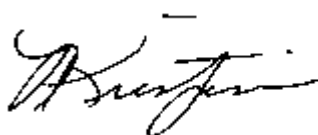
The Executive continues to monitor and manage the risk factors internal and external to the university environment with the support of its dedicated risk management and incident management teams and skilled risk network.

Focus continues to be placed on the risks that impact Swinburne's 2025 strategic objectives, financial position, cyber exposure and business continuity planning, and on the organisation's performance and sustainability, with robust processes in place to also identify and manage other key and emerging risks.

Swinburne's Risk Management team assesses the effectiveness of our risk processes, systems and capability to ensure standards remain high, the risk management program continues to mature, and that risks impacting Swinburne are identified, prioritised and actively managed.

Attestation on compliance with the ISO Risk Management Guideline

I, Linda Kristjanson AO, certify that Swinburne University of Technology has risk management processes in place consistent with the ISO 31000:2018, *Risk management – Principles and guidelines and The Victorian Government Risk Management Framework*, and that an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Audit and Risk Committee verifies this assurance and ensures that the risk profile of the University was critically reviewed within the past 12 months.



Professor Linda Kristjanson AO
Vice-Chancellor and President
Swinburne University of Technology

13 March 2019



ABN 13 628 586 699
CRICOS Provider 00111D

STATUTORY REPORTING

Freedom of Information Act

During the period 1 January to 31 December 2018, Swinburne received the following applications under the *Freedom of Information Act 1982*:

Total requests	5
Access granted in full	0
Access granted in part	0
Awaiting a decision	0
Withdrawn or abandoned	3
Exempt in full (Section 25A)	0
Refused	1
No documents identified	1
Transferred to another agency	0
Victorian Civil and Administrative Tribunal appeals	1
Fees and charges collected	\$28.90

The university has procedures in place to ensure we meet our obligations under the *Freedom of Information Act 1982*. The university's Freedom of Information Officer for 2018 was employed in the Legal, Governance and Integrity Unit.

Carers' Recognition Act 2012


Swinburne acknowledges the important contribution that people in care relationships make to our community.

In 2014, we launched our Access Ability Action Plan 2015–2020 (AAP). The plan has a clear vision with goals, actions and responsibilities to complement its realisation. Implementing the AAP in Swinburne's Australian campuses has enabled us to identify and change any practices that could be discriminatory or prevent carers and staff and students living with disability from learning and working with us.

In addition to flexible work arrangements, Swinburne's Academic and General Staff Enterprise Agreement provides certain leave provisions, such as carers' leave and foster parent leave (parental leave), to support employees who assume carer responsibilities.

Protected Disclosures

Swinburne has a policy and process for making disclosures. The management and investigation of disclosures under the *Protected Disclosure Act 2012*, are set out in our People, Culture and Integrity Policy, available at:

 [swinburne.edu.au/
people-culture-policy](http://swinburne.edu.au/people-culture-policy)

The policy recognises Swinburne's responsibilities under the legislation and the guidelines of the Independent Broad-based Anti-Corruption Commission (IBAC).

An independent and confidential Swinburne Disclosure Hotline service was set up in 2013 to support our students and staff in the reporting of any suspected cases of fraud or corrupt conduct. The Swinburne Disclosure Hotline service is available at:

 swinburne.stoplinereport.com


Building Act 1993

The university has policies and processes in place to ensure compliance with the building and maintenance provisions of the *Building Act 1993* and can confirm that all building works are compliant.

Report of Operations

The 2018 Swinburne Annual report was prepared in accordance with the Financial Reporting Directions issued by the Department of Treasury and Finance.

The financial statements of the university were reviewed and recommended by the Audit and Risk Committee prior to finalisation and submission.

 [swinburne.edu.au/about/
leadership-governance/council/
committees/audit-and-risk/](http://swinburne.edu.au/about/leadership-governance/council/committees/audit-and-risk/)

National Competition Policy

Swinburne implements and complies with the National Competition Policy, including compliance with requirements of *Competitive Neutrality: A Statement of Victorian Government Policy*. Training is provided as required for staff involved in the development of contracts.

Costing and pricing models that incorporate competitive neutrality principles are available for use throughout the university.

Additional information

Subject to the provisions of the *Freedom of Information Act 1982*, an individual may make a Freedom of Information request for the following information:

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

Consultancies

Swinburne engaged a wide range of consultants to provide advisory services and information for business developments and to assist in the implementation of new systems.

Consultancies in excess of \$100,000

In 2018, there were 7 consultancies where the total fees payable to the consultants was \$100,000 or greater. The total expenditure incurred during 2018 in relation to these consultancies was \$5,187,449 (excluding GST). Details of these individual consultancies can be viewed at:



swinburne.edu.au/about/our-university/annual-report/governance-statutory-reporting/statutory-report

Consultancies in excess of \$10,000 and below \$100,000

There were 39 consultancies where the total fees payable to the consultant was in excess of \$10,000 and below \$100,000 each during 2018. The total expenditure incurred during the year in relation to these consultancies was \$1,309,335 (excluding GST).

Statement on compulsory non-academic fees, subscriptions and charges

In October 2011, the Federal Government passed legislation to allow Australian universities to charge a Student Services and Amenities Fee (SSAF) to all higher education students from 2012.

All students are advised at the time of enrolment that their SSAF is intended to provide additional funding for the provision of important student services and amenities that may include health and welfare services, food, financial advice, accommodation assistance, advocacy, sport, cultural and recreational activities. Revenue from the fee was spent in accordance with the *Higher Education Support Act 2003*.

The fee charged is for a calendar year and is dependent on enrolment criteria. The maximum SSAF amount payable by a student in 2018 was \$298. Eligible students can apply for the government loan scheme, SA-HELP, to defer their SSAF. More information is available at:



swinburne.edu.au/ssaf

Each year, we seek student feedback to help determine how SSAF funding is spent. A consultation process allows students to give feedback into the proposed funding priority areas. In 2018 the funding was used to support Swinburne Student Life and student support services including counselling, advocacy, child care, financial advice, food services, and sporting and recreational activities.

Information and Communications Technology Report

Information and Communication Technology (ICT) expenditure for the 2018 reporting period were as follows:

ICT Report	Expenditure \$'000
ICT Business As Usual	\$35,359
ICT Non-business As Usual – operational expenditure	\$10,274
ICT Non-business As Usual – Capital expenditure	\$24,091

Ex-gratia payments

Ex-gratia payments of \$259,000 were made by the university in 2018; they were either part of an employee's redundancy, severance or as part of a settlement deed, all of which were above and beyond what is detailed within the EBA.

Proceedings on behalf of university

There were no proceedings involving the university that could materially impact the financial position of the university.

Summary of significant changes in financial position during 2018

There were no significant changes in Swinburne's financial position during 2018.

Events subsequent to balance date which may have a significant effect on operations in subsequent years

There have been no events subsequent to balance date that could materially affect the financial position of the university.

STATUTORY REPORTING

Financial performance including key performance indicators

Summary of financial results (parent entity)

	2014 \$000	2015 \$000	2016 \$000	2017 \$000	2018 \$000
Net assets	777,843	928,946	943,064	1,065,475	1,184,302
Operating surplus (deficit)	12,406	13,894	21,143	118,316	(9,310)
Overseas students revenue	97,583	102,390	115,723	127,907	157,089
Commonwealth government grants	160,558	171,824	177,009	195,904	207,973
State government grants	22,961	20,585	21,436	29,868	36,340

Summary of financial results (consolidated entity)

	2014 \$000	2015 \$000	2016 \$000	2017 \$000	2018 \$000
Net assets	789,267	945,020	972,918	1,095,027	1,198,637
Operating surplus (deficit)	12,556	15,349	20,190	118,783	(8,272)
Overseas students revenue	97,612	102,451	115,797	128,039	157,177
Commonwealth government grants	163,458	172,961	179,890	198,757	210,807
State government grants	22,961	20,585	21,436	30,893	36,128

Financial key performance indicators (KPIs)

	2014	2015	2016	2017	2018
Current ratio (current assets/current liabilities)	126.80%	127.82%	99.78%	90.27%	87.03%
Exposure to long-term debt/ liabilities (LT liabilities/total funds)	17.80%	14.70%	13.44%	12.91%	12.19%
Retention of reserves (surplus (deficit)/total income)	2.00%	2.70%	3.25%	15.60%	-1.15%

Swinburne University of Technology

**STATUTORY AND
FINANCE REPORT
(SFR) 2018**

STATEMENT BY THE CHANCELLOR, VICE-CHANCELLOR AND PRINCIPAL ACCOUNTING OFFICER

SWINBURNE UNIVERSITY OF TECHNOLOGY

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT BY CHANCELLOR, VICE-CHANCELLOR AND PRINCIPAL ACCOUNTING OFFICER

In accordance with the resolutions of the University Council dated 13 March 2019, the Chancellor, Vice-Chancellor and Principal Accounting Officer on behalf of the University Council, state that in our opinion:

1. The attached financial report presents fairly the financial position as at 31 December 2018 and the financial performance for the year ended 31 December 2018 of the University and the consolidated entity.
2. The attached financial report complies with Standing Direction 5.2 of the Victorian Assistant Treasurer under the *Financial Management Act 1994*, Australian Accounting Standards and Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*.
3. At the time of signing this statement there are reasonable grounds to believe that the University and the consolidated entity will be able to pay its debts as and when they become due.
4. Australian Government financial assistance during the reporting year was expended in accordance with the purposes for which it was provided.

At the date of signing this statement we are not aware of any circumstances that would render any particulars in the financial report either misleading or inaccurate.



J POLLAERS OAM
Chancellor



L KRISTJANSON AO
Vice-Chancellor



R RICHARDSON
Principal Accounting Officer

Dated this 13th day of March 2019
Hawthorn



Independent Auditor’s Report

To the Council of Swinburne University of Technology

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

- consolidated entity and university statements of financial position as at 31 December 2018
- consolidated entity and university income statements for the year then ended
- consolidated entity and university statements of changes in equity for the year then ended
- consolidated entity and university statements of cash flows for the year then ended
- notes to the financial statements, including significant accounting policies
- statement by Chancellor, Vice Chancellor and Principle Accounting Officer.

In my opinion the financial report is in accordance with the financial reporting requirements of *Part 7 of the Financial Management Act 1994* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- presenting fairly, in all material respects, the financial position of the university and the consolidated entity as at 31 December 2018 and their financial performance and cash flows for the year then ended
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of my report.

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

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

VAGO – INDEPENDENT AUDITOR’S REPORT

Council's responsibilities for the financial report	<p>The Council of the university is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, <i>Part 7 of the Financial Management Act 1994</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the Council determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Council is responsible for assessing the university and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>
Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none">• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the university and the consolidated entity's internal control• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council• conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the university and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the university and the consolidated entity to cease to continue as a going concern.

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

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

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

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

MELBOURNE
15 March 2019



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

VAGO – AUDITOR-GENERAL’S INDEPENDENCE DECLARATION



Auditor-General’s Independence Declaration

To the Board, Swinburne University of Technology

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

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

Independence Declaration

As auditor for Swinburne University for the year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

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

MELBOURNE
15 March 2019

A handwritten signature in blue ink, appearing to read "Charlotte Jeffries".

Charlotte Jeffries
as delegate for the Auditor-General of Victoria

FINANCIAL REPORTING

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FINANCIAL STATEMENTS

Income statement

	Notes	Consolidated		Parent entity	
		2018 \$000	2017* \$000	2018 \$000	2017* \$000
Income from continuing operations					
Australian Government financial assistance	1(b)	378,119	350,849	373,746	346,563
State and local government financial assistance (non-capital)	1(c)	36,128	30,893	35,340	29,868
HECS-HELP Student payments		10,212	11,431	10,212	11,431
Fees and charges	2(b)	229,574	196,656	225,065	192,266
Consultancy and contract research	3	27,528	21,091	27,528	21,091
Other revenue	4(b)	37,181	23,368	36,672	22,973
Total revenue from continuing operations		718,742	634,288	708,563	624,192
Share of profit/(loss) on investments accounted for using the equity method	10(a)	5,071	7,776	5,071	7,776
Gains on disposal of property, plant and equipment		10,137	-	9,636	-
Realised gain on investments		24	105,719	24	105,719
Unrealised gains/(losses) on financial assets at FV through P&L	8(c)	(15,416)	13,635	(15,112)	13,334
Total income from continuing operations		718,558	761,418	708,182	751,021
Expenses from continuing operations					
Employee-related expenses	5(b)	394,285	343,367	388,112	337,405
Depreciation and amortisation	10(c) & (d)	37,454	31,842	37,346	31,588
Repairs and maintenance		12,165	12,499	12,040	12,340
Bad debt expense		1,022	492	1,028	493
Provision for Doubtful Debts		(957)	(642)	(957)	(644)
Losses on disposal of property, plant and equipment		-	466	-	466
Deferred superannuation expense	5(b) & 24(b)	523	(275)	523	(275)
Other expenses	6(b)	282,338	254,886	279,400	251,332
Total expenses from continuing operations		726,830	642,635	717,492	632,705
Net result for the year attributed to Swinburne University of Technology		(8,272)	118,783	(9,310)	118,316

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

* 2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

Statement of comprehensive income

	Notes	Consolidated		Parent entity	
		2018 \$000	2017* \$000	2018 \$000	2017* \$000
Net result for the year		(8,272)	118,783	(9,310)	118,316
Items that will be reclassified to the income statement					
Financial asset investments revaluation reserve					
- Transferred to Income statement	13(a)	(24)	(1,210)	(24)	(1,210)
(Decrease)/Increase of Deferred government contribution for superannuation	24(b)	(3,852)	1,494	(3,852)	1,494
(Decrease)/Increase of Deferred government contribution for superannuation	24(b)	3,852	(1,494)	3,852	(1,494)
Total		(24)	(1,210)	(24)	(1,210)
Items that will not be reclassified to the Income statement					
Gain/(loss) on revaluation of land, buildings and artwork	13(a)	105,637	-	105,451	-
Financial asset investments revaluation reserve					
- Valuation gain/(loss) taken to equity	13(a)	6,116	4,537	6,461	4,527
Total		111,753	4,537	111,912	4,527
Total comprehensive income attributable to Swinburne University of Technology		103,457	122,110	102,578	121,633

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

* 2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

Statement of financial position

	Notes	Consolidated		Parent entity	
		2018 \$000	2017* \$000	2018 \$000	2017* \$000
Assets					
Current Assets					
Cash and cash equivalents	8(a)	62,336	41,138	55,609	18,484
Receivables	8(b)	30,186	26,701	30,059	26,526
Financial assets	8(c)	27,595	58,972	26,589	57,772
Non-financial assets classified as held for sale	10(b)	-	7,790	-	7,790
Other non-financial assets	10(f)	36,277	23,921	36,151	23,791
Total Current Assets		156,394	158,522	148,408	134,363
Non-Current Assets					
Receivables	8(b)	130,060	126,676	130,060	126,676
Investments accounted for using the equity method	10(a)	12,351	10,479	12,351	10,479
Financial assets	8(c)	251,057	310,689	245,454	305,699
Property, plant and equipment	10(c)	901,180	759,784	899,494	758,252
Investment properties	10(e)	8,560	17,239	8,560	17,239
Intangible assets	10(d)	65,485	28,457	65,485	28,457
Other non-financial assets	10(f)	70	68	70	72
Total Non-Current Assets		1,368,763	1,253,392	1,361,474	1,246,874
Total Assets		1,525,157	1,411,914	1,509,882	1,381,237
Liabilities					
Current Liabilities					
Trade and other payables	9(a)	71,966	80,521	71,544	79,994
Provisions-employee entitlements	11(a)	67,311	56,034	66,899	55,634
Other liabilities	11(b)	40,431	38,947	40,425	38,854
Total Current Liabilities		179,708	175,502	178,868	174,482
Non-Current Liabilities					
Provisions-employee entitlements	11(a)	141,845	137,820	141,745	137,715
Other liabilities	11(b)	4,967	3,565	4,967	3,565
Total Non-Current Liabilities		146,812	141,385	146,712	141,280
Total Liabilities		326,520	316,887	325,580	315,762
Net Assets		1,198,637	1,095,027	1,184,302	1,065,475
Equity					
Reserves	13	403,032	296,995	403,127	296,931
Retained earnings	13	795,605	798,032	781,175	768,544
Total Equity		1,198,637	1,095,027	1,184,302	1,065,475

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

* 2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

FINANCIAL STATEMENTS

Statement of changes in equity

	Reserves	Retained earnings	Total
	\$000	\$000	\$000
Consolidated			
Balance at 1 January 2017	315,411	657,506	972,917
Net result for the year	-	118,783	118,783
Financial asset investments revaluation reserve			
- Valuation gain/(loss) at fair value through other comprehensive income (OCI)	4,537	-	4,537
- Transferred to Income statement	(1,210)	-	(1,210)
Transfer from revaluation reserves to retained earnings	(21,743)	21,743	-
Balance at 31 December 2017*	296,995	798,032	1,095,027
Balance at 1 January 2018	296,995	798,032	1,095,027
Net result for the year	-	(8,272)	(8,272)
Gain/(Loss) on revaluation of land and buildings	105,492	-	105,492
Gain/(Loss) on revaluation of artwork	145	-	145
Financial asset investments revaluation reserve			
- Valuation gain/(loss) at fair value through OCI	6,116	-	6,116
- Transferred to Income statement	(24)	-	(24)
Transfer from Income statement	-	153	153
Transfer from revaluation reserves to retained earnings	(5,692)	5,692	-
Balance at 31 December 2018	403,032	795,605	1,198,637
Parent			
Balance at 1 January 2017	293,614	649,451	943,065
Net result for the year	-	118,316	118,316
Transfer from Income Statement	-	777	777
Financial asset investments revaluation reserve			
- Valuation gain/(loss) at fair value through OCI	4,527	-	4,527
- Transferred to Income statement	(1,210)	-	(1,210)
Balance at 31 December 2017*	296,931	768,544	1,065,475
Balance at 1 January 2018	296,931	768,544	1,065,475
Net result for the year	-	(9,310)	(9,310)
Gain/(Loss) on revaluation of land and buildings	105,306	-	105,306
Gain/(Loss) on revaluation of artwork	145	-	145
Financial asset investments revaluation reserve			
- Valuation gain/(loss) at fair value through OCI	6,461	-	6,461
- Transferred to Income statement	(24)	-	(24)
Transfer from Income Statement	-	16,249	16,249
Transfer from revaluation reserves to retained earnings	(5,692)	5,692	-
Balance at 31 December 2018	403,127	781,175	1,184,302

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

* 2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

Statement of cash flows

	Notes	Consolidated		Parent entity	
		2018 \$000	2017 \$000	2018 \$000	2017 \$000
Cash flows from operating activities					
Australian Government Grants received		376,690	359,526	372,317	355,240
State Government Grants received		36,128	30,893	35,340	29,868
HECS-HELP including OS		11,323	12,760	11,323	12,760
Superannuation supplementation	26(h)	8,674	9,408	8,674	9,408
Receipts from student fees and other customers (inclusive of GST)		272,677	249,577	267,172	245,026
Dividends and distributions received		19,071	4,800	19,071	4,800
Interest received	4(b)	930	1,190	878	1,137
Payments to suppliers and employees (inclusive of GST)		(736,387)	(627,575)	(726,095)	(617,576)
Goods and services tax recovered/(paid)		17,007	21,600	16,940	21,474
Net cash provided by (used in) operating activities	7	6,113	62,179	5,620	62,137
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		23,619	1	23,277	1
Payment for property, plant and equipment		(53,053)	(52,903)	(53,125)	(136,661)
Repayments of loans from/(to) related parties		37	-	37	68,034
Proceeds from sale of shares		-	119,609	-	119,609
Payment for intangible assets		(53,379)	(14,221)	(53,381)	(14,306)
Proceeds from financial assets		108,101	4,939	108,101	4,928
Payments for financial assets		(10,000)	(111,656)	(10,000)	(111,545)
Proceeds from disposal of subsidiary		-	-	16,596	-
Payments for investment in unlisted securities		(240)	-	-	-
Net cash provided by/(used in) investing activities		15,085	(54,231)	31,505	(69,940)
Net increase/(decrease) in cash and cash equivalents		21,198	7,948	37,125	(7,803)
Cash and cash equivalents at the beginning of the financial year		41,138	33,190	18,484	26,287
Cash and cash equivalents at the end of the financial year	8(a)	62,336	41,138	55,609	18,484
Financing arrangements	9(b)	1,209	1,267	1,209	1,267

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

ABOUT THIS REPORT

Notes to the financial statements

Swinburne University of Technology (the University) is a not-for-profit public entity. This financial report covers the financial statements for the consolidated entity consisting of Swinburne University of Technology and its subsidiaries (the University) and Swinburne University of Technology as an individual entity.

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the requirements of the Australian Government's Department of Education and Training, other Victorian and Australian Government legislative requirements, the requirements of the *Swinburne University of Technology Act 2010*, the *Victorian Financial Management Act 1994*, and the *Australian Charities and Not-for-profits Commission Act 2012*.

Historical cost convention

The financial report has been prepared on an accrual basis, under the historical cost convention, as modified by the revaluation of financial assets and certain classes of property, plant and equipment to fair value.

Comparative information

Certain amounts in the comparative information have been reclassified to conform with current period financial statement presentations.

HOW WE ARE FUNDED

This section provides additional information about how the University is funded and the accounting policies that are relevant for an understanding of the items recognised in the financial statements.

Revenue is measured at the fair value of the consideration received or receivable. The University recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the University; and specific criteria have been met for each of the University's activities as described below. In some cases, the criteria may not be met until consideration is received because this is when the receipt becomes probable. The University bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The main sources of funding and the relevant notes are:

Note 1. Australian government financial assistance	13
Note 2. Fees and charges	15
Note 3. Consultancy and contract research	16
Note 4. Other revenue	16

Note 1. Australian Government financial assistance

(a) Recognising revenue from Australian Government assistance

The University receives the following forms of Government assistance: Commonwealth Grants, HELP payments, Scholarships, Research and Other Revenue. Government assistance revenue is recognised at fair value where the University obtains control of the right to the revenue; it is probable that economic benefits will flow to the University; and it can be reliably measured.

HELP payments

Revenue from HELP is categorised into payments received from the Australian government and those received directly from students. HELP payments received from students are disclosed in the Income Statement.

Research

The Australian government issues research grants for specific research projects. Research grants from the government are recognised at their fair value where the University obtains control of the right to receive the grant; it is probable that economic benefits will flow to the University; and it can be reliably measured.

HOW WE ARE FUNDED

Note 1. Australian Government financial assistance (continued)

(b) Breakdown of Australian government assistance

	Notes	Consolidated		Parent entity	
		2018 \$000	2017 \$000	2018 \$000	2017 \$000
Australian Government grants		210,807	198,757	207,973	195,904
HECS-HELP Australian Government payments		131,098	118,114	131,098	118,114
FEE-HELP Payments		22,765	21,340	22,765	21,340
VET-FEE HELP Payments		294	2,625	294	2,625
VET Student Loan Program		10,398	7,049	10,398	7,049
SA-HELP payments		2,757	2,964	1,218	1,531
Total Australian Government financial assistance		378,119	350,849	373,746	346,563
Breakdown of Australian government grants is as follows:					
(a) Commonwealth Grant Scheme and Other Grants	26(a)				
Commonwealth Grants Scheme		170,763	158,849	170,763	158,849
Higher Education Participation Program		4,763	4,445	4,763	4,445
Indigenous Student Success Program		298	304	298	304
Promotion of Excellence in Learning and Teaching		-	70	-	70
Disability Performance Funding		24	22	24	22
Total Commonwealth Grants Scheme and Other Grants		175,848	163,690	175,848	163,690
(b) Education – Research	26(c)				
Research Training Program		11,479	11,638	11,479	11,638
Research Support Program		6,586	6,806	6,586	6,806
Total Education – Research Grants		18,065	18,444	18,065	18,444
(c) Australian Research Council (ARC)	26(f)				
Discovery		6,899	6,932	6,899	6,932
Linkages		998	1,290	998	1,290
Networks and Centres		4,688	4,717	4,688	4,717
Total ARC		12,585	12,939	12,585	12,939
(d) Other Capital funding	26(e)				
Linkage Infrastructure, Equipment and Facilities grant		1,448	808	1,448	808
Total Other Capital Funding		1,448	808	1,448	808
(e) Other Australian Government financial assistance					
Non-capital		2,861	2,876	27	23
Total Other Australian Government Financial Assistance		2,861	2,876	27	23
Total Australian Government Grants		210,807	198,757	207,973	195,904

(c) Recognising revenue from State and Local Government assistance

State and Local Government financial assistance is recognised as revenue at the fair value of the consideration received when the University obtains control of the right to receive the grant; it is probable that economic benefits will flow to the University; and it can be reliably measured.

Note 2. Fees and charges

(a) Recognition of fees and charges

Fees and charges are recorded at fair value and include amounts received or receivable in respect of course delivery and other non-course activities. Fees and charges relating to courses are recognised in line with teaching delivery. Where teaching has not been conducted, those amounts are held as income in advance. Fees and charges for non-course activities are recognised when the service is provided.

(b) Breakdown of fees and charges

	Notes	Consolidated		Parent entity	
		2018 \$000	2017 \$000	2018 \$000	2017 \$000
Course fees and charges					
Fee-paying overseas onshore students		145,326	122,117	145,238	121,985
Continuing education		2,635	2,313	1,991	1,771
Fee-paying domestic postgraduate students		3,464	2,176	3,464	2,176
Fee-paying domestic undergraduate students		21,283	23,650	19,638	21,706
Domestic fee for service		24,602	21,040	23,530	20,956
Fee for Service – International Operations Onshore		10,887	5,300	10,887	5,300
Fee for Service – International Operations Offshore		964	622	964	622
Student Fees and Charges		2,847	2,839	2,847	2,839
Total course fees and charges		212,008	180,057	208,559	177,355
Other non-course fees and charges					
Student Services and Amenities Fees from students	26(i)	3,123	2,767	2,151	1,172
Library fines		43	58	43	58
Parking fees		1,988	1,705	1,988	1,705
Rental charges		11,163	11,065	11,075	10,972
International Students Health Care Charges		559	384	559	384
Ceremonies		690	620	690	620
Total other fees and charges		17,566	16,599	16,506	14,911
Total fees and charges		229,574	196,656	225,065	192,266

HOW WE ARE FUNDED

Note 3. Consultancy and contract research

Consultancy and contract research are recognised as revenue when the invoice has been issued.

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Consultancy	2,016	1,654	2,016	1,654
Contract research	25,512	19,437	25,512	19,437
Total consultancy and contract research	27,528	21,091	27,528	21,091

Note 4. Other revenue

(a) Recognition of other revenue

Dividends

Dividends are recognised when they have been declared; it is probable that economic benefits will flow to the University; and it can be reliably measured.

Realised gain on investments

A realised gain on investment is recognised as revenue when a sale contract has been signed; it is probable that the economic benefits will flow to the University; and it can be reliably measured. Realised gain on investment is disclosed in the Income Statement.

Other revenue

Other revenue that is the subject of an invoice to a client is recognised when the invoice is raised. Otherwise it is recognised when payment is received.

(b) Breakdown of other revenue

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Other revenue				
Dividends and distributions	26,447	14,337	26,136	14,110
Interest revenue	930	1,190	878	1,137
Royalties and licences	3,775	3,207	3,736	3,111
Donations and bequests	1,972	1,707	1,972	1,707
In-kind contributions	296	2	296	2
Scholarships and prizes	1,937	696	1,738	611
Other income	1,824	2,229	1,916	2,295
Total Other Revenue	37,181	23,368	36,672	22,973

WHERE OUR FUNDING IS APPLIED

This section provides additional information about how the University's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements.

The primary expenses incurred by the University in achieving its objectives and the relevant notes are:

Note 5. Employee-related expenses	17
Note 6. Other expenses	19
Note 7. Cash flow information	19

Note 5. Employee-related expenses

(a) Recognition of employee-related expenses

Salaries

Expenditure for salaries is expensed as incurred.

Redundancy program

Redundancy payments are expensed in the period that they are agreed and communicated to the respective employee.

Payroll tax

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

Annual leave expense

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

Annual leave provision

The provision for annual leave is calculated at the nominal value of expected payments to be made in relation to services provided by employees up to the reporting date. All annual leave is recognised as current. Where employees have significant annual leave balances, an estimate is made of the probability of leave to be taken within 12 months and beyond 12 months (Note 11a).

Long service leave expense

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

Long service leave provision

The liability for long service leave is recognised and is measured as the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. Long service leave is paid out on resignation, termination, and redundancy after seven years of service, and is available to be taken after 7 years of service with the agreement of both the employee and the University.

WHERE OUR FUNDING IS APPLIED

Note 5. Employee-related expenses (continued)

The University determines that portion expected to be paid in the year, which is measured at nominal value. The remainder is measured at net present value. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The current portion of the provision is determined as the value of long service leave of staff that have seven years or more of service entitlements outstanding with an unconditional right of settlement.

The University uses the Department of Treasury and Finance's 2008 Long Service Leave Model to calculate the provision for Long Service Leave. Because the calculation of long service involves significant assumptions and estimates, it is considered a critical accounting judgment as outlined in Note 14(a).

Performance pay

Performance pay is recognised in employee entitlements when at least one of the following conditions is met:

- There are formal terms in the performance plan for determining the amount of the benefit;
- The amounts to be paid are determined before the time of completion of the financial report; or
- Past practice gives clear evidence of the amount of the obligation.

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 University recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed plan or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after the end of the reporting period are discounted to present value.

(b) Breakdown of employee-related expenses

Notes	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Academic				
Salaries	160,504	143,765	158,433	141,717
Redundancy program	-	(373)	-	(373)
Contribution to funded superannuation and pension schemes*	25,603	22,923	25,423	22,747
Payroll tax	9,640	8,591	9,538	8,490
Worker's compensation	862	713	824	671
Long service leave expense**	6,687	8,737	6,687	8,737
Annual leave expense	11,172	6,694	11,172	6,694
Parental leave expense	2,006	1,647	2,006	1,647
Performance allowance expense	651	1,637	651	1,637
Total academic	217,125	194,334	214,734	191,967
Non-academic				
Salaries	130,825	112,808	127,798	109,985
Redundancy program	1,982	2,652	1,982	2,652
Contribution to funded superannuation and pension schemes*	20,644	17,511	20,278	17,157
Payroll tax	7,096	5,990	6,915	5,808
Worker's compensation	593	314	547	265
Long service leave expense**	4,007	1,668	3,970	1,631
Annual leave expense	9,262	6,436	9,179	6,328
Parental leave expense	1,507	1,221	1,481	1,196
Performance allowance expense	1,244	433	1,228	416
Total non-academic	177,160	149,033	173,378	145,438
Total employee related expenses	394,285	343,367	388,112	337,405
Deferred superannuation expense	24	(275)	523	(275)
Total employee related expenses, including deferred government employee benefits for superannuation	394,808	343,092	388,635	337,130

* Increase to contributions to funded superannuation and pension schemes were recognised during the 2017 reporting period as a result of adjustments to prior period calculations over the last 6 years which were considered immaterial to each of those financial periods.

** An increase to long service leave provisions was recognised during the 2017 reporting period as a result of adjustments in prior period calculations over the last 6 years which were considered immaterial to each of those financial periods.

Note 6. Other expenses

(a) Recognition of other expenses

Other expenses are applied to the Income statement during the financial year in which they are incurred.

(b) Breakdown of other expenses

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Other expenses				
Scholarships, grants and prizes	33,466	31,464	33,319	31,347
Non-Capitalised Equipment	17,030	20,780	16,878	20,643
Advertising, marketing and promotional expenses	8,234	8,028	7,982	7,770
Operating lease expense	9,054	7,221	9,000	7,051
Travel and related staff development and training	17,374	14,785	16,901	14,380
Professional service fees	27,639	22,352	26,900	21,538
Contract teaching services	117,255	97,945	116,671	97,227
Commissions	11,695	11,234	11,695	11,234
Library Resources	5,038	5,527	5,039	5,527
Utilities	8,020	6,538	7,990	6,503
Impaired assets*	153	-	153	-
Discounts Given	10,365	6,732	10,365	6,732
Other expenses**	17,015	22,280	16,507	21,380
Total other expenses	282,338	254,886	279,400	251,332

* In 2018, an impairment expense of \$153k was recognised against the University's investment in Swinburne College Pty Ltd. subsequent to the liquidation of the entity.

** During the 2017 reporting period a provision was recognised for obligations to reissue PAYG Payment Summaries resulting from matters related to reporting of prior period employee Reportable Employer Superannuation Contributions (RESC) and Fringe Benefits. The Australian Taxation Office (ATO) advised the University in May 2018 that the correction of the prior period RESC amounts and the associated tax assessments resubmission would no longer be required. As a result of this decision by the ATO, the University released the provision for Commonwealth payments of \$7.5 million raised at the end of 2017.

Note 7. Cash flow information

Reconciliation of net result to net cash from operating activities

	Notes	Consolidated		Parent entity	
		2018 \$000	2017 \$000	2018 \$000	2017 \$000
Net result for the period		(8,272)	118,783	(9,310)	118,316
Depreciation and amortisation	10(c) & (d)	37,454	31,842	37,346	31,588
Loan to related parties		(84)	-	(84)	-
Foreign exchange adjustment		-	(23)	-	(23)
Write-off of plant and equipment		-	466	-	466
Employee provisions		4,606	3,101	4,598	3,097
Bad debts expense		1,022	492	1,028	493
Accrued audit fees		-	-	-	(16)
Provision for doubtful debts		(957)	(1,528)	(957)	(1,530)
Gain on revaluation of investment properties	10(e)	(821)	(1,179)	(821)	(1,179)
Gain on disposal of property, plant and equipment		(10,137)	-	(9,636)	-
Unrealised gain on non-financial assets classified as held for sale		(24)	(1,210)	(24)	(1,210)
Unrealised gains/(losses) on financial assets as FV through P&L		15,416	(13,635)	15,112	(13,334)
Realised gains on Investments – Sale of 30% share in Online Education Services		-	(104,509)	-	(104,509)
Share of profit of associates and joint venture partnership not received as dividends or distributions		(5,176)	(7,776)	(5,176)	(7,776)
Reinvestment of dividends and distributions		(14,842)	(7,669)	(14,568)	(7,510)
Impairment expenses		153	-	153	-
Change in operating assets and liabilities					
(Increase)/decrease in receivables		(6,116)	(1,882)	(6,175)	(1,916)
(Increase)/decrease in accrued income		(118)	3,849	(128)	3,849
(Increase)/decrease in non-financial assets		(9,898)	(791)	(9,848)	(817)
Increase/(decrease) in trade and other payables		(6,789)	38,760	(6,587)	38,933
Increase/(decrease) in employee benefit provisions		10,696	5,088	10,697	5,215
Net cash provided by/(used in) operating activities		6,113	62,179	5,620	62,137

2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

HOW OUR NUMBERS ARE CALCULATED

This section provides additional information about individual line items in the financial statements that are considered most relevant in the context of the University's operations, including:

- (a) Accounting policies that are relevant for an understanding of the items recognised in the financial statements; and
- (b) Analysis and sub-total, including disaggregated information.

Note 8. Financial assets	20
Note 9. Financial liabilities	27
Note 10. Non-financial assets	29
Note 11. Non-financial liabilities	36
Note 12. Fair value measurements	37
Note 13. Reserves and retained earnings	40

Note 8. Financial assets

The University categorises its financial assets as:

- Cash and cash equivalents
- Receivables
- Financial assets

Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at the end of each year.

(a) Cash and cash equivalents

(i) Recognition of cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities in the statement of financial position. Cash balances held between the parent entity and its controlled entities are accounted for as "Inter-company Cash".

(ii) Breakdown of cash and cash equivalents

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Cash and cash equivalents				
Cash at bank and on hand	62,336	41,138	58,776	38,542
Inter-company cash*	-	-	(3,167)	(20,058)
Total cash assets	62,336	41,138	55,609	18,484
(a) Reconciliation to cash at the end of the year				
The above figures are reconciled to cash at the end of the year as shown in the statement of cash flows as follows:				
Balance per statement of cash flows	62,336	41,138	55,609	18,484
(b) Cash at bank and on hand				
Interest bearing	60,565	39,098	57,005	36,502
Non-Interest-bearing	1,771	2,040	1,771	2,040
	62,336	41,138	58,776	38,542

* Inter-company cash represents cash paid by the parent on behalf of the subsidiaries, as they do not have separate bank accounts.

(b) Receivables

(i) Recognition of receivables

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

Current receivables consist of amounts owed to the University in relation to professional services and course fees. Payment for professional services is due within 30 days of the end of the month following the billing date. Student fees are normally due for payment prior to the census date. Non-current receivables include amounts due from corporations in which the University has an interest relating to start-up finances provided by the University.

Repayment of the receivable is the subject of contractual arrangements between the University and the party concerned. The nominal value less estimated credit adjustments of trade receivables and payables reflects their fair values.

(ii) Impairment of receivables

Collectability of trade receivables is reviewed on an ongoing basis. A provision is raised using the lifetime expected credit loss model. The model uses three years of historical credit loss experience to estimate lifetime expected credit losses from the first reporting period based on the likelihood of a receivable being uncollectible, adjusted for forward-looking information. Receivables that are known to be uncollectible are written off against the provision. Indicators that a receivable is uncollectible include the failure of a debtor to make contractual payments after an extended period past the due date, and failure of a debtor to engage with the University to settle outstanding amounts.

(iii) Deferred Government contribution for superannuation

An arrangement exists between the Australian Government and the Victorian State Government to meet, on an emerging cost basis, the unfunded liability for current or former employees of Swinburne University of Technology who are also members or beneficiaries of the Victorian State Superannuation Scheme.

This arrangement is evidenced by the *Commonwealth's State Grants (General Revenue) Amendment Act 1987*, *Higher Education Funding Act 1988* and subsequent amending legislation. Accordingly, the unfunded liabilities have been recognised in the statement of financial position under Provisions Employee Entitlements with a corresponding asset recognised under Receivables. The recognition of both the asset and the liability consequently does not affect the year end net asset position of Swinburne University of Technology and its controlled entities. The unfunded liabilities recorded in the statement of financial position under Provisions have been based on the valuation of net liabilities as at 31 December 2018 under AASB 119 as provided by the Government Superannuation Office, an operating division of the Victorian Emergency Services Superannuation Board.

HOW OUR NUMBERS ARE CALCULATED

Note 8. Financial assets (continued)

(iv) Transitional disclosures for change from AASB 139 to AASB 9

The University applies the AASB 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for trade receivables and student receivables. AASB 9 applies on a full retrospective method, therefore the comparatives for 2017 have been updated as a result of its application.

Trade Receivables

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Credit risk varies based on ageing of receivables. Using a provision matrix, receivables are separated into ageing categories and historical loss rates are identified for each category. The University has determined a historical loss rate for trade receivables based on a rolling three year period.

	Carrying Amount	Expected Loss Rate	Provision for Impaired Receivables
	\$000	%	\$000
1 January 2018			
Current (0–30 days)	4,322	1.00%	43
30–60 days	1,707	2.50%	43
60–90 days	948	3.60%	34
Over 90 days	969	3.90%	38
Total*	7,946		158

* Total trade receivables does not include GST receivable and other various debtors.

The provision for impaired trade receivables as at 31 December 2017 reconciles to the opening loss allowances on 1 January 2018 as follows:

	Trade receivables
	\$000
Provision for impaired receivables as at 31 December 2017 – calculated under AASB 139	534
Amounts restated through opening retained earnings	(376)
Provision for impaired receivables as at 1 January 2018 – calculated under AASB 9	158

Student Receivables

To measure the expected credit losses, student receivables have been grouped based on shared credit risk characteristics. Student receivables have demonstrated a different loss pattern and ageing profile and accordingly have a different expected credit loss model. Instead, the University has determined a historical loss rate for student receivables based on a collective outcome over a three year period.

	Student debt raised during the year	Expected Loss Rate	Provision for Impaired Receivables
	\$000	%	\$000
1 January 2018			
Total student debt	164,216	0.60%	985
Total student debt**	164,216		985

* Total student debt does not include student debt which will be collected from the government as part of the HELP programs.

The provision for impaired student receivables as at 31 December 2017 reconciles to the opening loss allowances on 1 January 2018 as follows:

	Student receivables
	\$000
Provision for impaired receivables as at 31 December 2017 – calculated under AASB 139	2,605
Amounts restated through opening retained earnings	(734)
Provision for impaired receivables as at 1 January 2018 – calculated under AASB 9*	1,871

* Provision for impaired receivables as at 1 January 2018 included \$886K, which related to prior years' bad debts and has since been written off.

(v) Breakdown of Receivables

	Notes	Consolidated		Parent entity	
		2018 \$000	2017 \$000	2018 \$000	2017 \$000
Receivables					
Current					
Debtors		25,022	22,673	24,894	22,492
Less: Provision for impaired receivables		(1,070)	(2,029)	(1,069)	(2,023)
		23,952	20,644	23,825	20,469
Deferred Government benefit for superannuation	24	6,234	6,057	6,234	6,057
Total current receivables		30,186	26,701	30,059	26,526
Non-current					
Other receivables from associated companies		776	1,067	776	1,067
		776	1,067	776	1,067
Deferred Government benefit for superannuation	24	129,284	125,609	129,284	125,609
Total non-current receivables		130,060	126,676	130,060	126,676
Total receivables		160,246	153,377	160,119	153,202

(vi) Impaired Receivables

Movements in the provision for impaired receivables are as follows:

	Notes	Consolidated		Parent entity	
		2018 \$000	2017 \$000	2018 \$000	2017 \$000
At 1 January		(2,029)	(2,672)	(2,023)	(2,666)
Provision for impairment released/(recognised) during the year		817	(1,108)	950	(1,108)
Receivables written off during the year as uncollectible		142	640	4	640
Receivables transferred to retained earnings due to change from AASB 139 to AASB 9		-	1,111	-	1,111
As at 31 December		(1,070)	(2,029)	(1,069)	(2,023)

Trade Receivables

The ageing and provision for impaired trade receivables is as follows:

31 December 2018	Consolidated			Parent		
	Carrying amount \$000	Expected loss rate %	Loss allowance \$000	Carrying amount \$000	Expected loss rate %	Loss allowance \$000
Current (0–30 days)	6,610	0.40%	26	6,524	0.40%	26
30–60 days	2,533	1.00%	25	2,508	1.00%	25
60–90 days	759	1.70%	13	750	1.70%	13
Over 90 days	2,267	2.10%	48	2,267	2.10%	48
Total*	12,169		112	12,049		112

* Total trade receivables does not include GST receivable and other various debtors.

Student Receivables

The provision for impaired student receivables is as follows:

31 December 2018	Consolidated			Parent		
	Student debt raised during the year \$000	Expected loss rate %	Loss allowance \$000	Student debt raised during the year \$000	Expected loss rate %	Loss allowance \$000
Total student debt	191,578	0.50%	958	191,578	0.50%	958
Total student debt**	191,578		958	191,578		958

** Total student debt does not include student debt which will be collected from the government as part of the HELP programs.

HOW OUR NUMBERS ARE CALCULATED

Note 8. Financial assets (continued)

(c) Financial assets

Financial assets consist principally of unit trusts. They are allocated to current and non-current assets according to the intended use of the asset.

(i) Listed securities

All listed securities are in the name of Swinburne University of Technology and/or its controlled entities. Listed securities are unit trusts invested across a balanced portfolio consisting mainly of Australian and global equities, fixed interest, infrastructure, property and cash. Listed securities are measured at their fair value of \$247.39 million at 31 December 2018 (2017: \$344.75 million). The fair value of listed securities is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the University is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price. The University's listed securities are split into a short term pool and a long term pool, which are disclosed as current and non-current respectively. The short term pool consists of securities which can be promptly liquidated to meet the University's ongoing operational needs.

Unrealised gains and losses arising from changes in the fair value of listed securities are recognised in the Income Statement under the Fair Value through Profit and Loss (FVTPL) method. When listed securities are sold, there will be no impact to the Income Statement due to the changes to fair value having already been accounted for as FVTPL.

(ii) Unlisted securities

Unlisted securities are untraded shares in venture operations being undertaken in conjunction with other Universities. These operations are essentially to develop intellectual property and/or training opportunities for participating Universities. The unlisted securities are measured at their fair value of \$31.26 million at 31 December 2018 (2017: \$24.91 million).

Unlisted equity securities are carried at fair value determined at a discount if it is a limited market. If the market is not active for unlisted securities, the University establishes fair value by providing for the temporary diminution in the value of the asset. All changes in the provision for diminution in value are taken through the income statement unless there is a credit balance available in the asset revaluation reserve.

Unrealised gains and losses arising from changes in the fair value of unlisted securities are recognised in equity in the financial asset investment revaluation reserve under the Fair Value through Other Comprehensive Income (FVOCI) method. When unlisted securities are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

At each balance date, the University assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of unlisted securities, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for unlisted financial assets, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement) is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(iii) Recognition of listed and unlisted financial assets

Purchases and sales of marketable equity assets are recognised on the trade-date the date on which the University commits to purchase or sell the asset. These financial assets are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired and the University has substantially transferred all the risks and rewards of ownership.

(iv) Unrealised gains/(losses) on financial assets at FV through P&L

An unrealised gain/(loss) on financial assets is recognised based on market movements of financial assets in accordance with the Fair Value through Profit & Loss method under AASB 9. Unrealised gain/(loss) on financial assets is disclosed in the Income Statement. In 2018, the University had an unrealised loss of \$15.42 million (2017: gain of \$13.64 million).

(v) Transitional disclosures for change from AASB 139 to AASB 9

	Available-for-sale (2017)	FVTPL	FVOCI
	\$000	\$000	\$000
Financial assets – 1 January 2018			
Closing balance 31 December 2017 – AASB 139*	369,560	-	-
Reclassify listed investments from available-for-sale to FVTPL	(344,652)	344,652	-
Reclassify unlisted investments from available-for-sale to FVOCI	(24,908)	-	24,908
Opening balance 1 January 2018 – AASB 9	-	344,652	24,908

* Balance excludes \$101K reclassified in 2018 from financial assets to cash.

	Effect on available-for-sale reserves	Effect on FVOCI reserve	Effect on retained earnings
	\$000	\$000	\$000
Reserves and retained earnings			
Opening balance – AASB 139	41,360	-	780,267
Reclassify investment from available-for-sale to FVTPL	(16,654)	-	16,654
Reclassify non-trading equities from available-for-sale to FVOCI	-	-	-
Opening balance – AASB 9	24,706	-	796,921

(vi) Breakdown of financial assets

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Reconciliation of Listed Securities				
At the beginning of the year	344,753	223,388	338,168	217,274
Additions	26,152	112,607	25,824	112,448
Reclassified	(101)	-	(101)	-
Disposals (sale and redemption)	(108,000)	(4,939)	(108,000)	(4,940)
Unrealised gains/(losses) through financial assets investment revaluation reserve	-	62	-	62
Unrealised gains/(losses) through profit or loss	(15,416)	13,635	(15,112)	13,334
Other movements	-	-	-	(10)
Listed securities at end of the year	247,388	344,753	240,779	338,168
Reconciliation of Unlisted Securities				
At the beginning of the year	24,908	20,328	25,303	20,828
Additions	680	105	-	-
Unrealised gains/(losses) through financial assets investment revaluation reserve	5,676	4,475	6,461	4,475
Other movements	-	-	(500)	-
Unlisted securities at end of the year	31,264	24,908	31,264	25,303
Balance at end of year	278,652	369,661	272,043	363,471
Listed Securities				
Current				
Unit Trusts: Fair value through profit and loss	27,595	58,972	26,589	57,772
Non-current				
Unit Trusts: Fair value through profit and loss	219,793	285,781	214,190	280,396
Listed Securities	247,388	344,753	240,779	338,168
Unlisted Securities				
Non-current				
Unlisted securities in other organisations	31,264	26,500	31,264	26,845
Provision for diminution in unlisted securities	-	(1,592)	-	(1,542)
Unlisted Securities	31,264	24,908	31,264	25,303
Financial Assets	278,652	369,661	272,043	363,471

HOW OUR NUMBERS ARE CALCULATED

Note 8. Financial assets (continued)

(d) Overall impact of change from AASB 139 to AASB 9

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided.

(i) Statement of Financial Position

Notes	Consolidated			Parent			
	31 December 2017 \$000	Change due to AASB 9 \$000	31 December 2017 Restated \$000	31 December 2017 \$000	Change due to AASB 9 \$000	31 December 2017 Restated \$000	
Current assets							
Receivables	8(b)	25,590	1,111	26,701	25,413	1,113	26,526
Available-for-sale financial assets	8(c)	58,972	(58,972)	-	57,772	(57,772)	-
Financial assets	8(c)	-	58,972	58,972	-	57,772	57,772
Non-current assets							
Receivables	8(b)	126,676	-	126,676	126,676	-	126,676
Available-for-sale financial assets	8(c)	310,689	(310,689)	-	305,699	(305,699)	-
Financial assets	8(c)	-	310,689	310,689	-	305,699	305,699
Total assets*		1,410,803	1,111	1,411,914	1,380,124	1,113	1,381,237
Equity							
Reserves	13(a)	313,649	(16,654)	296,995	313,184	(16,254)	296,930
Retained Earnings	13(b)	780,267	17,765	798,032	751,178	17,367	768,545
Total equity		1,093,916	1,111	1,095,027	1,064,362	1,113	1,065,475

* Total assets includes other assets which are not displayed above.

(ii) Retained Earnings

Total impact on the University's retained earnings as at 1 January 2018 is as follows:

	Consolidated	Parent
	2018 \$000	2017 \$000
Closing retained earnings 31 December 2017 – AASB 139	780,267	751,178
Reclassify investments from available-for-sale to FVTPL	16,654	16,254
Decrease in provision for trade receivables	1,111	1,113
Opening retained earnings 1 January – AASB 9	798,032	768,545

Note 9. Financial liabilities

The University holds the following financial liabilities:

- Trade and other payables
- Borrowings and financing arrangements

(a) Trade and other payables

	Notes	Consolidated		Parent entity	
		2018 \$000	2017 \$000	2018 \$000	2017 \$000
Current					
OS-HELP liability to Australian Government	26(g)	2,072	962	2,072	962
Accrued salaries*		12,370	10,540	12,317	10,495
Trade creditors**		57,524	69,019	57,155	68,537
		71,966	80,521	71,544	79,994
Total Trade and other payables		71,966	80,521	71,544	79,994

* Increase to contributions to funded superannuation and pension schemes were recognised during the 2017 reporting period as a result of adjustments to prior period calculations over the last 6 years which were considered immaterial to each of those financial periods.

** During the 2017 reporting period a provision was recognised for obligations to reissue PAYG Payment Summaries resulting from matters related to reporting of prior period employee Reportable Employer Superannuation Contributions (RESG) and Fringe Benefits. The Australian Taxation Office (ATO) advised the University in May 2018 that the correction of the prior period RESG amounts and the associated tax assessments resubmission would no longer be required. As a result of this decision by the ATO, the University released the provision for Commonwealth payments of \$7.5 million raised at the end of 2017.

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid by the end of the month following that in which they are invoiced.

HOW OUR NUMBERS ARE CALCULATED

Note 9. Financial liabilities (continued)

(b) Borrowings and financing arrangements

(i) Loan facility

At 31 December 2018, the University does not have any assets pledged as security for a loan facility (2017: \$nil).

(ii) Financial arrangements

The University had unrestricted access to the following lines of credit at balance date:

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Credit standby arrangements				
Total facilities				
Net Debt Set Off	3	30	3	30
Bank Guarantee	3,100	500	3,100	500
Online Direct Credit	5,000	3,600	5,000	3,600
Bill – Either Fixed Rate or Floating Rate	28,000	28,000	28,000	28,000
Total facilities	36,103	32,130	36,103	32,130
Used at balance date				
Bank Guarantee	310	350	310	350
Online Direct Credit	899	917	899	917
Total facilities used at balance date	1,209	1,267	1,209	1,267
Unused at balance date				
Net Debt Set Off	3	30	3	30
Bank Guarantee	2,790	150	2,790	150
Online Direct Credit	4,101	2,683	4,101	2,683
Bill – Either Fixed Rate or Floating Rate	28,000	28,000	28,000	28,000
Total facilities unused at balance date	34,894	30,863	34,894	30,863
Bank loan facilities				
Total facilities	36,103	32,130	36,103	32,130
Used at balance date	1,209	1,267	1,209	1,267
Unused at balance date	34,894	30,863	34,894	30,863

(iii) Recognition of borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the balance date and does not expect to settle the liability for at least 12 months after the end of the reporting period.

Note 10. Non-financial assets

The University has the following classes of non-financial assets:

- Investments accounted for using the equity method
- Non-financial assets classified as held-for-sale
- Property, plant and equipment
- Intangible assets
- Investment properties
- Other non-financial assets

(a) Investments accounted for using the equity method

(i) Investment in Swinburne Sarawak Holdings Sdn Bhd

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Investment in Swinburne Sarawak Holdings Sdn Bhd	3,147	1,009	3,147	1,009
Total Investments	3,147	1,009	3,147	1,009
Reconciliation				
Balance at 1 January	1,009	-	1,009	-
Additions/(Disposals)	1,441	-	1,441	-
Loan to equity conversion	344	-	344	-
Share of net result for the year*	353	1,009	353	1,009
Balance at 31 December	3,147	1,009	3,147	1,009

* Share of net result for the year includes an adjustment for prior years. Share of net result for 2018 is \$252K. Share of net result for 2017 is \$344K.

Name of associate entity	Description	Ownership Interest %	
		2018	2017
Swinburne Sarawak Holdings Sdn Bhd	Investment in international campus in Sarawak, Malaysia to deliver Swinburne courses in business, design, engineering, IT and science.	25.00	25.00

Summarised financial information for individually material associate is set out below:

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Financial Position				
Current assets	24,760	15,321	24,760	15,321
Non-current assets	5,465	5,149	5,465	5,149
Total assets	30,225	20,470	30,225	20,470
Current liabilities	7,059	4,795	7,059	4,795
Non-current liabilities	7,433	6,331	7,433	6,331
Total liabilities	14,492	11,126	14,492	11,126
Net assets	15,733	9,344	15,733	9,344
Share of associate entity's net assets	3,392	1,636	3,392	1,636
Financial Performance				
Income	27,334	24,775	27,334	24,775
Expenses	26,324	23,399	26,324	23,399
Net result	1,010	1,376	1,010	1,376
Share of associate entity's net result	252	344	252	344

The financial year for Swinburne Sarawak Holdings Sdn Bhd ended 31 December 2018. An external auditor has been engaged to provide assurance over the company's financial statements. As the financial statements and assurance will be completed in June 2019, an estimate has been used for the disclosure above.

HOW OUR NUMBERS ARE CALCULATED

Note 10. Non-financial assets (continued)

(ii) Investment in Online Education Services

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Investment in Online Education Services	9,204	9,469	9,204	9,469
Total Investments	9,204	9,469	9,204	9,469
Reconciliation				
Balance at 1 January	9,469	22,602	9,469	22,602
Additions/(Disposals)	-	(15,100)	-	(15,100)
Share of net result for the year				
Dividends received by the University	(4,983)	(4,800)	(4,983)	(4,800)
Balance at 31 December	9,204	9,469	9,204	9,469

Name of associate entity	Description	Ownership Interest %	
		2018	2017
Online Education Services (Swinburne Online)	Provision of online higher education courses.	20.00	20.00

Summarised financial information for the individually material associate is set out below:

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Financial Position				
Current assets	67,825	74,362	67,825	74,362
Non-current assets	16,852	8,788	16,852	8,788
Total assets	84,677	83,150	84,677	83,150
Current liabilities	36,116	33,550	36,116	33,550
Non-current liabilities	2,543	2,254	2,543	2,254
Total liabilities	38,659	35,804	38,659	35,804
Net assets	46,018	47,346	46,018	47,346
Share of associate entity's net assets	9,204	9,469	9,204	9,469
Financial Performance				
Income	124,775	113,061	124,775	113,061
Expenses	101,188	86,919	101,188	86,919
Net result	23,587	26,142	23,587	26,142
Share of associate entity's net result	4,718	6,767	4,718	6,767

Online Education Services' financial year ends on 30 June. An external auditor was engaged to provide assurance over the company's financial statements at that date. As the financial year end differs from the University's financial year end, unaudited financial statements have been used for the disclosure above. For further information on the recognition and measurement criteria, refer to Note 17(a).

Contingent liabilities and capital commitments arising from the University's interests in joint ventures are disclosed in Notes 18 and 19 respectively.

(b) Non-financial assets classified as held-for-sale

This category of non-financial assets consists of land and buildings considered to be surplus to requirements and which are subject to disposal as a result of management intentions, announced publicly, to vacate and initiate an active search for a buyer to purchase the asset. The written-down value of the land and buildings and any land and building reserves due to previous revaluations that are held in the Asset Revaluation Reserve are taken into account in determining the write-down of the individual asset.

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Property held for sale	-	7,790	-	7,790
	-	7,790	-	7,790

In 2017, the University was in the process of selling the PA Building and carpark at the Prahran Campus, awaiting final approval from Stonnington Council. The sale completed in 2018.

(c) Property, plant and equipment

Consolidated	Construction in Progress \$000	Freehold Land \$000	Freehold Buildings \$000	Leasehold Improvements \$000	Plant & Equipment ¹ \$000	Library Collections \$000	Other plant & equipment ² \$000	Total \$000
Balance at 1 January 2017	6,425	296,474	430,912	1,790	117,429	11,875	950	865,855
Accumulated depreciation and impairment	-	-	(14,092)	(1,784)	(100,398)	(5,490)	-	(121,764)
Net book amount	6,425	296,474	416,820	6	17,031	6,385	950	744,091
Year ended 31 December 2017								
Opening net book amount	6,425	296,474	416,820	6	17,031	6,385	950	744,091
Transfers in/out of construction in progress	17,774	-	-	-	-	-	-	17,774
Transfers to PPE Held for Sale	-	(6,447)	(1,343)	-	-	-	-	(7,790)
Additions at cost	-	-	10,254	317	23,106	1,450	2	35,129
Write-offs	-	-	-	-	(73)	-	(393)	(466)
Depreciation	-	-	(16,603)	(31)	(9,974)	(2,346)	-	(28,954)
Closing net book amount	24,199	290,027	409,128	292	30,090	5,489	559	759,784
At 31 December 2017	24,199	290,027	439,447	1,261	139,924	13,325	559	908,742
Accumulated depreciation and impairment	-	-	(30,319)	(969)	(109,834)	(7,836)	-	(148,958)
Net book amount	24,199	290,027	409,128	292	30,090	5,489	559	759,784
Year ended 31 December 2018								
Opening net book amount	24,199	290,027	409,128	292	30,090	5,489	559	759,784
Revaluation increase/(decrease) recognised in equity	-	113,958	(8,466)	-	-	-	145	105,637
Transfers in/out of construction in progress	1,064	-	-	-	-	-	-	1,064
Transfer (to) from Investment Property*	-	6,873	2,627	-	-	-	-	9,500
Additions at cost	-	3,500	35,010	744	18,131	1,852	-	59,237
Write-offs	-	-	-	-	(6)	-	(117)	(123)
Asset disposals	-	-	-	-	(12)	-	-	(12)
Depreciation	-	-	(17,997)	(322)	(13,238)	(2,350)	-	(33,907)
Closing net book amount	25,263	414,358	420,302	714	34,965	4,991	587	901,180
At 31 December 2018	25,263	414,358	420,302	2,006	149,165	15,177	587	1,026,858
Accumulated depreciation and impairment	-	-	-	(1,292)	(114,200)	(10,186)	-	(125,678)
Net book amount	25,263	414,358	420,302	714	34,965	4,991	587	901,180

¹ Plant & equipment includes all operational assets.

² Other plant & equipment includes non-operational assets such as artwork.

* In 2018, a property located on the Hawthorn campus ceased to be an investment property. The property was transferred from Investment Property to Property, Plant and Equipment using its fair value as at 31 December 2018. The property will now be used to meet the service delivery objectives of the University.

HOW OUR NUMBERS ARE CALCULATED

Note 10. Non-financial assets (continued)

(c) Property, plant and equipment continued

Parent entity	Construction in Progress	Freehold Land	Freehold Buildings	Leasehold Improvements	Plant & Equipment ¹	Library Collections	Other plant & equipment ²	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 January 2017	6,425	274,494	366,602	–	116,486	11,875	950	776,832
Accumulated depreciation and impairment	–	–	(14,046)	–	(99,585)	(5,490)	–	(119,121)
Net book amount	6,425	274,494	352,556	–	16,901	6,385	950	657,711
Year ended 31 December 2017								
Opening net book amount	6,425	274,494	352,556	–	16,901	6,385	950	657,711
Transfers in/out of construction in progress	17,774	–	–	–	–	–	–	17,774
Transfers to PPE Held for Sale	–	(6,447)	(1,343)	–	–	–	–	(7,790)
Transfers due to liquidation of subsidiaries	–	21,980	63,419	–	–	–	–	85,399
Additions	–	–	9,482	317	23,074	1,450	2	34,325
Write-offs	–	–	–	–	(73)	–	(393)	(466)
Depreciation	–	–	(16,407)	(26)	(9,922)	(2,346)	–	(28,701)
Closing net book amount	24,199	290,027	407,707	291	29,980	5,489	559	758,252
At 31 December 2017	24,199	290,027	437,783	1,217	138,971	13,325	559	906,081
Accumulated depreciation and impairment	–	–	(30,076)	(926)	(108,991)	(7,836)	–	(147,829)
Net book amount	24,199	290,027	407,707	291	29,980	5,489	559	758,252
Year ended 31 December 2018								
Opening net book amount	24,199	290,027	407,707	291	29,980	5,489	559	758,252
Revaluation increase/(decrease) recognised in equity	–	113,958	(8,652)	–	–	–	145	105,451
Transfers in/out of construction in progress	1,028	–	–	–	–	–	–	1,028
Transfer (to) from Investment Property*	–	6,873	2,627	–	–	–	–	9,500
Additions at cost	–	3,500	35,010	745	18,078	1,852	–	59,185
Write-offs	–	–	–	–	(6)	–	(117)	(123)
Depreciation	–	–	(17,919)	(322)	(13,208)	(2,350)	–	(33,799)
Closing net book amount	25,227	414,358	418,773	714	34,844	4,991	587	899,494
At 31 December 2018	25,227	414,358	418,773	1,962	148,269	15,177	587	1,024,353
Accumulated depreciation and impairment	–	–	–	(1,248)	(113,425)	(10,186)	–	(124,859)
Net book amount	25,227	414,358	418,773	714	34,844	4,991	587	899,494

¹ Plant & equipment includes all operational assets.

² Other plant & equipment includes non-operational assets such as artwork.

* In 2018, a property located on the Hawthorn campus ceased to be an investment property. The property was transferred from Investment Property to Property, Plant and Equipment using its fair value as at 31 December 2018. The property will now be used to meet the service delivery objectives of the University.

(i) Valuation of Land and Buildings

Land and buildings are shown at fair value, based on periodic, but at least triennial, valuations undertaken by the Valuer General of Victoria, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, the net amount then restated to the revalued amount of the asset. The valuation of land and buildings is based on the highest and best use of the asset. The University considers a market participant's use or purchase of the asset, to use it in a manner that would be the highest and best use. To arrive at fair value, the 31 December 2018 valuations for land and buildings were based on information

provided by the Valuer General of Victoria in an independent valuation. Note 12(b) outlines the information used in fair value measurements performed by the Valuer General of Victoria.

Increases in the net carrying value arising on revaluation of land and buildings are credited to the relevant asset revaluation reserve in equity. To the extent that the increase reverses a decrease previously recognised in the income statement, the increase is first recognised in the income statement. Decreases that reverse previous increases of the same asset class are first charged against the revaluation reserve directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement.

(ii) Valuation of other items of property, plant and equipment

All other assets within the property, plant and equipment category are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably.

(iii) Gains or losses on disposal of property, plant and equipment

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These figures are included in the income statement. When revalued assets are sold, it is University policy to transfer the amounts included in the relevant asset revaluation reserve relating to those assets to retained earnings.

(iv) Property owned by the Crown

The University is carrying property in its accounts where the title to the property is in the name of the Minister for Training and Skills and the Minister for Higher Education. The value of land and buildings attributed to the Crown, at independent valuation by the Valuer General of Victoria, now amounts to \$156.2 million (2017: \$183.6 million).

(v) Repairs and maintenance

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

(vi) Depreciation and amortisation

Land and artwork are not depreciated. Leasehold improvements are reviewed annually and written off over the term of the lease or 10 years, whichever comes first. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Asset class	2018 useful life	2017 useful life
Freehold Buildings	42 years	42 years
Leasehold Improvements	10 years	10 years
Plant and Equipment*	4 to 8 years	4 to 8 years
Library Collections	5 years	5 years

* The useful life of equipment is between 4 and 8 years.

The University incorporates different useful lives for the following items of plant:

Asset class	Description	2018 useful life	2017 useful life
Structure/Shell/Building Fabric	Inclusive of substructure, columns, floor, upper floors, staircases, roof, external walls and windows.	42 years	42 years
Site Engineering Services and central plant	Inclusive of roads, footpaths, paved areas, boundary walls, covered ways, fencing, gates, outbuildings, landscaping improvements, external storm water drainage, external water supply, external gas, fire protection, electricity, communications and special services.	42 years	42 years
Fit out	Inclusive of external doors, internal walls, ceilings, fitments (incl. wall and floor coverings), sanitary fixtures and special equipment.	17 years	17 years
Trunk Reticulated Building systems	Inclusive of lifts, escalators, walkways, cranes, hoists etc., centralised energy and other.	25 years	25 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

HOW OUR NUMBERS ARE CALCULATED

Note 10. Non-financial assets (continued)

(d) Intangible assets

	Development costs, software and licences	
	Consolidated \$000	Parent entity \$000
Balance at 1 January 2017		
Cost	23,312	23,226
Accumulated amortisation and impairment	(6,187)	(6,143)
Net book amount	17,125	17,083
Year ended 31 December 2017		
Opening net book amount	17,125	17,083
Additions	14,219	14,220
Transfers	–	41
Amortisation	(2,887)	(2,887)
Closing net book amount	28,457	28,457
At 31 December 2017		
Cost	37,531	37,531
Accumulated amortisation and impairment	(9,074)	(9,074)
Net book amount	28,457	28,457
Year ended 31 December 2018		
Opening net book amount	28,457	28,457
Additions	40,575	40,575
Amortisation	(3,547)	(3,547)
Closing net book amount	65,485	65,485
At 31 December 2018		
Cost	78,106	78,106
Accumulated amortisation and impairment	(12,621)	(12,621)
Net book amount	65,485	65,485

(i) Recognition of intangible assets

The University capitalises the costs of development activities or purchase of products related to the provision or enhancement of large core systems as intangible assets.

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design, development and testing of identifiable software products controlled by the University are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use it
- there is an ability to use the software
- it can be demonstrated how the software will generate probable future economic benefits

- adequate technical, financial and other resources to complete the development and to use the software are available
- the expenditure attributable to the software during its development can be reliably measured.

The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. The amortisation rate is set at 12.5% per annum on commencement of the core system but is subject to an annual impairment review conducted at the end of each financial year. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost over the period of the expected benefit.

(ii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (i) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

(iii) Website costs

Costs in relation to websites controlled by the University are expensed in the period in which they are incurred, unless the website is not solely or primarily used to promote and advertise the University's own products and services. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are also considered to be expenses.

(e) Investment properties

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Opening balance at 1 January	17,239	16,060	17,239	16,060
Transfers*	(9,500)	-	(9,500)	-
Revaluation	821	1,179	821	1,179
Closing balance at 31 December	8,560	17,239	8,560	17,239
Amounts recognised in the Income statement for investment properties				
Rental income	418	602	418	602
Direct operating expenses	(17)	(26)	(17)	(26)
Total recognised in the Income statement	401	576	401	576

* In 2018, a property located on the Hawthorn campus ceased to be an investment property. The property was transferred from Investment Property to Property, Plant and Equipment using its fair value as at 31 December 2018. The property will now be used to meet the service delivery objectives of the University.

(i) Recognition of investment properties

Investment properties represent properties held to earn rentals or for capital appreciation, or both. Investment properties exclude properties held to meet service delivery objectives of the entity. Investment properties are initially measured at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the entity. Subsequent to initial measurement at cost, investment properties are revalued to fair value with changes in the fair value recognised as other economic flows in the income statement in the period that they arise. Fair values are determined based on a market comparable approach that reflects recent transaction prices for similar properties. A valuation was conducted by the Valuer General of Victoria in 2018.

Rental income from the leasing of investment properties is recognised in the income statement on a straight line basis over the lease term.

Investment properties are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal, financial or physical restrictions imposed on the asset, or any public announcements or commitments made in relation to the intended use of the asset.

No non-current assets are pledged as security against the investment properties held by the University. No contractual obligations relate to the investment properties other than lease arrangements.

(f) Other non-financial assets

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Current				
Prepayments and Deposits	25,737	10,884	25,652	10,850
Accrued income	10,540	13,037	10,499	12,941
Total other current non-financial assets	36,277	23,921	36,151	23,791
Non-current				
Prepayments and Deposits	70	68	70	72
Total other non-current non-financial assets	70	68	70	72
Total other non-financial assets	36,347	23,989	36,221	23,863

(g) Leasing arrangements

The future minimum lease payments under non-cancellable operating leases are in aggregate, disclosed at their nominal value and inclusive of GST:

	Consolidated		Parent entity	
	2017 \$000	2016 \$000	2017 \$000	2016 \$000
Lease agreements				
Within one year	3,556	3,434	3,556	3,434
Later than one year but not later than five years	7,533	9,810	7,533	9,810
Later than five years	1,848	2,677	1,848	2,677
Total	12,937	15,921	12,937	15,921

HOW OUR NUMBERS ARE CALCULATED

Note 11. Non-financial liabilities

The University has the following classes of non-financial liabilities:

- Provisions – Employee entitlements
- Other liabilities

(a) Provisions – Employee entitlements

	Notes	Consolidated		Parent entity	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Current Provisions expected to be settled wholly within 12 months					
Annual leave		15,513	12,372	15,290	12,155
Long service leave*		8,723	3,927	8,690	3,964
Performance allowances		1,813	2,251	1,813	2,251
		26,049	18,550	25,793	18,370
Current Provisions expected to be settled wholly after more than 12 months					
Annual leave		6,483	5,368	6,466	5,358
Long service leave		28,545	26,059	28,406	25,849
Defined benefit obligation		6,234	6,057	6,234	6,057
		41,262	37,484	41,106	37,264
		67,311	56,034	66,899	55,634
Non-current					
Employee benefits					
Long service leave*		12,561	12,211	12,461	12,106
Defined benefit obligation	24	129,284	125,609	129,284	125,609
Total non-current provisions		141,845	137,820	141,745	137,715
Total provisions		209,156	193,854	208,644	193,349

* An increase to long service leave provisions was recognised during the 2017 reporting period as a result of adjustments in prior period calculations over the last 6 years which were considered immaterial to each of those financial periods.

(i) How the provisions are calculated

Annual leave

The methodology of calculating the annual leave provision is contained in Note 5(a).

Long service leave

The methodology of calculating the long service leave provision is contained in Note 5(a).

Employee benefit oncosts

Employee benefit oncosts, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

Defined benefit obligation

All employees of the University are entitled to benefits on retirement, disability or death under the University's superannuation plans. The University has a defined benefit section, which for accounting purposes is classified as a defined contribution plan, and a defined contribution section within one of its plans. The defined benefit section provides defined lump sum benefits based on years of service and final average salary, provided sufficient funds are available within the plan to do so. The defined contribution section receives fixed contributions from the University and the University's legal or constructive obligation is limited to these contributions.

Contributions to the defined contribution section are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Accordingly, the unfunded liabilities have been recognised in the statement of financial position under provisions with a corresponding asset recognised under receivables. The recognition of both the asset and the liability consequently does not affect the year-end net asset position of Swinburne University of Technology and its controlled entities.

(b) Other liabilities

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Current				
Income received in advance	40,431	38,947	40,425	38,854
Total current other liabilities	40,431	38,947	40,425	38,854
Non-current				
Income received in advance	4,967	3,565	4,967	3,565
Total non-current other liabilities	4,967	3,565	4,967	3,565
Total other liabilities	45,398	42,512	45,392	42,419

Note 12. Fair value measurements

(a) Fair value measurements

The University measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition, and is estimated for measurement and disclosure purposes:

- Financial assets at fair value through the profit and loss
- Financial assets at fair value through other comprehensive income
- Land and buildings
- Investment properties.

Due to the short term nature of the current receivables and payables, their carrying value is assumed to approximate their fair value. Based on credit history, it is expected that the receivables and payables that are neither past due nor impaired will be received and paid when due.

The University also measures assets and liabilities at fair value on a non-recurring basis as a result of the reclassification of assets as held for sale.

All financial assets and liabilities have carrying values that are a reasonable approximation of fair value.

(b) Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices within Level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

HOW OUR NUMBERS ARE CALCULATED

Note 12. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

Recognising fair value measurements

Fair value measurements recognised in the statement of financial position and income statement are categorised into the following levels.

Fair value measurements at 31 December 2018

	Notes	2018 \$000	Level 1 \$000	Level 2 \$000	Level 3 \$000
Recurring fair value measurements					
Financial assets					
Listed and unlisted financial assets	8(c)	278,652	247,388	-	31,264
		278,652	247,388	-	31,264
Non-Financial Assets					
Land	10(c)	414,358	-	414,358	-
Building	10(c)	420,302	-	420,302	-
Investment Property	10(e)	8,560	-	8,560	-
Artwork	10(c)	587	-	-	587
		843,807	-	843,220	587

Fair value measurements at 31 December 2017

	Notes	2017 \$000	Level 1 \$000	Level 2 \$000	Level 3 \$000
Recurring fair value measurements					
Financial assets					
Listed and unlisted financial assets	8(c)	369,661	344,753	-	24,908
		369,661	344,753	-	24,908
Non-Financial Assets					
Land	10(c)	290,027	-	-	290,027
Building	10(c)	409,128	-	-	409,128
Investment Property	10(e)	17,239	-	17,239	-
Artwork	10(c)	559	-	-	559
		716,953	-	17,239	699,714

Land and buildings are valued by the Valuer General of Victoria on a triennial basis. In 2018, a valuation was performed on an asset-by-asset basis, based on observable market data. As part of this valuation, land and buildings are categorised as Level 2 in 2018.

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and securities) is based on quoted market prices for identical assets or liabilities at the statement of financial position date (Level 1). This is the most representative of fair value in the circumstances.

	Notes	2017 \$000	Level 1 \$000	Level 2 \$000	Level 3 \$000
Non-recurring fair value measurements					
Land held for sale	10(b)	7,790	-	7,790	-
Total non-recurring fair value measurements		7,790	-	7,790	-

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

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair-value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

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

- Quoted market prices or dealer quotes for similar instruments are used in calculating fair value.
- The fair value of the University's property assets is estimated based on appraisals performed by independent, professionally qualified property valuers.

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

The following table is a reconciliation of level 3 items for the periods ended 31 December 2018 and 2017.

	Fair value		Historical Cost			Total
	Unlisted equity securities \$000	Leasehold Improvements \$000	Plant and Equipment \$000	Library Collections \$000	Other Plant & Equipment \$000	
Level 3 Fair Value measurements 2018						
Opening balance	24,908	292	30,090	5,489	559	61,338
Acquisitions	680	744	18,131	1,852	-	21,407
Disposals	-	-	(12)	-	-	(12)
Recognised in the income statement	-	(322)	(13,244)	(2,350)	(117)	(16,033)
Recognised in other comprehensive income	5,676	-	-	-	-	5,676
Revaluation recognised in equity	-	-	-	-	145	145
Closing Balance	31,264	714	34,965	4,991	587	72,521

	Fair value		Historical Cost			Total
	Unlisted equity securities \$000	Leasehold Improvements \$000	Plant and Equipment \$000	Library Collections \$000	Other Plant & Equipment \$000	
Level 3 Fair Value Measurement 2017						
Opening balance	20,328	6	17,031	6,385	950	44,700
Acquisitions	105	317	23,106	1,450	2	24,980
Recognised in the income statement	-	(31)	(10,047)	(2,346)	(393)	(12,817)
Recognised in other comprehensive income	4,475	-	-	-	-	4,475
Closing Balance	24,908	292	30,090	5,489	559	61,338

(i) Valuation inputs and relationships to fair value

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

Description	Valuation Technique	Significant Unobservable inputs
Land	Market approach	Community Service Obligation (CSO) adjustment Cost per unit (\$000)
Building (Structure/Shell/Building Fabric)	Depreciated Replacement Cost	Useful Life Cost per unit (\$000)
Financial asset investments - Unlisted Securities	Adjusted net assets	A reasonable estimate of the fair value is determined by reference to the underlying net asset base of the investment.
Artwork	Market approach	Market price per item

HOW OUR NUMBERS ARE CALCULATED

Note 13. Reserves and retained earnings

(a) Reserves

The University has asset revaluation reserves relating to land, buildings, artwork and financial asset investments. These reserves capture the movement in carrying value of these assets.

The physical assets revaluation surplus arises on the revaluation of infrastructure, land, buildings and artwork.

The financial assets investments revaluation surplus arises on the revaluation of financial assets. Where a revalued financial asset is sold, a portion of the revaluation surplus which relates to that financial asset is effectively realised, and is recognised in the Income Statement. Where a revalued financial asset is impaired, that portion of the revaluation surplus which relates to that financial asset is recognised in the Income Statement.

	Consolidated		Parent entity	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Asset Revaluation Reserve				
Land	345,408	237,035	345,408	237,035
Buildings	26,681	35,254	26,431	35,190
Financial assets	30,798	24,706	31,143	24,706
Artwork	145	-	145	-
Total reserves	403,032	296,995	403,127	296,931
Asset revaluation reserve – Land				
Balance at beginning of year	237,035	258,409	237,035	237,035
Increment/(Decrement) on revaluation of land	113,958	-	113,958	-
Transfer from revaluation reserves to retained earnings	(5,585)	(21,374)	(5,585)	-
Balance at end of year	345,408	237,035	345,408	237,035
Asset revaluation reserve – Buildings				
Balance at beginning of year	35,254	35,624	35,190	35,190
Increment/(Decrement) on revaluation of buildings	(8,466)	-	(8,651)	-
Transfer from revaluation reserves to retained earnings	(107)	(370)	(108)	-
Balance at end of year	26,681	35,254	26,431	35,190
Asset revaluation reserve – Financial Assets				
Balance at beginning of year	24,706	21,379	24,706	21,389
Realised gains transferred to the Income Statement	(24)	(1,210)	(24)	(1,210)
Unrealised increment/(Decrement) on valuation of investments	6,116	4,537	6,461	4,527
Balance at end of year	30,798	24,706	31,143	24,706
Asset Revaluation Reserve – Artwork				
Balance at beginning of year	-	-	-	-
Increment/(Decrement) on revaluation of artwork	145	-	145	-
Balance at end of year	145	-	145	-
Total reserves	403,032	296,995	403,127	296,931
(b) Retained earnings				
Retained earnings at the beginning of the year	798,032	657,506	768,544	649,451
Net operating result for the year	(8,272)	118,783	(9,310)	118,316
Transfer from revaluation reserves to retained earnings	5,692	21,743	5,692	-
Transfer from Income Statement	153	-	16,249	777
Retained earnings at the end of the year	795,605	798,032	781,175	768,544

RISK

This section of the notes discusses the University's exposure to various risks and shows how these could affect the University's financial performance.

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Note 14. Critical accounting judgments

(a) Critical judgements in applying accounting policies

The preparation of the financial report in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying Swinburne University of Technology's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial report, are the valuation of non-current assets (such as land and buildings), financial assets, provision for employee entitlements and superannuation. The University obtains external advice in the calculation of these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(b) Key sources of estimation uncertainty

The key source of estimation uncertainty for the University is the fair value measurement of some of its assets and liabilities. Some of the assumptions used in determining the fair value of the relevant assets and liabilities have a significant risk of causing a material adjustment to the carrying amounts within the next financial year.

In estimating the fair value of an asset or a liability the University uses market-observable data to the extent it is available. Where Level 1 inputs are not available the University engages qualified valuers to undertake this task.

RISK

Note 15. Financial risk management

The University's activities expose it to a variety of financial risks that are overseen by the University Audit & Risk Committee under policies approved by the University Council. Financial Risk Management is carried out operationally by a central treasury function within the Corporate Finance department of the University, which adheres to policies approved by the University Council.

Mercer Investments (Australia) Limited is currently acting as manager of the University's short-term and long-term pools of investments consisting mainly of Australian and global equities, fixed interest, infrastructure, property and cash.

As part of the overall investment procedure, the investment strategy is reviewed periodically by the University Resources Committee in line with changes to the University's cash flow requirements and anticipated market returns. The University's financial instruments consist mainly of deposits with banks and cash funds, a portfolio of managed funds, equity instruments, accounts receivable and payables.

Key financial risks and management's strategy for managing them are outlined below.

Risk	Description	Strategy for management
Market risk		
Interest rate risk	The University's exposure to market risk for changes in interest rates relates primarily to short-to medium-term investments.	The University manages the portfolio primarily by investing in a mixture of cash funds and benchmarks the portfolio for this category against the Bloomberg AusBond Bank Bill Index (for short-term investments) and the Bloomberg AusBond Treasury All Maturities Index (for medium-term investments).
Price risk	The University is exposed to equity securities price risk because of short-term and long-term investments held within the managed portfolio, which is further diversified by the spread of equity holdings.	This is managed primarily by benchmarking against S&P/ASX 300 Accumulation Index, MSCI World (ex Australia) Accumulation Index in AUD, and diversifying the portfolio across different asset classes including Australian Property and Infrastructure.
Foreign exchange risk	The University's foreign exchange exposure is limited to occasional purchases and leases of specialised equipment from overseas (mainly denominated in US Dollars).	The University reduces the risk by holding US dollars in a nominated bank account from which payments are made.
Credit risk		
	The exposure to credit risk at the balance date in relation to each class of financial asset is the carrying amount of those assets, net of any provisions for impairment as disclosed in the notes to the financial statements.	The consolidated entity does not have any material or significant credit risk exposure to any single counterparty or to any group of receivables.
Liquidity risk		
	The University's objective is to maintain a high level of liquidity in order to fund the University Capital Management Plan and its expansion plans, to pursue the University's growth in keeping with the Council-endorsed Vice Chancellor's Vision Statement for the year 2025. The University manages liquidity risk by maintaining adequate reserves within the short-term investment pool and availability of banking facilities.	

(a) Interest rate risk exposures

The University's exposure to interest rate risk and the effective weighted average interest rate by maturity period is set out in the following table. Exposures arise predominantly from assets bearing variable interest rates, as the consolidated entity intends to hold assets to maturity in accordance with the investment policy. This policy is reviewed annually in line with changes to the University's cash flow requirements and anticipated market returns.

The following table summarises the maturity of the consolidated entity's financial assets and financial liabilities.

2018		Fixed interest maturing in						
Notes	Average Interest Rate %	Variable Interest Rate \$000	1 Year or less \$000	Over 1-5 Years \$000	More than 5 Years \$000	Non-interest Bearing \$000	Total \$000	
Financial assets								
Cash and cash equivalents	8(a)	1.59	60,565	-	-	-	1,771	62,336
Receivables	8(b)		-	-	-	-	23,952	23,952
Listed and unlisted financial assets	8(c)		-	-	-	-	278,652	278,652
			60,565	-	-	-	304,375	364,940
Financial liabilities								
Trade and other payables	9(a)		-	-	-	-	(71,966)	(71,966)
			-	-	-	-	(71,966)	(71,966)
Net financial assets/(liabilities)			60,565	-	-	-	232,409	292,974

2017		Fixed interest maturing in						
Notes	Average Interest Rate %	Variable Interest Rate \$000	1 Year or less \$000	Over 1-5 Years \$000	More than 5 Years \$000	Non-interest Bearing \$000	Total \$000	
Financial assets								
Cash and cash equivalents	8(a)	1.58	39,098	-	-	-	2,040	41,138
Receivables	8(b)		-	-	-	-	20,644	20,644
Listed and unlisted financial assets	8(c)		-	-	-	-	369,661	369,661
			39,098	-	-	-	392,345	431,443
Financial liabilities								
Trade and other payables	9(a)		-	-	-	-	(80,521)	(80,521)
			-	-	-	-	(80,521)	(80,521)
Net financial assets/(liabilities)			39,098	-	-	-	311,824	350,922

RISK

Note 15. Financial risk management (continued)

(b) Summarised sensitivity analysis

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

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-2%	2%	-10%	10%	-10%	10%	-10%	10%				
31 December 2018	\$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000
Financial assets													
Cash and cash equivalents	62,336	(1,211)	(1,211)	1,211	1,211	(160)	(160)	160	160	-	-	-	-
Receivables	23,952	-	-	-	-	-	-	-	-	-	-	-	-
Listed and unlisted financial assets	278,652	-	-	-	-	-	-	-	-	(24,739)	(24,739)	24,739	24,739
Financial liabilities													
Trade and other payables	(71,966)	-	-	-	-	-	-	-	-	-	-	-	-
Total Increase/(Decrease)		(1,211)	(1,211)	1,211	1,211	(160)	(160)	160	160	(24,739)	(24,739)	24,739	24,739

	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-2%	2%	-10%	10%	-10%	10%	-10%	10%				
31 December 2017	\$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000	Result \$000	Equity \$000
Financial assets													
Cash and cash equivalents	41,138	(782)	(782)	782	782	(189)	(189)	189	189	-	-	-	-
Receivables	20,644	-	-	-	-	-	-	-	-	-	-	-	-
Listed and unlisted financial assets	369,661	-	-	-	-	-	-	-	-	(34,475)	(34,475)	34,475	34,475
Financial liabilities													
Trade and other payables	(80,521)	-	-	-	-	-	-	-	-	-	-	-	-
Total Increase/(Decrease)		(782)	(782)	782	782	(189)	(189)	189	189	(34,475)	(34,475)	34,475	34,475

Note: Financial Liabilities are at fixed rates of interest over the life of the loan or lease.

GROUP STRUCTURE

This section provides information that will help users understand how the University structure affects the financial position and performance of the University as a whole. In particular there is information about:

- Subsidiaries of the University
- Interests in joint operations
- Associates
- Unconsolidated structured entities

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Note 17. Interests in associates and joint operations	46

Note 16. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries.

	Country of incorporation	Class of shares	Ownership Interest		Net equity		Total Revenue		Net Result	
			2018 %	2017 %	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Swinburne Limited	Australia	Ltd. By Guarantee	-	100	-	16,249	-	-	-	-
National Institute of Circus Arts Limited	Australia	Ltd. By Guarantee	100	100	4,335	3,520	6,327	6,573	630	367
Swinburne College Pty Limited	Australia	Ordinary	-	100	-	347	-	-	-	-
Swinburne Ventures Limited	Australia	Ltd. By Guarantee	100	100	-	-	-	-	-	-
Swinburne Intellectual Property Trust	Australia	Unincorporated	100	100	1,120	1,453	478	107	452	(273)
Swinburne Student Amenities Association Limited	Australia	Ltd. By Guarantee	100	100	8,521	8,487	3,985	3,584	34	4
Capsular Technologies Pty Limited	Australia	Ordinary & Preference	100	-	361	-	137	-	(79)	-
Swinburne International (Holdings) Pty Limited	Australia	Ordinary	100	-	(2)	-	-	-	(2)	-
Total					14,335	30,056	10,927	10,264	1,035	98

The consolidated financial report incorporates the assets and liabilities of all subsidiaries controlled by Swinburne University of Technology as at 31 December 2018 and the financial results of all subsidiary entities for the year then ended. Swinburne University of Technology and its subsidiary entities together are referred to in this financial report as the University.

Subsidiaries are all those entities (including structured entities) over which the University has control. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries

have been changed where necessary to ensure consistency with the policies adopted by the University. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of financial position and statement of changes in equity respectively, where such interests exist.

GROUP STRUCTURE

Note 16. Subsidiaries (continued)

During the year, the University formally wound up, liquidated and deregistered Swinburne Limited and Swinburne College Pty Ltd. As part of the voluntary liquidation, the assets and liabilities of the entities were transferred at fair value to the parent entity of the University and intercompany balances have been extinguished. The final distribution and appropriation of surplus assets has been recorded in the parent entity in 2018.

During the year, Swinburne Intellectual Property Trust acquired Capsular Technologies Pty Ltd., which aims to commercialise new technologies and hold and develop various applications for the related Intellectual Property. The University also established Swinburne International (Holdings) Pty Ltd. which acts as a holding company for foreign entities to be established by Swinburne University of Technology.

Note 17. Interests in associates and joint operations

Set out below are the associates and joint ventures of the University as at 31 December 2018. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the University. The country of incorporation is also their principal place of business.

Name of entity	Principal activity	Country of incorporation	Ownership Interest		Consolidated Carrying Amount		Parent entity Carrying Amount	
			2018 %	2017 %	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Swinburne University								
Swinburne Sarawak Holdings Sdn Bhd	Post-Secondary education provider	Malaysia	25	25	3,147	1,009	3,147	1,009
Online Education Services	Online Educator	Australia	20	20	9,204	9,469	9,204	9,469

Swinburne Sarawak Holdings Sdn Bhd and Online Education Services are both associates.

(a) Associates

Associates listed above are all entities over which the University has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. The University's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The University's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment. When the University's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the University does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Note 17. Interests in associates and joint operations (continued)

(b) Joint Arrangements

(i) Joint operations

The University does not currently have any joint arrangements that have been classified as joint operations (2017: nil).

(ii) Joint venture entities

The interest in a joint venture entity is accounted for using the equity method. Under the equity method, the share of the profits or losses of the entity is recognised in the income statement and the share of movements in reserves is recognised in reserves in the statement of comprehensive income and the statement of changes in equity. The University does not currently have any joint arrangements that have been classified as joint ventures (2017: nil).

(c) Unconsolidated structured entities

The University has contracts in place with several Cooperative Research Centres (CRCs) to provide a cash contribution and in-kind services towards research on various projects that are mostly funded by private sector organisations and other universities. These projects are usually between two to five years.

As a consequence of the University providing services (cash and in-kind contributions) towards the achievement of the project goals, the University is entitled to a proportionate share of the venture if it realises a successful outcome and the venture receives a commercial return.

As at 31 December 2018, these projects were still in their early stages of development and had not yet achieved their potential. Contributions towards these projects are included in operational expenditure.

The University also has contracts in place with private overseas organisations to use university material to deliver courses from offshore locations.

The proceeds from these ventures are included in the University operating income as at 31 December 2018. In all of the above instances the University does not:

1. have any significant involvement or management in these ventures,
2. have an interest in the other entities except in relation to the income received and expense payable/paid,
3. have any assets transferred to these entities for their use.

UNRECOGNISED ITEMS

This section of the notes provides information about items that are not recognised in the financial statements as they do not (yet) satisfy the recognition criteria.

Note 18. Contingencies	48
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Note 20. Events occurring after the balance date	49

Note 18. Contingencies

Contingent assets and liabilities are not recognised in the Statement of financial position, but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of the GST receivable or payable respectively.

(a) Contingent liabilities

A number of legal claims and exposures arise from the ordinary course of business, none of which are individually significant. Where it is not probable that the University will incur a liability, no amount has been included in these financial statements. Additionally, there are a number of legal claims or potential claims against the University, the outcome of which cannot be foreseen at present, and for which no amounts have been included.

(b) Contingent assets

The parent entity and consolidated entity have no contingent assets at 31 December 2018 (2017: nil).

Note 19. Commitments

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

(a) Capital commitments

Capital expenditure contracted as at the reporting date but not recognised as a liability is as follows:

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Property, Plant and Equipment				
Payable:				
Within one year	4,205	4,976	4,205	4,976
Total property, plant and equipment	4,205	4,976	4,205	4,976

There are no capital commitments with regard to joint ventures or associates (2017: nil).

(b) Lease commitments

(i) Operating leases for Property and Equipment

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

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Within one year	4,804	3,956	4,804	3,956
Later than one year but not later than five years	10,066	4,129	10,066	4,129
Later than five years	-	-	-	-
Total commitments for minimum lease payments	14,870	8,085	14,870	8,085

Accounting treatment for operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

(ii) Finance Leases

There are no finance leases for 2018 (2017: nil).

(c) Other expenditure commitments

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Payable:				
Within one year	21,892	14,652	21,693	14,652
Later than one year but not later than five years	29,257	13,038	29,257	13,038
Later than five years	-	852	-	852
Total	51,149	28,542	50,950	28,542

Note 20. Events occurring after the balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction, or event of a material or unusual nature likely, in the opinion of the Council, to affect substantially the operations of the University, the result of those operations, or state of affairs of the University in subsequent financial years.

OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to the individual line items in the financial statements.

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Note 21. Key management personnel disclosures

(a) Names of responsible persons

For the purposes of the *Financial Management Act 1994 (Vic)*, the Victorian Minister for Training and Skills and the Minister for Higher Education and the University Council are responsible persons of the University.

The following persons held the position of Minister for Training and Skills and the Minister for Higher Education during the year ended 31 December 2018:

- The Hon. Gayle Tierney MP, Minister for Training and Skills and the Minister for Higher Education (effective November 2016)

Remuneration of the Minister for Training and Skills and the Minister for Higher Education is disclosed in the financial report of the Department of Parliamentary Services. Other relevant interests are declared in the Register of Members interests which are completed by each member of the Parliament.

The following persons were responsible persons of Swinburne University of Technology during the year:

- Mr G Goldsmith (*Chancellor*)
- Professor L Kristjanson AO (*Vice-Chancellor*)
- Ms K Mander
- Ms G Farrell
- Ms V Peterson
- Ms R Roberts
- Mr A Mackay AM
- Mr A Dix
- Mr A Schwartz AM
- Mr D Singleton AM
- Ms C Rojas
- Mr J Azhar
- Professor B Van Gramberg

During the year Mr G Goldsmith announced his decision not to seek a second term as Chancellor of the University. Following this, Professor J Pollaers OAM has been appointed as the University's next Chancellor commencing 1 February 2019. Mr G Goldsmith will continue to serve as Chancellor until then.

(b) Remuneration of council members

Income paid or payable, or otherwise made available to Council Members by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity, is outlined below.

	Consolidated		Parent entity	
	2018 Number	2017 Number	2018 Number	2017 Number
Nil to \$9,999	2	2	2	2
\$30,000 to \$39,999	9	9	9	9
\$70,000 to \$79,999	1	1	1	1
\$950,000 to \$959,999	-	1	1	1
\$970,000 to \$979,999	1	-	-	-
Annualised Employee Equivalent (AEE)	13	13	13	13
Total Remuneration	1,356	1,339	1,356	1,339

Details of responsible persons and executives of controlled entities are disclosed in the respective financial statements of those entities.

Of the remuneration outlined in the tables above, \$77,500 has been donated to University Advancement by the following Council members:

- Mr G Goldsmith
- Mr A Schwartz AM

(c) Remuneration of executive officers

Income paid or payable, or otherwise made available to Executive Officers by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity, is outlined below.

	Consolidated		Parent entity	
	2018 Number	2017 Number	2018 Number	2017 Number
\$340,000 to \$349,999	1	1	1	1
\$360,000 to \$369,999	1	1	1	1
\$370,000 to \$379,999	-	1	-	1
\$380,000 to \$389,999	2	1	2	1
\$390,000 to \$399,999	-	1	-	1
\$410,000 to \$419,999	1	-	1	-
\$420,000 to \$429,999	1	-	1	-
\$440,000 to \$449,999	-	1	-	1
\$460,000 to \$469,999	-	1	-	1
\$470,000 to \$479,999	1	-	1	-
\$480,000 to \$489,999	1	-	1	-
\$490,000 to \$499,999	1	2	1	2
\$510,000 to \$519,999	1	1	1	1
\$550,000 to \$559,999	1	-	1	-
\$560,000 to \$569,999	1	2	1	2
Annualised Employee Equivalent (AEE)	12	12	12	12
Total Remuneration	5,651	5,417	5,651	5,417

The following person held office as a member of the University Council and as an executive officer of the University during the financial year:

- Professor L Kristjanson AO

To avoid duplication, Professor L Kristjanson AO's remuneration has only been included in the above Council remuneration tables and not in the executive officer remuneration tables.

OTHER INFORMATION

Note 21. Key management personnel disclosures (continued)

(d) Key management personnel

Council members and executive officers are considered to be key management personnel for both the consolidated entity and parent entity.

	Consolidated		Parent entity	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Short-term employee benefits	5,923	5,923	5,923	5,923
Post-employment benefits	693	716	693	716
Other long-term benefits	135	117	135	117
Termination benefits	256	-	256	-
Total remuneration	7,007	6,756	7,007	6,756
Total number of key management personnel	25	25	25	25
Total annualised employee equivalent (AEE)	13	13	13	13

(e) Related party transactions

The Responsible Persons listed in the table below hold positions in another entity that results in them having control or significant influence over the financial or operating policies of that entity. The following table shows the Responsible Person, their position in the other entity and the transactions these entities conducted with the University in the reporting period on an arm's length basis in the ordinary course of business and on normal commercial terms and conditions.

Responsible Person	External Position Held	2018	2017
		Received/(Paid) by the University \$'000	Received/(Paid) by the University \$'000
Mr G Goldsmith	Director of SEEK Ltd	(74)	(73)
Mr A Dix	Chair of the Audit Committee of the City of Boroondara – Received by the University	75	19
	Chair of the Audit Committee of the City of Boroondara – Paid by the University	(110)	(28)
	Chair of the Finance, Audit and Risk Committee of Western Leisure Services Pty Limited	4	11
	Member of the Audit & Risk Committee for the Federal Department of Human Services	117	-
Mr A Mackay AM	Chair of the Audit Committee of the Bureau of Meteorology	127	-
	Chair and Director of the Australian Council for Educational Research	(2)	3
	Director of Carey Baptist Grammar School – Paid by the University	(1)	(1)
	Director of Carey Baptist Grammar School – Received by the University	2	3
	Board Director for the Foundation for Young Australians	(2)	-
Ms G Farrell	Board Director for Teach for Australia	1	-
	Board Director for The Song Room	(6)	-
	Member of the Translation and the Commercialisation Committee of the Murdoch Children's Research Institute	15	-
Ms K Mander	Non-Executive Director of Peninsula Health	(7)	-
Mr D Singleton AM	Board member of the Standards Australia	7	9
Ms J Ward	Board member of Aviation/Aerospace Australia	(20)	(20)
	Board member of the South East Melbourne Manufacturers Alliance	(3)	(2)
Mr A Schwartz AM	Chairman on the Board of Directors of Philanthropy Australia	54	(2)
Prof. L Kristjanson AO	Director of Education Australia Pty Ltd.	1,900	-
	Non-Executive Director of the Hawthorn Football Club	1	-
	Chair and Non-Executive Director of the Victorian Comprehensive Cancer Centre	2	-

(f) Loans to key management personnel

There are no loans between the University and its key management personnel as at the reporting date.

Note 22. Remuneration of auditors

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

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
1. Audit of the Financial Statements				
Fees paid to Victorian Auditor General's Office	216	240	164	212
Total fees for audit services	216	240	164	212
2. Other audit and assurance services				
Fees paid to other audit firms for internal audit of any entity in the consolidated entity	417	486	376	487
Total paid for audit and assurance	417	486	376	487
Total fees for audit and assurance services	633	726	540	699

Note 23. Related parties

(a) Parent entities

The ultimate parent entity within the group is Swinburne University of Technology. No other entity owns a share of Swinburne University of Technology.

(b) Subsidiaries

Ownership interests in controlled entities are outlined in Note 16. Transactions between the University and other entities in the wholly owned group during the year ended 31 December 2018 consisted of:

- Corporate support services from Swinburne University of Technology to the National Institute of Circus Arts Ltd. (NICA) amounted to \$0.14 million (2017: \$0.15 million).
- Corporate support services from Swinburne University of Technology to Swinburne Student Amenities Association Ltd. (SSAA) amounted to \$0.03 million (2017: \$0.04 million).

- Services from Swinburne Student Amenities Association Ltd. (SSAA) to Swinburne University of Technology amounted to \$ 0.02 million (2017: \$nil million).
- Distribution from Swinburne Intellectual Property Trust to Swinburne University of Technology amounted to \$nil million (2017: \$ 0.30 million)
- Capital injection from Swinburne Intellectual Property Trust to Capsular Technologies amounted to \$0.48 million (2017: \$nil million)
- Swinburne University of Technology held 500,000 shares of \$1 each in Swinburne College Pty Ltd. Swinburne College Pty Ltd. was wound up in 2017 and as at 31 December 2017 was in the liquidation process. Since liquidation, Swinburne University of Technology has received \$0.35 million for those shares after absorbing the accumulated losses of Swinburne College Pty Ltd. (2017: \$nil million).

- Swinburne Ltd. was wound up in 2017 and as at 31 December 2017 was in the liquidation process. Since liquidation, \$16.25 million of Swinburne Ltd. retained earnings was transferred from Swinburne Ltd. to Swinburne University of Technology.

(c) Key management personnel

Disclosures relating to members and specified executives are set out in Note 21(e).

OTHER INFORMATION

Note 23. Related parties continued

(d) Associates and joint ventures

Ownership of interests in associated and joint ventures are outlined in Note 17. Transactions between the University and its associates and joint ventures during the year ended 31 December 2018 consisted of:

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Income from transactions with associates and joint ventures				
Revenue from teaching services	114,556	97,085	114,556	97,085
Library and licence fees	1,571	1,587	1,571	1,587
Royalties	3,036	2,913	3,036	2,913
Share of profit on investments accounted for using the equity method	5,071	7,776	5,071	7,776
	124,234	109,361	124,234	109,361
Purchase of services from associates and joint ventures				
Contract teaching services	99,194	84,337	99,194	84,337
Reimbursement of audit fees	-	57	-	57
	99,194	84,394	99,194	84,394

The following balances are outstanding at the reporting date in relation to transactions with controlled and associated entities:

	Consolidated		Parent entity	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Current receivables (goods, services and loans)				
Controlled entities	-	-	-	-
Non-current receivables (loans)				
Associated entities	776	1,067	776	1,067
Current payable (goods, services and loans)				
Controlled entities	-	-	3,216	20,083
Non-current payable (loans)				
Controlled entities	-	-	-	-

No provision for doubtful debts has been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

There has been no receipt or payment of interest on outstanding balances with controlled entities or associated companies in 2018 (2017: \$ nil).

Note 24. Defined benefit plans

University employees are members of a range of superannuation schemes, which are divided into the following categories.

(a) Superannuation scheme for Australian universities

Swinburne University has a number of present staff who are members of the UniSuper Defined Benefit Division (DBD) and for whom defined benefits are payable on termination of employment. The Plan receives fixed contributions from the University, whereby the University's legal or constructive obligation is limited to these contributions.

UniSuper (The Scheme Trustee) has advised the University that it is a defined contribution plan under AASB 119.

Paragraph 25 of AASB 119 describes a defined contribution plan as a plan where the employer's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund; and the actuarial risk (that benefits will be less than expected) and investment risk (that assets invested will be insufficient to meet expected benefits) fall on the employee.

Superannuation contributions are calculated in accordance with the award agreement and amounted to \$42.05 million (2017: \$33.19 million).

Superannuation contributions are also paid to employees who are members of numerous other funds and amounted to \$3.97 million (2017: \$3.32 million).

(i) Financial Position

As at 31 December 2018, the assets of the DBD in aggregate were estimated to be \$3.78 million above vested benefits (2017: \$2.80 million), after allowing for various reserves.

Vested benefits are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD. As at 31 December 2018, the assets of the DBD in aggregate were estimated to be \$5.48 million above accrued benefits (2017: \$4.26 million), after allowing for various reserves. The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners that arise from membership of UniSuper up to the reporting date. The vested benefit and accrued benefit liabilities were determined by the Fund's actuary using the actuarial demographic assumptions outlined in their report on the actuarial investigation of the DBD as at 1 July 2018.

The financial assumptions used were:

	Vested benefits		Accrued benefits	
	2018	2017	2018	2017
Gross of tax investment return – DBD pensions	5.30% p.a.	5.30% p.a.	6.60% p.a.	6.60% p.a.
Gross of tax investment return – commercial rate indexed pensions	2.90% p.a.	2.90% p.a.	2.90% p.a.	2.90% p.a.
Net of tax investment return – non-pensioner members	4.70% p.a.	4.70% p.a.	5.80% p.a.	5.80% p.a.
Consumer Price Index	2.00% p.a.	2.00% p.a.	2.00% p.a.	2.00% p.a.
Inflationary salary increases long-term	3.00% p.a.	3.00% p.a.	3.00% p.a.	3.00% p.a.

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Note 24. Defined benefit plans (continued)

(b) State superannuation fund

(i) Higher education

Employer contributions are paid as costs emerge, that is, as employees become eligible for payment of the accrued benefits. Contributions paid by the University to the State Superannuation Fund are funded by Australian Government financial assistance, which is determined annually under the *Higher Education Funding Act 1988*. In 2018, contributions from the Australian Government were \$8.67 million (2017: \$9.42 million). No employer contributions were outstanding as at December 2018 (2017: \$ nil).

(ii) Deferred government superannuation

Deferred benefits for superannuation relates to unfunded liabilities within the Victorian State Superannuation Fund. It includes liabilities for members' benefits in excess of the fund's assets. The University complies with the Financial Reporting Directions and hence includes its share of unfunded superannuation liabilities in its financial statements. The amount attributable to the University has been assessed by the Government Superannuation Office as at 31 December 2018.

Under existing arrangements, the Australian Government provides funds under the *Higher Education Funding Act 1988* to cover pension payments and lump sums in respect of Higher Education employees paid by the University to the Victorian Government Superannuation Office. These arrangements have been in place for a number of years and it is reasonable to expect they will continue into the future.

Section 14(1) of the *States Grants (General Purposes) Act 1994* acknowledges the existence of a constructive obligation on the part of the Australian Government to continue funding universities for debts they incur in relation to emerging superannuation liabilities. The University has consequently brought to account an asset of sufficient value to offset the liability.

The following information has been provided by the Government Superannuation Office (GSO), which tabulates the net liability for the year ended 31 December 2018 in accordance with the requirements under AASB 119.

Notes	2018 State Super Fund \$'000	2017 State Super Fund \$'000
Fair value of plan assets recognised in the statement of financial position		
Reimbursement rights		
Opening value of reimbursement right	131,666	133,160
Change in value	3,852	(1,494)
Closing value of reimbursement right	11(a) 135,518	131,666
Net liability		
Total liability in the statement of financial position	11(a) 135,518	131,666
Total liabilities recognised in the statement of financial position	(135,518)	(131,666)
Total asset/(net liability) recognised in the statement of financial position	0	0
Expense recognised		
Superannuation supplementation received	26(h) 8,674	9,408
Pensions and lump sums paid	26(h) 9,197	9,133
Net expense recognised in the Income Statement	523	(275)
Actual returns		
Expected return on plan assets	8.00%	8.00%

(c) TAFE: (Now Pathways and Vocational Education [PAVE])

Since July 1994, the TAFE Division has been required to cover the employer's share of superannuation for employees who are members of the State Superannuation Scheme. In 2018, the cost amounted to \$0.34 million (2017: \$0.40 million).

Note 25. Disaggregated information

(a) Industry – Parent Entity

Income statement

	Higher Education	PAVE	Parent Entity	Higher Education	PAVE	Parent Entity
	2018 \$000	2018 \$000	2018 \$000	2017* \$000	2017* \$000	2017* \$000
Income from continuing operations						
Australian Government financial assistance	349,262	24,484	373,746	324,900	21,663	346,563
State and local government financial assistance	4,497	30,843	35,340	256	29,612	29,868
HECS-HELP Student payments	10,212	–	10,212	11,431	–	11,431
Fees and charges	192,630	32,435	225,065	161,027	31,239	192,266
Other revenue	63,556	644	64,200	43,707	357	44,064
Total revenue from continuing operations	620,157	88,406	708,563	541,321	82,871	624,192
Share of profit/(loss) on investments accounted for using the equity method	5,071	–	5,071	7,776	–	7,776
Gains on disposal of property, plant and equipment	9,636	–	9,636	–	–	–
Realised gain on investments	24	–	24	105,719	–	105,719
Unrealised gains/(losses) on financial assets at FV through P&L	(15,112)	–	(15,112)	13,334	–	13,334
Total income from continuing operations	619,776	88,406	708,182	668,150	82,871	751,021
Expenses from continuing operations						
Employee-related expenses	336,900	51,211	388,111	294,360	43,045	337,405
Depreciation and amortisation	33,759	3,587	37,346	28,324	3,264	31,588
Repairs and maintenance	11,900	140	12,040	12,224	116	12,340
Bad debt expense	575	453	1,028	541	(48)	493
Provision for Doubtful Debts	(957)	–	(957)	(491)	(153)	(644)
Losses on disposal of property, plant and equipment	–	–	–	466	–	466
Deferred superannuation expense	523	–	523	(275)	–	(275)
Other expenses	270,710	8,691	279,401	243,924	7,408	251,332
Total expenses from continuing operations	653,410	64,082	717,492	579,073	53,632	632,705
Net result for the year	(33,634)	24,324	(9,310)	89,077	29,239	118,316

* 2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

Statement of comprehensive income

	Higher Education	PAVE	Parent Entity	Higher Education	PAVE	Parent Entity
	2018 \$000	2018 \$000	2018 \$000	2017* \$000	2017* \$000	2017* \$000
Net result for the year	(33,634)	24,324	(9,310)	89,077	29,239	118,316
Items that may be reclassified to the Income statement						
Financial asset investments revaluation reserve						
– Transferred to Income statement	(24)	–	(24)	(1,210)	–	(1,210)
(Decrease)/Increase Deferred government contribution for superannuation	(3,852)	–	(3,852)	1,494	–	1,494
(Decrease)/Increase Deferred government contribution for superannuation	3,852	–	3,852	(1,494)	–	(1,494)
Items that will not be reclassified to the Income statement						
Gain/(loss) on revaluation of land, buildings, and artwork	35,951	69,500	105,451	–	–	–
Financial asset investments revaluation reserve						
– Valuation gain/(loss) taken to equity	6,461	–	6,461	4,527	–	4,527
Total comprehensive income attributable to Swinburne University of Technology	8,754	93,824	102,578	92,394	29,239	121,633

* 2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

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Note 25. Disaggregated information (continued)

(b) Industry – Parent Entity

Statement of financial position

	Higher Education	PAVE	Parent Entity	Higher Education	PAVE	Parent Entity
	2018 \$000	2018 \$000	2018 \$000	2017* \$000	2017* \$000	2017* \$000
Assets						
Current Assets						
Cash and cash equivalents	(44,698)	100,307	55,609	(52,973)	71,457	18,484
Receivables	29,478	580	30,058	26,549	(23)	26,526
Financial assets	26,589	-	26,589	57,772	-	57,772
Non-financial assets classified as held for sale	-	-	-	7,790	-	7,790
Other non-financial assets	34,820	1,331	36,151	21,982	1,809	23,791
Total Current Assets	46,189	102,218	148,407	61,120	73,243	134,363
Non-Current Assets						
Receivables	130,060	-	130,060	126,676	-	126,676
Investments accounted for using the equity method	12,351	-	12,351	10,479	-	10,479
Financial assets	245,454	-	245,454	305,699	-	305,699
Property, plant and equipment	596,962	302,532	899,494	522,749	235,503	758,252
Investment properties	8,560	-	8,560	17,239	-	17,239
Intangible assets	65,483	2	65,485	28,457	-	28,457
Other non-financial assets	70	-	70	72	-	72
Total Non-Current Assets	1,058,940	302,534	1,361,474	1,011,371	235,503	1,246,874
Total Assets	1,105,129	404,752	1,509,881	1,072,491	308,746	1,381,237
Liabilities						
Current Liabilities						
Trade and other payables	69,830	1,714	71,544	78,357	1,637	79,994
Provisions-employee entitlements	59,448	7,451	66,898	49,672	5,962	55,634
Other liabilities	38,510	1,915	40,425	37,686	1,168	38,854
Total Current Liabilities	167,788	11,080	178,867	165,715	8,767	174,482
Non-Current Liabilities						
Provisions-employee entitlements	140,967	778	141,745	136,797	918	137,715
Other liabilities	4,967	-	4,967	3,565	-	3,565
Total Non-Current Liabilities	145,934	778	146,712	140,362	918	141,280
Total Liabilities	313,722	11,858	325,579	306,077	9,685	315,762
Net Assets	791,407	392,894	1,184,302	766,414	299,061	1,065,475
Equity						
Reserves	192,615	210,512	403,127	155,919	141,012	296,931
Retained earnings	598,792	182,383	781,175	610,495	158,049	768,544
Total Equity	791,407	392,895	1,184,302	766,414	299,061	1,065,475

* 2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

(c) Industry – Parent Entity

Statement of changes in equity

	Reserves	Retained earnings	Other	Total
	\$000	\$000	\$000	\$000
Higher Education				
Balance as 1 January 2017	152,603	520,627	–	673,230
Net result for the year	–	89,077	–	89,077
Transfer from Income Statement	–	777	–	777
Financial asset investments revaluation reserve				
– Valuation gain/(loss) taken to equity	4,527	–	–	4,527
– Transferred to Income statement	(1,210)	–	–	(1,210)
Balance at 1 January 2018*	155,920	610,481	–	766,401
Prior period adjustment	(1)	4	–	3
Balance as restated	155,919	610,485	–	766,404
Net result for the year	–	(33,634)	–	(33,634)
Gain/(Loss) on revaluation of land and buildings	35,806	–	–	35,806
Gain/(loss) on revaluation of artwork	145	–	–	145
Financial asset investments revaluation reserve				
– Valuation gain/(loss) at fair value through OC	6,461	–	–	6,461
– Transferred to Income statement	(24)	–	–	(24)
Transfer from Income Statement	–	16,249	–	16,249
Transfer from revaluation reserves to retained earnings	(5,692)	5,692	–	–
Balance at 31 December 2018	192,615	598,792	–	791,407
PAVE				
Balance as 1 January 2017	141,012	128,820	–	269,832
Net result for the year	–	29,239	–	29,239
Balance at 1 January 2018*	141,012	158,059	–	299,071
Net result for the year	–	24,324	–	24,324
Gain/(Loss) on revaluation of land and buildings	69,500	–	–	69,500
Balance at 31 December 2018	210,512	182,383	–	392,895
Parent Entity balance at 31 December 2018	403,127	781,175	–	1,184,302

* 2017 comparatives have been restated to reflect the impact of the full retrospective application of AASB 9.

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Note 25. Disaggregated information (continued)

(d) Industry – Parent Entity

Statement of cash flows

	Higher Education	PAVE	Parent Entity	Higher Education	PAVE	Parent Entity
	2018 \$000	2018 \$000	2018 \$000	2017 \$000	2017 \$000	2017 \$000
Cash flows from operating activities						
Australian Government Grants received	347,833	24,484	372,317	333,577	21,663	355,240
State Government Grants received	4,497	30,843	35,340	256	29,612	29,868
HECS-HELP including OS	11,323	-	11,323	12,760	-	12,760
Superannuation Supplementation	8,674	-	8,674	9,408	-	9,408
Receipts from student fees and other customers (inclusive of GST)	230,783	36,389	267,172	211,335	33,691	245,026
Dividends received	19,071	-	19,071	4,800	-	4,800
Interest received	878	-	878	1,137	-	1,137
Payments to suppliers and employees (inclusive of GST)	(666,379)	(59,717)	(726,096)	(565,547)	(52,029)	(617,576)
Goods and services tax recovered/(paid)	18,966	(2,025)	16,941	23,747	(2,273)	21,474
Net cash flow from operating activities	(24,354)	29,974	5,620	31,473	30,664	62,137
Cash Flow from investing activities						
Proceeds from sale of property, plant and equipment	23,277	-	23,277	-	1	1
Payment for property, plant and equipment	(52,001)	(1,124)	(53,125)	(135,415)	(1,246)	(136,661)
Proceeds from sale of shares	-	-	-	119,609	-	119,609
Repayment of loans from/(to) related parties	37	-	37	68,034	-	68,034
Proceeds from wind up of subsidiaries	16,596	-	16,596	-	-	-
Payment for intangible assets	(53,381)	-	(53,381)	(14,306)	-	(14,306)
Proceeds from financial assets	108,101	-	108,101	4,928	-	4,928
Payments for financial assets	(10,000)	-	(10,000)	(110,997)	(548)	(111,545)
Net cash flow from investing activities	32,629	(1,124)	31,505	(68,147)	(1,793)	(69,940)
Net increase/(decrease) in cash and cash equivalents	8,275	28,850	37,125	(36,674)	28,871	(7,803)
Cash and cash equivalents at the beginning of the financial year	(52,973)	71,457	18,484	(16,299)	42,586	26,287
Cash and cash equivalents at the end of the financial year	(44,698)	100,307	55,609	(52,973)	71,457	18,484
Financing arrangements	1,209	-	-	1,267	-	-

Note 26. Acquittal of Australian Government financial assistance

(a) CGS and Other Education Grants

	University only											
	Commonwealth Grants Scheme		Indigenous Student Success Program		Higher Education Participation Program		Disability Performance Funding		Promotion of Excellence in Learning and Teaching		Total	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)	161,566	173,320	298	304	4,763	4,445	24	22	-	70	166,651	178,161
Net accrual adjustments/refunds	9,197	(14,471)	-	-	-	-	-	-	-	-	9,197	(14,471)
Revenue for the period	170,763	158,849	298	304	4,763	4,445	24	22	-	70	175,848	163,690
Total revenue including accrued revenue	170,763	158,849	298	304	4,763	4,445	24	22	-	70	175,848	163,690
Less expenses including accrual expenses	170,763	158,849	298	304	4,763	4,445	24	22	-	70	175,848	163,690
Surplus/(deficit) for reporting period	-	-	-	-	-	-	-	-	-	-	-	-

(b) Higher Education Loan Programmes (excluding OS-HELP)

University only

	HECS-HELP (Australian Government payments only)		FEE-HELP		VET FEE-HELP		SA-HELP		Total	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Cash Payable/(Receivable) at the beginning of the year	12,438	2,626	914	1,771	(353)	(157)	(375)	(232)	12,624	4,008
Financial assistance received in cash during the reporting period	130,804	127,926	22,998	20,483	244	2,429	3,479	2,821	157,525	153,659
Cash available for the period	143,242	130,552	23,912	22,254	(109)	2,272	3,104	2,589	170,149	157,667
Revenue Earned	131,098	118,114	22,765	21,340	294	2,625	2,757	2,964	156,914	145,043
Cash Payable/Receivable at end of year	12,144	12,438	1,147	914	(403)	(353)	347	(375)	13,235	12,624

(c) Department of Education and Training Research

University only

	Research Training Program		Research Support Program		Total	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	11,479	11,638	6,586	6,806	18,065	18,444
Revenue for the period	11,479	11,638	6,586	6,806	18,065	18,444
Surplus/(deficit) from the previous year	-	-	-	99	-	99
Total revenue including accrued revenue	11,479	11,638	6,586	6,905	18,065	18,543
Less expenses including accrued expenses	11,479	11,638	6,586	6,905	18,065	18,543
Surplus/(deficit) for reporting period	-	-	-	-	-	-

All funds received for Research Support Program and Research Training Program were fully expended in 2018.

(d) Total Higher Education Provider Research Training Program expenditure

	Total domestic students	Total overseas students
	\$000	\$000
Research Training Program Fees offsets	53	1
Research Training Program Stipends	11,247	178
Research Training Program Allowances	-	-
Total for all types of support	11,300	179

(e) Other Capital Funding

University only

	Linkage Infrastructure, Equipment and Facilities Grant		Total	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	1,448	808	1,448	808
Revenue for the period	1,448	808	1,448	808
Surplus/(deficit) from the previous year	281	223	281	223
Total revenue including accrued revenue	1,729	1,031	1,729	1,031
Less expenses including accrued expenses	1,137	750	1,137	750
Surplus/(deficit) for reporting period	592	281	592	281

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Note 26. Acquittal of Australian Government financial assistance (continued)

(f) Australia Research Council Grants

	University only							
	Discovery		Linkages		Networks and Centres		Total	
	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	6,899	6,932	998	1,290	4,688	4,717	12,585	12,939
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	6,899	6,932	998	1,290	4,688	4,717	12,585	12,939
Surplus/(deficit) from the previous year	5,386	3,697	1,122	852	980	712	7,488	5,261
Total revenue including accrued revenue	12,285	10,629	2,120	2,142	5,668	5,429	20,073	18,200
Less expenses including accrued expenses	6,842	5,243	1,036	1,020	4,331	4,449	12,209	10,712
Surplus/(deficit) for reporting period	5,443	5,386	1,084	1,122	1,337	980	7,864	7,488

(g) OS-HELP

	Notes	University only	
		2018 \$000	2017 \$000
Cash received during the reporting period		3,975	3,250
Cash spent during the reporting period		2,865	1,920
Net cash for the period		1,110	1,330
Cash surplus/(deficit) from the previous period		962	(368)
Cash surplus/(deficit) for reporting period	9(a)	2,072	962

(h) Higher Education Superannuation Program

	Notes	University only	
		2018 \$000	2017 \$000
Cash received during the reporting period		8,674	9,408
Cash available		8,674	9,408
Cash surplus/(deficit) from the previous period		281	6
Cash available for current period		8,955	9,414
Contributions to specified defined benefit funds	24	9,197	9,133
Cash surplus/(deficit) for reporting period		(242)	281

(i) Student Services and Amenities Fee

	Notes	Consolidated entity	
		2018 \$000	2017 \$000
Unspent/(overspent) revenue from previous period		-	-
SA-HELP revenue earned	1(b)	2,757	2,964
Student Services and Amenities Fees direct from Students	2(b)	3,123	2,767
Total revenue expendable in period		5,880	5,731
Student Services expenses during period		5,880	5,731
Unspent/(overspent) Student Services Revenue		-	-

Note 27. Other accounting policies

(a) Foreign currency translation

(i) Functional and presentation currency

The financial report of each of the University's entities is measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial report is presented in Australian dollars, which is Swinburne University of Technology's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end using exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement as either a net revenue or net expense.

(b) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use, being the written down value of the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(c) Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included with other receivables or payables in the Statement of Financial Position.

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

(d) Rounding of amounts

Amounts in the financial statements have been rounded off in accordance with Class Order 2016/191 issued by the Australian Securities and Investment Commission (ASIC), relating to the 'rounding off' of amounts in the financial statements. Amounts have been rounded to the nearest thousand dollars.

(e) Income Tax

The University and certain subsidiaries are exempt from income tax under the provision of Division 50 of the *Income Tax Assessment Act 1997*. The controlled entities subject to income tax adopt the following method of tax effect accounting:

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

Tax exposure is not material and is reported under other expenses.

(f) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

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Note 27. Other accounting policies (continued)

(g) Australian Accounting Standards, Amendments and Interpretations issued but not yet effective

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the University has decided not to early-adopt. A discussion of those future requirements and their impact on the University is as follows:

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on the University's financial statements
AASB 15 <i>Revenue from Contracts with Customers</i>	<p>The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118, which covers revenue arising from the sale of goods and the rendering of services, and AASB 111, which covers construction contracts.</p> <p>The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Note that amending standard AASB 2015 8 Amendments to Australian Accounting Standards Effective Date of AASB 15 has deferred the effective date of AASB 15 to annual reporting periods beginning on or after 1 January 2018, instead of 1 January 2017.</p> <p>The standard permits either a full retrospective or a modified retrospective approach for the adoption.</p>	1 Jan 2019	<p>The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.</p> <p>Management is assessing the effects of applying the new standard on Swinburnes financial statements and has identified the following areas that will be affected:</p> <ul style="list-style-type: none"> • Australian government financial assistance • Research revenue (including Australian Research Council revenue and contract research revenue) • Capital funding • Scholarships • Course fees and charges • Non-course fees and charges <p>Management has assessed the overall impact will not be material to the University. The change is expected to reduce 2018 revenue by an estimated \$821K (2017: reduction of estimated \$900K)</p> <p>The University intends to adopt the standard using the modified retrospective approach, which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.</p>
AASB 2014-5 <i>Amendments to Australian Accounting Standards arising from AASB 15</i>	<p>Amends the measurement of trade receivables and the recognition of dividends as follows:</p> <p>Trade receivables that do not have a significant financing component are to be measured at their transaction price, at initial recognition.</p> <p>Dividends are recognised in the profit and loss only when:</p> <ul style="list-style-type: none"> • the entity's right to receive payment of the dividend is established; • it is probable that the economic benefits associated with the dividend will flow to the entity; and • the amount can be measured reliably. 	1 Jan 2018 (Deferred to 1 Jan 2019 as per AASB 2016-7)	The assessment has indicated that there will be no significant impact for the University.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on the University's financial statements
AASB 2016-3 <i>Amendments to Australian Accounting Standards Clarifications to AASB 15</i>	<p>This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require:</p> <ul style="list-style-type: none"> • a promise to transfer to a customer a good or service that is distinct to be recognised as a separate performance obligation; • for items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and • for licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access). 	1 Jan 2018 (Deferred to 1 Jan 2019 as per AASB 2016-7)	The assessment has indicated that there will be no significant impact for the University, other than the impact identified for AASB 15 above.
AASB 2016-7 <i>Amendments to Australian Accounting Standards Deferral of AASB 15 for Not-for-Profit Entities</i>	This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.	1 Jan 2019	This amending standard will defer the application period of AASB 15 for not-for-profit entities to the 2019 reporting period.
AASB 2016-8 <i>Amendments to Australian Accounting Standards Australian Implementation Guidance for Not-for-Profit Entities</i>	<p>AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 15.</p> <p>This Standard amends AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events.</p>	1 Jan 2019	<p>This standard clarifies the application of AASB 15 in a not-for-profit context. The areas within these standards that are amended for not-for-profit application include:</p> <ul style="list-style-type: none"> • The customer does not need to be the recipient of goods and/or services; • The contract could include an arrangement entered into under the direction of another party; • Contracts are enforceable if they are enforceable by legal or equivalent means; • Contracts do not have to have commercial substance, only economic substance; and • Performance obligations need to be sufficiently specific to be able to apply AASB 15 to these transactions.

OTHER INFORMATION

Note 27. Other accounting policies (continued)

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on the University's financial statements
<p>AASB 16 <i>Leases</i></p>	<p>AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.</p> <p>The accounting for lessors will not significantly change.</p>	<p>1 Jan 2019</p>	<p>The assessment has indicated that most operating leases, with the exception of short term and low value leases, will come on to the balance sheet and will be recognised as right-of-use assets with a corresponding lease liability.</p> <p>In the operating statement, the operating lease expense will be replaced by depreciation expense of the asset and an interest charge.</p> <p>There will be no change for lessors, as the classification of operating and finance leases remains unchanged.</p> <p>The standard will primarily affect the accounting for the University's operating leases. As at the reporting date, the group has non-cancellable operating lease commitments of approximately \$4 million, see note 19. The University estimates that approximately 10% of these relate to payments for short-term and low value leases, which will be recognised on a straight-line basis as an expense in profit or loss.</p> <p>The University estimates that the right-of-use assets totaling approximately \$13 million and lease liabilities totaling \$13 million will be recognised on adoption of the new standard.</p> <p>The University estimates that the depreciation expense recorded in 2019 in relation to the right-of-use assets recognised under the new standard will total approximately \$4 million.</p> <p>The University estimates that the interest expense recorded in 2019 in relation to lease liabilities recognised under the new standard will total \$0.2 million.</p> <p>The AASB Board released an action alert on 5 September 2018 proposing a temporary option for not-for-profit lessees to not initially fair value a right-of-use asset arising from leases that have significantly below-market terms when AASB 1058 Income of Not-for-Profit Entities and AASB 16 Leases become effective from 1 January 2019. The optional relief is expected to remain in place until further guidance has been developed. Entities choosing the temporary relief would value the right-of-use assets at the present value of the payments required.</p> <p>The University expects to use this temporary option for below-market leases. Management have assessed the overall impact of future lease payments on below-market leases is immaterial. The University will not allocate a right-of-use asset or lease liability to these leases.</p>

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on the University's financial statements
AASB 1058 <i>Income of Not-for-Profit Entities</i>	<p>AASB 1058 standard will replace the majority of income recognition in relation to government grants and other types of contributions requirements relating to public sector not-for-profit entities, previously in AASB 1004 Contributions.</p> <p>The restructure of administrative arrangement will remain under AASB 1004 and will be restricted to government entities and contributions by owners in a public sector context.</p> <p>AASB 1058 establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objective.</p> <p>Rather than accounting for all contribution transactions under AASB 1004 Contributions, not-for-profits will now need to determine whether a transaction is a genuine donation (accounted for under AASB 1058) or a contract with a customer (accounted for under AASB 15 Revenue from Contracts with Customers).</p> <p>AASB 1058 also introduces new requirements for income recognition in several other types of transactions which don't fall within the scope of AASB 15, including:</p> <ul style="list-style-type: none"> • below-market leases • obligations to acquire or construct a specific asset for an entity's own use, and • other transactions such as volunteer services, donated inventories, endowments and bequests. 	1 Jan 2019	<p>The current revenue recognition for grants is to recognise revenue up front upon receipt of the funds.</p> <p>This may change under AASB 1058, as capital grants for the construction of assets will need to be deferred. Income will be recognised over time, upon completion and satisfaction of performance obligations for assets being constructed, or income will be recognised at a point in time for acquisition of assets.</p> <p>The revenue recognition for operating grants will need to be analysed to establish whether the requirements under other applicable standards need to be considered for recognition of liabilities (which will have the effect of deferring the income associated with these grants). Only after that analysis would it be possible to conclude whether there are any changes to operating grants.</p> <p>The impact on current revenue recognition of the changes is the phasing and timing of revenue recorded in the profit and loss statement.</p> <p>Management has assessed the effects of applying the new standard on the University's financial statements and has identified the following areas that will be affected:</p> <ul style="list-style-type: none"> • Research revenue (including Australian Research Council revenue and contract research revenue) • Capital funding • Scholarships • Course fees and charges. <p>Management has assessed the overall impact will not be material to the University.</p>

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2018 reporting period (as listed below). In general, these amending standards include editorial and reference changes that are expected to have insignificant impacts on public sector reporting.

- AASB 2016-5 *Amendments to Australian Accounting Standards Classification and Measurements of Share-based Payment Transactions*
- AASB 2016-6 *Amendments to Australian Accounting Standards Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts*
- AASB 2017-1 *Amendments to Australian Accounting Standards Transfers of Investment Property, Annual Improvements 2014-16 Cycle and Other Amendments*
- AASB 2017-5 *Amendments to Australian Accounting Standards Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- AASB 2017-6 *Amendments to Australian Accounting Standards Prepayment Features with Negative Compensation*
- AASB 2017-7 *Amendments to Australian Accounting Standards Long-term Interests in Associates and Joint Ventures*
- AASB 2018-2 *Amendments to Australian Accounting Standards Plan Amendments, Curtailment or Settlement*

DISCLOSURE INDEX

Key to abbreviations:

FRD Financial Reporting Directions (as at 23 January 2019):

Available at: <http://www.dtf.vic.gov.au/Publications/Government-Financial-Management-publications/Financial-Reporting-Policy/Financial-reporting-directions-and-guidance>

SD Standing Directions (as at 23 January 2019)

Available at: <https://www.dtf.vic.gov.au/financial-management-government/standing-directions-2018-under-financial-management-act-1994>

FMA Financial Management Act (as at 23 January 2019)

Available at: http://www8.austlii.edu.au/cgi-bin/viewdb/au/legis/vic/consol_act/fma1994164/

Item No.	Source	Summary of Reporting Requirement	Annual Report Page number	Financial Report Page number
REPORT OF OPERATIONS				
CHARTER AND PURPOSE				
1	FRD 22H	Manner of establishment and the relevant Minister	AR:16	SFR:50
2	FRD 22H	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements	AR:8–43	
3	FRD 22H	Nature and range of services provided including communities served	AR:8, 21	
MANAGEMENT AND STRUCTURE				
4	FRD 22H	Organisational structure and chart, detailing members of the governing Council, Audit Committee, Chancellor, senior officers and their responsibilities	AR:12–17	
FINANCIAL AND OTHER INFORMATION				
5	FRD 03A	Accounting for Dividends		SFR:16
6	FRD 07B	Early Adoption of Authoritative Accounting Pronouncements		SFR:64
7	FRD 10A	Disclosure Index		SFR:68–70
8	FRD 17B	Long Service leave and annual leave for employees		SFR:17
9	FRD 22H	Operational and budgetary objectives, performance against objectives and achievements	AR:27, 33, 39	
10	FRD 22H	Occupational health and safety statement including performance indicators, and performance against those indicators.	AR:25	
11	FRD 22H	Workforce data for current and previous reporting period, including a statement on employment and conduct principles, and that employees have been correctly classified in the workforce data collections.	AR:26	
12	FRD 22H	Summary of the financial results, with comparative information for the preceding four reporting periods	AR:48	
13	FRD 22H	Significant changes in financial position	AR:7, 48	
14	FRD 22H	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future	AR:4–48	
15	FRD 22H	Post-balance sheet date events likely to significantly affect subsequent reporting periods	AR:47	SFR:15
16	FRD 22H	Summary of application and operation of the <i>Freedom of Information Act 1982</i>	AR:46	
17	FRD 22H	Statement of compliance with building and maintenance provisions of the <i>Building Act 1993</i>	AR:46	
18	FRD 22H	The report of operations shall provide a discussion and analysis of the entity's operating results and financial position and include details about significant factors that affect the entity's performance	AR:7	SFR:48

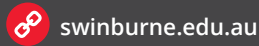
Item No.	Source	Summary of Reporting Requirement	Annual Report Page number	Financial Report Page number
FINANCIAL AND OTHER INFORMATION continued				
19	FRD 22H	University workforce inclusion policy (where a University has one), including a measurable target and report on the progress towards the target	AR:24	
20	FRD 22H	Schedule of any government advertising campaign in excess of \$100,000 or greater (exclusive of GST).	N/A	N/A
21	FRD 22H	Statement, where applicable, on the implementation and compliance with the National Competition Policy, including compliance with the requirements of <i>Victoria's Competitive Neutrality Policy</i> and any subsequent reform	AR:46	
22	FRD 22H	Statement, to the extent applicable, on the application and operation of the <i>Carers Recognition Act 2012</i> (Carers Act), and the actions that were taken during the year to comply with the Carers Act	AR:46	
23	FRD 22H	Summary of application and operation of the <i>Protected Disclosure Act 2012</i> including disclosures required by the Act	AR:46	
24	FRD 22H and FRD 24D	Summary of Environmental Performance.	AR:22, 23	
25	FRD 22H	Consultants: Report of Operations must include a statement disclosing each of the following: 1. Total number of consultancies of \$10,000 or more (excluding GST) 2. Location (e.g. website) of where the schedule with the below details of the consultancies over \$10,000 has been made publicly available 1. Consultant engaged 2. Brief summary of project 3. Total project fees approved (excluding GST) 4. Expenditure for reporting period (excluding GST) 5. Any future expenditure committed to the consultant for the project 3. Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period	AR:47	
26	FRD 22H	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer	AR:46	
27	FRD 22H	An entity shall disclose the following in the report of operations: a) Total entity ICT Business As Usual (BAU) expenditure for the full 12 month reporting period; and b) Total entity ICT Non-Business As Usual expenditure for the full 12 month reporting period; and provide a breakdown for: (i) Operational expenditure (OPEX); and (ii) Capital expenditure (CAPEX).	AR:47	
28	FRD 25C	Victorian Industry Participation Policy Disclosures	N/A	N/A
29	FRD 26B	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	N/A	N/A
30	FRD 119A	Transfers through contributed capital	N/A	N/A
31	SD 3.7.1	The Responsible Body must ensure that the Agency applies the Victorian Government Risk Management Framework.	AR:45	
32	SD 5.2.1(a)	Accountable Officer must implement and maintain a process to ensure the Annual Report is prepared in accordance with Financial Reporting Directions, the Standing Directions, the instructions, the applicable Australian Accounting Standards and the FMA.	AR:1	
33	SD 5.2.3	Report of Operations is signed and dated by the Chancellor or equivalent and includes the date of the Council Meeting at which Annual Report was approved	AR:1	

DISCLOSURE INDEX (CONTINUED)

Item No.	Source	Summary of Reporting Requirement	Annual Report Page number	Financial Report Page number
FINANCIAL REPORT				
FINANCIAL STATEMENTS REQUIRED UNDER STANDING DIRECTIONS/ FINANCIAL MANAGEMENT ACT 1984				
34	SD 5.2.2(a), 5.2.2(b) and FMA s 49	<p>The financial statements must contain such information as required by the Minister and be prepared in a manner and form approved by the Minister. They must be signed and dated by the Accountable Officer, CFO (subject to 5.2.2) and a member of the Responsible Body, in a manner approved by the Minister, stating whether, in their opinion the financial statements:</p> <ul style="list-style-type: none"> • Present fairly the financial transactions during reporting period and the financial position at end of the period; • Have been prepared in accordance with applicable requirements in the FMA, the Directions, the Financial Reporting Directions and Australian Accounting Standards. 		SFR:2
35	FRD 30D	<p>Financial statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than:</p> <ul style="list-style-type: none"> • \$10,000,000, when the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and • \$1,000,000,000, when the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000. 		SFR:63
36	SD 3.2.1.1(c)	<p>The Responsible Body must establish an Audit Committee to:</p> <ul style="list-style-type: none"> • review annual financial statements and make a recommendation to the Responsible Body as to whether to authorise the statements before they are released to Parliament by the Responsible Minister 		AR:16, 46
OTHER REQUIREMENTS AS PER FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS				
37	FRD 11A	Disclosure of ex-gratia payments	AR:47	
38	FRD 21C	Disclosures of Responsible Persons, Executive Officer and Other Personnel (contractors with significant management responsibilities) in the Financial Report		SFR:50
39	FRD 102A	Inventories	N/A	N/A
40	FRD 103G	Non-financial physical assets		SFR:29
41	FRD 105B	Borrowing costs		SFR:28
42	FRD 106B	Impairment of assets		SFR:19
43	FRD 107B	Investment properties		SFR:35
44	FRD 109A	Intangible assets		SFR:34
45	FRD 110A	Cash flow statements		SFR:11
46	FRD 112D	Defined benefit superannuation obligations		SFR:55
47	FRD 113A	Investments in Subsidiaries, Jointly Controlled Associates and Entities		SFR:45
48	FRD 120L	Accounting and reporting pronouncements applicable to the reporting period		SFR:64
COMPLIANCE WITH OTHER LEGISLATION, SUBORDINATE INSTRUMENTS AND POLICIES				
49	ETRA, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in 2018	AR:47	
50	PAEC	Financial and other information relating to the university's international operations	AR:8-48	SFR:29
51	University Commercial Activity Guidelines	<ul style="list-style-type: none"> • Summary of the university commercial activities • If the university has a controlled entity, include the accounts of that entity in the university's Annual Report 	AR:8-48	SFR:45

CONTACT US

Swinburne University of Technology



General Enquiries:

+61 3 9214 8000

Postal Address:

PO Box 218, Hawthorn
Victoria 3122 Australia

Campuses

Hawthorn Campus

John Street, Hawthorn
Victoria 3122 Australia

Croydon Campus

12-50 Norton Road, Croydon
Victoria 3136 Australia

Wantirna Campus

369 Stud Road, Wantirna
Victoria 3152 Australia

National Institute of Circus Arts (NICA)

Level 1 PC Building
39-59 Green Street, Prahran
(Corner Green & Thomas Street)
Victoria 3181 Australia

Sarawak Campus (Malaysia)

Jalan Simpang Tiga
93350 Kuching, Sarawak, Malaysia

Online

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